

EXHIBIT A

TRANSACTION SUMMARY AND
ASSET PURCHASE AGREEMENT

Transaction Summary^{1/}

NESH and Steward executed an APA on April 2, 2012, a copy of which is attached to this Exhibit A. Under the APA, NESH, and its affiliate, New England Sinai Physician Services Corporation, will convey substantially all of their assets and liabilities (excluding restricted funds and charitable gifts) to a newly-formed for-profit entity established by Steward.

The Purchaser will assume virtually all of NESH's assets and liabilities related to its current operations, while allowing NESH to retain sufficient cash to satisfy any liabilities not assumed by Purchaser that have not been satisfied before the Closing and to wind up its affairs. The Purchaser will hire virtually all of NESH's employees, including employed physicians, subject to Purchaser's pre-employment screening processes and other conditions set forth in the APA. The Purchaser will offer employees compensation equivalent to what they had been receiving immediately prior to the Closing and include them in all applicable Steward benefit programs. The Purchaser will honor the severance agreements that NESH had in place with senior management as listed in a schedule to the APA. The Purchaser will assume responsibility for the NESH Pension Plan, including minimum funding requirements under the Internal Revenue Code and ERISA.

The Purchaser and Steward have committed to the following post-Closing covenants:

- establish a local governance board for the Purchaser, consisting initially of those current NESH board members who wish to serve on such board, that will have responsibility for approval of major borrowing, substantial changes in services, strategic planning, capital and operating budgets, capital expenditure prioritization, filing of new Determination of Need applications, medical staff matters and patient quality and safety, as well as for community benefit planning;
- maintain an LTACH in Stoughton, Massachusetts, or the immediately surrounding area for at least five (5) years post-Closing. The Purchaser is to provide substantially the same services as NESH provided immediately prior to the Closing;
- maintain multi-faith pastoral programs at least equivalent to those provided at the Hospital immediately prior to the Closing for at least five (5) years;
- seek to maintain an affiliation with one or more medical schools for the benefit of the Purchaser's patients and medical staff reasonably consistent with the academic programs offered to NESH immediately prior to the Closing;
- expend or commit to expend \$13 million on capital and information technology expenditures and investment at the Purchaser within the first five years following the Closing, with \$5 million being committed or expended within the first two years post-Closing; and
- assure that post-Closing commitments with respect to continuation of services, capital investment and maintenance and role of the local governance board will be assumed by any successor to Purchaser as the owner of the Purchaser.

^{1/} Capitalized terms not defined in this Summary have the definitions ascribed to them in the notice letter. In the event of a conflict between the APA and this Summary, the APA controls.

Steward has agreed to guaranty the Purchaser's financial obligations under the APA as well as the post-Closing commitments described above.

Completion of the transaction is subject to various conditions, including review by the Office of the Attorney General under Section 8A(c) and approval by the Department of Public Health through issuance of a determination of need for the change of ownership and finding Purchaser suitable as a hospital licensee.

Asset Purchase Agreement

by and among

New England Sinai Hospital,
New England Sinai Physician Services Corporation,
Steward Medical Holdings Subsidiary Six, Inc.

and

Steward Health Care System LLC

Dated as of April 2, 2012

TABLE OF CONTENTS

ARTICLE I.	DEFINITIONS	1
1.1.	Certain Definitions	1
1.2.	Terms Defined Elsewhere in this Agreement.....	13
1.3.	Other Definitional and Interpretive Matters.	13
ARTICLE II.	PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES	14
2.1.	Purchase and Sale of Assets	14
2.2.	Excluded Assets.....	16
2.3.	Assumption of Liabilities	18
2.4.	Excluded Liabilities	20
2.5.	Further Conveyances and Assumptions.	20
2.6.	Transfer of Certain Protected Health Information.....	21
2.7.	Review Period; Access; Environmental Investigation; Title.....	21
2.8.	Diligence Regarding Medical Billing.....	25
ARTICLE III.	CONSIDERATION; LINE OF CREDIT	25
3.1.	Purchase Consideration	25
3.2.	Line of Credit	25
ARTICLE IV.	CLOSING AND TERMINATION	26
4.1.	Closing Date	26
4.2.	Deliveries by Seller	26
4.3.	Deliveries by Purchaser	28
4.4.	Termination of Agreement	28
4.5.	Procedure For Termination.....	30
4.6.	Effect of Termination.	30
4.7.	Right to Take Action	31
ARTICLE V.	REPRESENTATIONS AND WARRANTIES OF SELLER	31
5.1.	Organization and Good Standing; Affiliates	31
5.2.	Authorization of Agreement.....	31
5.3.	Contravention; Consents of Third Parties; Contractual Consents.....	32
5.4.	Title to Purchased Assets.....	32
5.5.	Taxes.....	32
5.6.	Real Property.	33
5.7.	Tangible Leased Personal Property	34
5.8.	Intellectual Property	35
5.9.	Contracts	35
5.10.	Financial Information.	36
5.11.	Employees; Employee Benefits.....	36
5.12.	Employee Relations.....	37
5.13.	Insurance.....	38
5.14.	Litigation or Proceedings.	38

5.15.	Medical Staff	38
5.16.	Sufficiency of Purchased Assets.....	39
5.17.	Compliance with Laws; Permits.....	39
5.18.	Financial Advisors	40
5.19.	Self-Disclosure Filings	40
5.20.	HIPAA/Privacy.....	41
5.21.	No Other Representations or Warranties; Schedules	41
5.22.	Full Disclosure.....	41
ARTICLE VI. REPRESENTATIONS AND WARRANTIES OF PURCHASER.....		41
6.1.	Organization and Good Standing	41
6.2.	Authorization of Agreement.....	42
6.3.	Consents of Third Parties; Conflicts.....	42
6.4.	Litigation	42
6.5.	Financial Advisors	43
6.6.	Financial Capability.....	43
6.7.	Healthcare Regulatory Compliance Status.....	43
6.8.	Acknowledgement Regarding Condition of the Business.....	44
6.9.	Purchaser Acknowledgements.....	45
6.10.	No Other Representations and Warranties	45
ARTICLE VII. COVENANTS		45
7.1.	Negative Covenants Pending Closing	45
7.2.	Access to Information; Cooperation of Seller	47
7.3.	Conduct of the Business Pending the Closing.....	48
7.4.	Consents.....	49
7.5.	Insurance.....	51
7.6.	Regulatory Approvals.....	51
7.7.	Additional Financial Information	53
7.8.	No-Shop Clause.....	53
7.9.	Further Assurances	53
7.10.	Post-Closing Receipts.....	53
7.11.	Confidentiality	54
7.12.	Preservation of Records.....	54
7.13.	Tax Matters.....	54
7.14.	Medical Staff	54
7.15.	Pension Plan	55
7.16.	Wind-Down of Seller's Operations	55
7.17.	Publicity.....	55
7.18.	Use of Name	55
7.19.	Delivery, Supplementation and Amendment of Schedules.....	55
7.20.	Post-Closing Obligations.....	56
ARTICLE VIII. EMPLOYEES AND EMPLOYEE BENEFITS.....		58
8.1.	Offers of Employment; Employment Terms	58
8.2.	Employee Benefits.....	58

ARTICLE IX.	CONDITIONS TO CLOSING	60
9.1.	Conditions Precedent to Obligations of Purchaser	60
9.2.	Conditions Precedent to Obligations of Seller	63
9.3.	Conditions Precedent to Obligations of Purchaser and Seller	63
9.4.	Frustration of Closing Conditions	63
ARTICLE X.	REMEDIES; LIMITATION ON DAMAGES	64
10.1.	No Survival Period	64
10.2.	Purchaser Indemnification	64
10.3.	Limitation on Damages	64
10.4.	Specific Performance	64
10.5.	Termination Fee	65
10.6.	Purchaser Guarantor	65
10.7.	Line of Credit Agreement	66
ARTICLE XI.	TAXES	66
11.1.	Transfer Taxes	66
11.2.	Taxes	66
11.3.	Purchase Price Allocation	66
ARTICLE XII.	MISCELLANEOUS	67
12.1.	Expenses	67
12.2.	Submission to Jurisdiction; Consent to Service of Process	67
12.3.	Waiver of Right to Trial by Jury	67
12.4.	Entire Agreement; Amendments and Waivers	67
12.5.	Governing Law	68
12.6.	No Third-Party Beneficiaries	68
12.7.	No Brokerage	68
12.8.	Notices	68
12.9.	Severability	69
12.10.	Binding Effect; Assignment	69
12.11.	No Personal Liability	70

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT, by and among New England Sinai Hospital, a Massachusetts nonprofit corporation ("NESH"), New England Sinai Physician Services Corporation, a Massachusetts nonprofit corporation ("Physician Subsidiary") and together with NESH, "Seller", Steward Medical Holdings Subsidiary Six, Inc., a Delaware corporation (except as otherwise provided in Article VI, "Purchaser") and Steward Health Care System LLC, a Delaware limited liability company ("Purchaser Guarantor") is dated as of April 2, 2012 (the "Effective Date").

WHEREAS, Seller owns and operates a chronic/rehabilitation hospital located in Stoughton, Massachusetts, known as New England Sinai Hospital (the "Hospital") (all health care and health care related business operations and services provided by Seller at or associated with the Hospital and the Physician Subsidiary are referred to collectively as the "Business"); and

WHEREAS, Seller desires to sell, transfer and assign to Purchaser, and Purchaser desires to purchase, acquire and assume from Seller, the Business, including all of the Purchased Assets and Assumed Liabilities, all as more specifically provided herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereby agree as follows:

ARTICLE I.

DEFINITIONS

1.1. Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"403(b) Plan" has the meaning set forth in Section 8.2(e).

"457(f) Plan" has the meaning set forth in Section 8.2(f).

"Absent Employees" has the meaning set forth in Section 8.1.

"Additional Financial Statements" has the meaning set forth in Section 7.7.

"AGO" means the Office of the Attorney General of the Commonwealth of Massachusetts.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through

ownership of voting securities, by contract or otherwise, provided however, no Person shall be deemed an Affiliate of Purchaser by virtue of its control of Steward Health Care System LLC.

“Agreement” means this Agreement, as amended or supplemented, together with all Exhibits and Schedules attached or delivered with respect hereto or expressly incorporated herein by reference.

“Asset Acquisition Statement” has the meaning set forth in Section 11.3.

“Assumed Liabilities” has the meaning set forth in Section 2.3.

“Business Day” means any day of the year on which national banking institutions in Massachusetts are open to the public for conducting business and are not required or authorized to close.

“Business” has the meaning set forth in the first recital of this Agreement.

“Chapter 180” has the meaning set forth in Section 5.3(b).

“Charitable Assets” means Seller’s donor-restricted funds and the additional funds described on Schedule 1.1(a), plus any charitable pledges or donations received by Seller after the Effective Date, including donations of cash, securities or property.

“Closing” and “Closing Date” have the meanings set forth in Section 4.1.

“CMS” means the Centers for Medicare & Medicaid Services of the United States Department of Health and Human Services.

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

“Confidential Information” and “Confidentiality Agreement” have the meanings set forth in Section 7.11.

“Contemplated Transaction” has the meaning set forth in Section 2.1.

“Contract” means any written contract, indenture, note, bond, lease, license or other agreement, other than a real property lease, a personal property lease or an Intellectual Property License.

“Copyrights” means all copyrights and registrations and applications therefor and works of authorship, and mask work rights that are used by Seller in connection with the Business as of the Effective Date.

“DEA” means the United States Drug Enforcement Administration.

“DMA” means the Commonwealth of Massachusetts, Executive Office of Health and Human Services, Division of Medical Assistance.

“DMH” means the Department of Mental Health of the Commonwealth of Massachusetts.

“Documents” means all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, title policies, customer lists, regulatory filings, operating data and plans, technical documentation (design specifications, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials related exclusively to the Business and the Purchased Assets in each case whether or not in electronic form.

“DPH” means the Department of Public Health of the Commonwealth of Massachusetts.

“Effective Date” has the meaning set forth in preamble to this Agreement.

“Effective Time” has the meaning set forth in Section 4.1.

“Employee Benefit Plan” means any employee benefit plan, program, policy, contract, agreement or other arrangement, whether for a class of Employees or former employees or for any one or more Employees or former employees, including without limitation, any pension, profit sharing, retirement or thrift plan, or any other plan, arrangement, agreement or the like providing for compensation, bonuses (including bonuses contingent on the Closing of the Contemplated Transaction), severance, termination pay, deferred compensation, salary continuation, fringe benefits, sick leave, life, health, medical, hospital, vision or dental insurance coverage (including, without limitation, any self-insured arrangements), relocation, repatriation, expatriation, scholarship, workers’ compensation, disability benefits, supplemental unemployment benefits, vacation benefits or retirement benefits, profit sharing or other forms of incentive or performance-based compensation, or post-retirement insurance, compensation or benefits, or other employee benefits or remuneration of any kind, whether written, unwritten or otherwise, funded or unfunded, including without limitation, the Pension Plan, the 457(f) Plan and every “employee benefit plan” within the meaning of Section 3(3) of ERISA (whether or not ERISA is applicable to such plan), which is or has been entered into, maintained, contributed to, or required to be contributed to, by Seller for the benefit of an Employee or former employee, or with respect to which Seller has or may have any liability or obligation.

“Employees” means all individuals, as of the Effective Date, whether or not Absent Employees and whether or not also serving as officers of Seller, who are employed by Seller in the conduct of the Business, together with individuals who are hired in respect of the conduct of the Business following the Effective Date and prior to the Closing.

“Environmental Investigation” has the meaning set forth in Section 2.7(c).

“Environmental Objection” has the meaning set forth in Section 2.7(c).

“Environmental Objection Notice” has the meaning set forth in Section 2.7(c).

“Environmental Law” means any applicable foreign, federal, state or local statute, regulation, or ordinance currently in effect relating to the environment, pollution, radiation or protection of human health, safety or the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. App. § 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Clean Water Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.) the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. § 136 et seq.), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), and the regulations promulgated pursuant thereto.

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

“Essential Contracts” means (i) Seller’s Medicare provider agreement; and (ii) Seller’s agreements with Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim Health Care and Tufts Health Plan.

“Excluded Assets” has the meaning set forth in Section 2.2.

“Excluded Contracts” has the meaning set forth in Section 2.2(a).

“Excluded Liabilities” has the meaning set forth in Section 2.4.

“Excluded Matter” means any one or more of the following: (i) any action taken by Purchaser or its Affiliates, including their respective employees, with respect to the Contemplated Transaction or with respect to Seller; (ii) any matter that has already been disclosed in writing (including via posting in any electronic data room established by or on behalf of Seller for purposes of due diligence or otherwise in conjunction with the Contemplated Transaction) to Purchaser by Seller on or before the Effective Date; (iii) the public announcement of this Agreement, compliance with terms of this Agreement or the consummation of the Contemplated Transaction; (iv) any fact, circumstance, event, change, effect, condition or occurrence, or series of such items, to the extent affecting (A) global or national or regional economic, business, regulatory, market or political conditions or national or global financial markets, including changes in interest or exchange rates, (B) the healthcare industry generally or such industry in Massachusetts, or (C) the long-term acute care hospital business generally or in Massachusetts; (v) any changes or any proposed changes in law after the Effective Date that are not directed at Seller or the Purchaser, in each instance to the exclusion of others; (vi) any changes in government programs or the implementation of the Patient Protection and Affordable Care Act; (vii) any variability in the financial or operating performance of Seller in the Ordinary Course of Business; (viii) any increase in competitive activity by other health care providers in Seller’s service area; (ix) any activities related to efforts to unionize any of the Employees, (x) any delay in the closing of the Contemplated Transaction due to circumstances beyond the control of Seller; (xi) any action taken by Seller at the direction of, or with the written consent of, Purchaser or its Affiliates; (xii) any changes or any proposed changes in GAAP after the Effective Date; or (xiii) any other situation or matter defined as an Excluded Matter under any other provision of this Agreement.

“Extended Sick Leave Policy” means the Seller's Extended Sick Leave Policy dated May 1, 2011, which provides certain salary continuation benefits due to an employee's absence from work in excess of three (3) consecutive shifts as a result of an illness.

“Financial Statements” has the meaning set forth in Section 5.10.

“Fundamental Representations” means the representations and warranties set forth in Sections 5.2, 5.4, 5.5(b), 5.6(f), 5.17(b), 5.17(c), 5.17(d) and 5.19.

“Furniture and Equipment” means all furniture, fixtures, furnishings, machinery, appliances and other equipment and leasehold improvements owned by Seller, used by Seller in the conduct of the Business and located in the Ordinary Course of Business at the Owned Properties or the property subject to the Lessee Real Property Leases and/or Personal Property Leases, including all such desks, chairs, tables, Hardware, copiers, telephone lines, telecopy machines and other telecommunication equipment (and, to the extent assignable by Seller, the telephone numbers associated therewith used in the Ordinary Course of Business), cubicles and miscellaneous office furnishings.

“GAAP” means generally accepted accounting principles in the United States as of the Effective Date.

“Governmental Body” means any government or governmental or regulatory body thereof, or political subdivision thereof, whether federal, state, or local, or any agency, instrumentality or authority thereof, or any court or public or private arbitrator.

“Hardware” means any and all computer and computer-related hardware, including, but not limited to, computers, file servers, facsimile servers, scanners, color printers, laser printers and networks.

“Hazardous Substances” has the meaning set forth in Section 2.7(c)

“Healthcare Applications” has the meaning set forth in Section 7.6(a).

“Healthcare Programs” has the meaning set forth in Section 5.17(c).

“Healthcare Regulatory Consents” shall mean in respect of Seller or Purchaser, as the case may be, such consents, approvals, authorizations, waivers, certifications, Orders, licenses or Permits of any Governmental Body as shall be required to be obtained and such notifications to any Governmental Body as shall be required to be given by such party in order for it to consummate the Contemplated Transaction in compliance with all applicable Law relating to health care or healthcare services of any kind, including relating to the operation of the Business as of the Closing, and shall include, without limitation, obtaining any such consents, approvals, authorizations, waivers, certifications, Orders, licenses or Permits from, or providing required notices to, DPH, DMH, CMS, DMA, DEA and, as applicable, the AGO, and shall include, without limitation, Purchaser obtaining from DPH (i) a Determination of Need with respect to the transfer of ownership of the Hospital, (ii) suitability approval regarding its ability to obtain a license to operate the Hospital following the transfer of ownership, and any consents, approvals, authorizations, waivers, Orders, licenses or Permits issued by DPH, DMH, CMS,

DMA, DEA or other Governmental Body needed for Purchaser to consummate the Contemplated Transaction and to operate the Hospital.

“HIPAA” means, collectively, the administrative simplification provisions of the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and all regulations promulgated pursuant thereto, including the Transaction Code Set Standards, the Privacy Rules, the Data Breach Notification Rules, and the Security Rules set forth at 45 C.F.R. Parts 160 and 164.

“Hospital” has the meaning set forth in the first recital of this Agreement.

“Indebtedness” of any Person means, without duplication, (i) the principal of and premium (if any) in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable; (ii) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable and other accrued current liabilities arising in the Ordinary Course of Business); (iii) all obligations of such Person under leases required to be capitalized in accordance with GAAP; (iv) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker’s acceptance or similar credit transaction; (v) all obligations of the type referred to in clauses (i) through (iv) of any Persons for the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise, including guarantees of such obligations; and (vi) all obligations of the type referred to in clauses (i) through (v) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person).

“Independent Contractors” has the meaning set forth in Section 5.12(a).

“Intellectual Property” means all intellectual property rights (other than rights under an Intellectual Property License) owned by Seller and used by Seller primarily in connection with the Business, including any in the form of or arising from or in respect of Copyrights, Marks, Names, Patents, Software and Technology.

“Intellectual Property Licenses” means (i) any grant by Seller to a third Person of any right to use any of the Purchased Intellectual Property owned by Seller and (ii) any grant to Seller of a right to use in connection with the Business any intellectual property rights owned by any other Person, to the extent, and only to the extent, such right is transferable by Seller (taking into consideration the provisions of Section 7.4).

“Inventory” means all inventory and supplies held or used in the Business.

“IRS” means the Internal Revenue Service.

“Knowledge of Seller” (and “Seller’s Knowledge”) means the actual knowledge of those officers of Seller identified on Schedule 1.1(b), as well as any knowledge that such

individuals would have possessed had they made reasonable inquiry with respect to the matter in question.

“Law” means any federal, state, local or foreign law, statute, code, ordinance, rule or regulation.

“Legal Proceeding” means any judicial, administrative or arbitral action, suit, proceeding (public or private) or claim, or any proceeding by or before a Governmental Body.

“Lessee Real Property Leases” has the meaning set forth in Section 2.1(a).

“Lessor Real Property Leases” has the meaning set forth in Section 2.1(a).

“Liability” means any debt, liability or obligation (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), and including all costs and expenses relating thereto.

“Lien” means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, easement, servitude, proxy, voting trust or agreement and transfer restriction under any agreement.

“Line of Credit” has the meaning set forth in Section 3.2.

“Line of Credit Agreement” has the meaning set forth in Section 3.2.

“Local Governance Board” has the meaning set forth in Section 7.20(c).

“Marks” means all trademarks, service marks, trade names, service names, brand names, all trade dress rights, logos, Internet domain names and corporate names and general intangibles of a like nature, together with the goodwill associated with any of the foregoing, and all applications, registrations and renewals thereof.

“Material Adverse Effect” means any fact, circumstance, event, change, effect, condition or occurrence that, individually or in the aggregate, has had or is reasonably likely to have a material adverse effect (i) on the property or the condition of the Purchased Assets (taken as a whole), or (ii) on the ability of Seller to consummate the Contemplated Transaction or to perform its obligations under this Agreement, other than an effect resulting from one or more Excluded Matters.

“Measuring Period” has the meaning set forth in Section 9.1(h).

“Medicaid” or “MassHealth” means the healthcare assistance program established by Title XIX of the Social Security Act (42 U.S.C. Sections 1396 et seq., as amended) and applicable Massachusetts statutes and administered by DMA.

“Medicare” means the health insurance program for the aged and disabled established by Title XVII of the Social Security Act (42 U.S.C. Sections 1395 et seq., as amended) and administered by CMS.

“Mortgage” has the meaning set forth in Section 3.2.

“Names” means the names “New England Sinai Hospital” and other names under which Seller conducts the Business, but excluding the name “Rose Kalman Research Center” or any name using “Rose Kalman” in conjunction with activities to be carried on by Seller or a successor of Seller following the Closing.

“Navigant” has the meaning set forth in Section 2.3(j).

“OIG” means the Office of the Inspector General of the U.S. Department of Health and Human Services.

“OIG Self-Disclosure” has the meaning set forth in Section 5.19.

“Old Colony Lease” means that certain Commercial Lease dated October 1, 2009 by and between the Old Colony YMCA and New England Sinai Hospital and Rehabilitation Center, Inc.

“Order” means any order, injunction, judgment, decree, ruling, consent, approval, writ, assessment or arbitration award of a Governmental Body.

“Ordinary Course of Business” means the ordinary and usual course of normal day-to-day operations of the Business as conducted by Seller, consistent with past practice.

“Other Self-Disclosure” has the meaning set forth in Section 5.19.

“Owned Properties” has the meaning set forth in Section 2.1(a).

“Patents” means all patents and applications therefor owned by the Seller, including continuations, provisionals, continuations-in-part, or reissues of patent applications and patents issuing thereon.

“Patient Records” shall mean any Documents containing information concerning medical or behavioral health services provided to, or the medical or behavioral health of, any individual, the disclosure of which are subject to: (i) state law; (ii) HIPAA; (iii) 42 C.F.R. Part 2 governing the confidentiality of alcohol and drug abuse patient records; and/or (iv) any applicable federal law.

“PBGC” has the meaning set forth in Section 5.11(c).

“Pension Liability” means the net present value of the Seller’s pension liabilities with respect to the Pension Plan as calculated by the Seller’s actuaries using the assumptions and methodologies applied to Seller’s audited financial statements as of September 30, 2011 in the manner set forth on Schedule 1.1(c), as adjusted through the Effective Time using the applicable actuarial methods under the Pension Plan.

“Pension Plan” means the New England Sinai Hospital Pension Plan, and any amendments thereto.

“Permits” means any approvals, authorizations, consents, licenses, permits, provider numbers, Determinations of Need, Healthcare Regulatory Consents, certificates of exemption, franchises, accreditations, registrations or certificates of a Governmental Body or other regulatory entity.

“Permitted Exceptions” means: (i) with respect to the Owned Properties (1) all matters that are or become Permitted Exceptions pursuant to Section 2.7, (2) except as otherwise set forth in this Agreement with respect to Taxes, parties in possession and mechanic’s and materialmen’s liens, the standard preprinted form exceptions set forth in an ALTA Owner’s Title Policy, (3) mechanic’s or materialmen’s liens imposed pursuant to Section 7.1(a) or Section 7.1(h) or with the written approval of Purchaser or mechanic’s or materialmen’s liens placed between the Effective Date and the Effective Time in conjunction with capital projects undertaken by Seller during that period with such consent by Purchaser as is required by this Agreement, (4) all matters, whether or not of record, that arise out of the actions of Purchaser or its agents, representatives or contractors, (5) the Lessor Real Property Leases and any new leases entered into between the date hereof and the Closing in accordance with the terms of this Agreement, (6) statutory liens for current Taxes, assessments or other governmental charges not yet delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings, provided that an appropriate reserve is established therefor by Seller and Seller delivers an indemnity to Purchaser’s title insurance company sufficient and acceptable to such title insurance company to remove any exception therefor from Purchaser’s title insurance policy; (7) all Laws, including without limitation, building and zoning Laws, entitlement and other land use and environmental regulations or designations by any Governmental Body provided that such regulations or designations have not been violated unless such violations are or become Permitted Exceptions pursuant to Section 2.7, and (8) the Mortgage; and (ii) with respect to the properties subject to Lessee Real Property Leases (1) all matters that are or become Permitted Exceptions pursuant to Section 2.7, (2) mechanic’s or materialmen’s liens imposed pursuant to Section 7.1(a) or Section 7.1(h) or with the written approval of Purchaser or mechanic’s or materialmen’s liens placed between the Effective Date and the Effective Time in conjunction with capital projects undertaken by Seller during that period with such consent by Purchaser as is required by this Agreement, (3) all matters, whether or not of record, that arise out of the actions of Purchaser or its agents, representatives or contractors, (4) the rights of landlords under the Lessee Real Property Leases (5) all Laws, including without limitation, building and zoning Laws, entitlement and other land use and environmental regulations or designations by any Governmental Body provided that such regulations or designations have not been violated unless such violations are or become Permitted Exceptions pursuant to Section 2.7; and (6) all matters related to title, survey and zoning.

“Person” means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body or other entity.

“Personal Property Leases” means any lease by Seller of personal property, including equipment, used in connection with the Business.

“PHI” has the meaning set forth in Section 2.6.

“Post-Closing Tax Period” means any Tax period (or portion thereof) ending after the Effective Time.

“Pre-Closing Tax Period” means any Tax period (or portion thereof) ending on or before the Effective Time.

“Property Agreements” has the meaning set forth in Section 5.6(b).

“Property Materials” has the meaning set forth in Section 2.7(a).

“Purchased Assets” has the meaning set forth in Section 2.1.

“Purchased Contracts” has the meaning set forth in Section 2.1(f).

“Purchased Intellectual Property” means all intellectual property rights (other than rights under an Intellectual Property License) owned by Seller and used by Seller in connection with the Business, including any in the form of or arising from or in respect of Patents, Marks, Copyrights, Software or Technology, except for any that is an Excluded Asset.

“Purchased Intellectual Property License” has the meaning set forth in Section 2.1(e).

“Purchased Personal Property Leases” and “Purchased Vehicles” have the meanings set forth in Section 2.1(b).

“Purchase Price” has the meaning set forth in Section 3.1.

“Purchaser Documents” has the meaning set forth in Section 6.2.

“Purchaser Plans” has the meaning set forth in Section 8.2(a).

“Real Property Leases” has the meaning set forth in Section 2.1(a).

“Rent Roll” has the meaning set forth in Section 5.6(c).

“Retained Cash” means the amount of Seller’s cash, cash equivalents, bank deposits or similar cash items and securities owned by Seller, or similar items, to be retained by Seller as of the Effective Time necessary to discharge the following liabilities: (i) Seller’s post-Closing wind-down expenses, including such amounts as are required to complete final audits, terminate the 403(b) Plan and, as applicable, other Employee Benefits Plans (other than the Pension Plan) and to effect the distribution of the Charitable Assets, as reasonably determined by Seller and not to exceed the total amount stated on Schedule 1.1(d), (ii) purchase of tail insurance as required by Section 7.5, to the extent not purchased prior to Closing; (iii) amounts needed by Seller to satisfy the Excluded Liabilities, including without limitation those Excluded Liabilities described in Section 2.4(b); and (iv) amounts to be used to discharge the Rockland Debt at Closing if such Debt has not previously been discharged as contemplated by Section 7.1(a).

“Review Period” has the meaning set forth in Section 2.7(a).

“Review Period Expiration Date” has the meaning set forth in Section 2.7(a).

“Revised Statements” has the meaning set forth in Section 11.3.

“Rockland Debt” means all Liabilities associated with Seller’s Indebtedness pursuant to that certain Commercial Promissory Note, dated as of May 26, 2011, between Seller and Rockland Trust Company (“Rockland”) in the original principal amount of \$2,367,667.24; that certain other Commercial Promissory Note, dated as of May 26, 2011, between Seller and Rockland in the original principal amount of \$4,000,000.00; and an outstanding letter of credit issued for the benefit of Seller by Rockland.

“Self-Disclosures” has the meaning set forth in Section 5.19.

“Seller Disclosure Schedule” means a schedule of all matters listed on or referred to in ARTICLE V of this Agreement that explain, limit or qualify Seller’s representations and warranties.

“Seller Documents” has the meaning set forth in Section 5.2.

“Seller’s Cure Notice” has the meaning set forth in Section 2.7(e).

“Seller’s Indemnitees” has the meaning set forth in Section 8.1.

“Severance Arrangement” has the meaning set out in Section 8.2(b).

“Software” means, except to the extent generally available for purchase from a third Person, any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) all documentation including user manuals and other training documentation related to any of the foregoing.

“Straddle Period” means any Tax period beginning before the Effective Time and ending after the Effective Time.

“Successor Hospital” has the meaning set forth in Section 7.20(a).

“Tax Authority” means any federal, state, local or foreign government, or agency, instrumentality or employee thereof, charged with the administration of any law or regulation relating to Taxes.

“Taxes” means (i) all federal, state, local or foreign taxes, charges or other assessments, including, without limitation, all net income, gross receipts, capital, sales, use, ad valorem, value added, lease, service, alternative or add-on minimum, transfer, franchise, profits,

inventory, capital stock, license, environmental, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property, escheat, estimated taxes, governmental fee or other like assessment or charge of any kind whatsoever (including any Tax liability incurred or borne as a transferee or successor or by contract, or otherwise), and (ii) all interest, penalties, fines, additions to tax or additional amounts imposed by any Tax Authority in connection with any item described in clause (i).

“Tax Return” means all returns, declarations, reports, estimates, information returns and statements required to be filed in respect of any Taxes, including any attachment or schedule thereto, and including any amendment thereof.

“Technology” means, collectively, all designs, formulae, algorithms, procedures, methods, techniques, ideas, know-how, research and development, technical data, programs, subroutines, tools, materials, specifications, processes, inventions (whether patentable or unpatentable and whether or not reduced to practice), apparatus, creations, improvements, works of authorship and other similar materials, and all recordings, graphs, drawings, reports, analyses, and other writings, and other tangible embodiments of the foregoing, in any form whether or not specifically listed herein, and all related technology, that are used in, incorporated in, embodied in, displayed by or relate to, the Business, other than any in the form of Software.

“Termination Date” has the meaning set forth in Section 4.4(a).

“Termination Fee” has the meaning set forth in Section 10.5.

“Third Party Leases” means the Tufts Lease and the Old Colony Lease.

“Thornton Gillis Mortgage” has the meaning set forth in Section 2.7(d).

“Title Commitment” has the meaning set forth in Section 2.7(d).

“Title Commitment Date Down” has the meaning set forth in Section 2.7(d).

“Title Company” means First American Title Insurance Company.

“Title and Zoning Objection” has the meaning set forth in Section 2.7(d).

“Title and Zoning Objection Notice” has the meaning set forth in Section 2.7(d).

“Transferred Employees” has the meaning set forth in Section 8.1.

“Transfer Taxes” has the meaning set forth in Section 11.1.

“Tufts Extension” has the meaning set forth in Section 9.1(p).

“Tufts Landlord” means Tufts Medical Center, Inc. f/k/a New England Medical Center Hospitals, Inc., as landlord under the Tufts Lease.

"Tufts Lease" means the Lease between New England Medical Center Hospitals, Inc., and New England Sinai Hospital and Rehabilitation Center, Inc., dated November 20, 1997 (as heretofore amended).

1.2. Terms Defined Elsewhere in this Agreement. Other terms used in this Agreement shall have the meanings set forth in the sections where such terms are defined.

1.3. Other Definitional and Interpretive Matters.

(a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

(i) Calculation of Time Periods. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(ii) Dollars. Any reference in this Agreement to Dollars or shall mean U.S. dollars.

(iii) Exhibits/Schedules. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Reference to this Agreement shall be deemed to include references to the Exhibits and Schedules as well. Any matter or item disclosed on one Schedule shall be deemed to have been disclosed on each other Schedule to the extent it relates to the subject matter of such other Schedule. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement.

(iv) References. References in this Agreement,

(A) to any Document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced by the parties from time to time;

(B) to any Law unless the context requires otherwise, are references to that Law as of the Closing Date, and shall also refer to all rules and regulations promulgated thereunder;

(C) to "Seller" shall mean both NESH and Physician Subsidiary, jointly and severally, unless the context clearly requires otherwise;

(D) to time are references to Eastern Standard or Daylight time (as in effect on the applicable day) unless otherwise specified herein; and

(E) to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(v) Headings. The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

(vi) Herein. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(vii) Including. The word "including" or any variation thereof means "including, without limitation" and, unless otherwise expressly stated, shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(b) The provisions of this Agreement shall be interpreted in such a manner so as not to inequitably benefit or burden either party through "double counting" of assets or liabilities;

(c) The parties hereto have been advised by counsel, and have participated jointly, in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted in its entirety by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

ARTICLE II.

PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES

2.1. Purchase and Sale of Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing and effective as of the Effective Time, Purchaser shall purchase, acquire and accept from Seller, and Seller shall sell, transfer, assign, convey and deliver to Purchaser (together with the other transactions contemplated hereby, the "Contemplated Transaction"), all of Seller's right, title and interest in, to and under the Purchased Assets, free and clear of any and all Liens or adverse claims other than Permitted Exceptions. "Purchased Assets" shall include all of Seller's assets relating to the Business (but excluding the Excluded Assets) and existing as of the Closing, including without limitation:

(a) all rights of Seller under all real property and interests in real property owned in fee by Seller and used in any degree in the Business ("Owned Properties") and all interests in real property leased or licensed by Seller and used in the Business by Seller as lessee or licensee (each a "Lessee Real Property Lease") and all interests in real property leased or licensed by Seller and used in the Business by Seller as lessor or licensor (each a "Lessor Real Property Lease") (the Lessee Real Property Leases and the Lessor Real Property Leases are referred to collectively as "Real Property Leases"), together with all improvements and fixtures thereto and other appurtenances and rights in respect thereof;

(b) (i) the Furniture and Equipment, (ii) the inventory, tools, spare parts, supplies, medical supplies and other tangible personal property owned by Seller, used by Seller in the conduct of the Business and located in the Ordinary Course of Business at the Owned Properties or the property subject to the Lessee Real Property Leases, (iii) the vehicles identified on Schedule 2.1(b)(i) (the “Purchased Vehicles”), and (iv) all Personal Property Leases, including without limitation those Personal Property Leases identified in Schedule 2.1(b)(ii) (the “Purchased Personal Property Leases”);

(c) assumable prepaid expenses, claims for refunds and right to offset in respect thereof;

(d) all cash, cash equivalents, bank deposits or similar cash items of Seller and all securities owned by Seller, or similar items, less the Charitable Assets and the Retained Cash;

(e) (i) the Purchased Intellectual Property (subject to Section 7.3), and (ii) the rights of Seller as licensor or as licensee under the Intellectual Property Licenses (the “Purchased Intellectual Property Licenses”);

(f) subject to Section 2.2(a), all of the interest of Seller in all Contracts to which Seller is a party related to the Business or the Assets, which Contracts are, subject to the subsequent provisions of this Section 2.1(f), set forth on Schedule 2.1(f) (the “Purchased Contracts”), provided however: (i) a Contract with a physician, physician group, non-public legal entity owned (directly or indirectly) by physician(s), or other referral source shall not be a Purchased Contract unless it is specifically approved by Purchaser as to form and substance, and, upon at least ten (10) Business Days’ advance written notice to Seller from Purchaser prior to the Closing, is scheduled in the Assignment and Assumption Agreement; and (ii) if a Contract requires the consent of a third party to be assigned to Purchaser, it is not a Purchased Contract until such consent is obtained in writing and delivered to Purchaser; and provided, further, that Seller may, at its option and subject to the written consent of Purchaser, terminate any Contract described in (ii), consistent with the terms of such Contract, prior to or simultaneously with the Effective Time; and provided, further, that, with respect to any Contract described in (i) that does not become a Purchased Contract but that is with an Employee and that also contains a severance agreement or arrangements included on Schedule 2.3(h), the fact of such Contract being an Excluded Contract shall not affect Purchaser’s obligations under this Agreement with respect to such severance agreement or arrangement;

(g) all accounts, notes, interest and other receivables of the Seller, and all claims, rights, interest and proceeds related thereto, including without limitation, cost report receivables due and owing from any third party payors, including without limitation government payors, arising from the rendering of services by the Seller, in each case whether billed or unbilled, recorded or unrecorded, and any rights of the Seller to settlement and retroactive adjustments, if any;

(h) subject to the provisions of Sections 2.6 and 7.11, all Documents that are used in, held for use in or intended to be used in, or that arise primarily out of, the Business, including Documents relating to the services provided by the Business, the marketing of the Business’s services (including advertising and promotional materials), Purchased Intellectual

Property, personnel files for Transferred Employees, Patient Records, and files including credit information and supplier lists, to the extent physically located at or maintained by Seller from any of the premises referred to in clause (a) above, but excluding (i) personnel files for Employees of Seller who are not Transferred Employees, (ii) such files (if any) as may not be provided to Purchaser hereunder in compliance with applicable Law regarding privacy and security of Patient Records, (iii) Documents that Seller is not permitted to transfer pursuant to any contractual confidentiality obligation owed to any third party (other than any patient confidentiality obligation referred to in the foregoing clause), and (iv) any Documents primarily related to or required to realize the benefits of any Excluded Assets;

(i) to the extent assignable, all Permits used by Seller in the Business;

(j) to the extent assignable, all of Seller's Medicare or MassHealth and other third party payor provider numbers and agreements;

(k) to the extent assignable, all rights of Seller under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with Employees and agents of Seller or with third parties to the extent relating to the Business or the Purchased Assets (or any portion thereof);

(l) to the extent assignable, all rights of Seller under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to services provided to Seller after the Closing or to the extent affecting any Purchased Assets;

(m) any rights to additional payment, settlement and retroactive adjustments, if any, for periods ending on or before the Effective Time arising from or against the federal government under the terms of the Medicare program or under MassHealth or any other Medicaid or third party payor program;

(n) all goodwill and other intangible assets associated with the Business, including customer and supplier lists and the goodwill associated with the Purchased Intellectual Property;

(o) accounts receivable and similar contract rights with respect to the Purchased Contracts, together with any unpaid financing charges accrued thereon and the benefit of all security for such accounts receivable, but only insofar as such rights also entail rights of setoff, recoupment or similar rights as to obligations of Seller existing as of the Effective Time or thereafter arising; and

(p) all rights of Seller in connection with and all assets of the Employee Benefit Plans (including the Pension Plan but excluding the 403(b) Plan and the 457(f) Plan.

2.2. Excluded Assets. Nothing herein contained shall be deemed to sell, transfer, assign or convey the Excluded Assets to Purchaser, and Seller shall retain all of its respective right, title and interest to, in and under the Excluded Assets. "Excluded Assets" shall mean all right, title and interest of Seller in, to and under:

(a) the Contracts identified on Schedule 2.2(a) and all Contracts with physicians, physician groups, non-public legal entities owned (directly or indirectly) by physician(s), or other referral sources that do not become Purchased Contracts in accordance with Section 2.1(f), along with any accounts receivable, right of setoff or recoupment, or claim or cause of action arising out of or with respect to any such Contract (the “Excluded Contracts”);

(b) the Personal Property Leases identified on Schedule 2.2(b);

(c) the Intellectual Property and Intellectual Property Licenses, of Seller identified on Schedule 2.2(c);

(d) any confidential personnel or medical records held by Seller in its capacity as employer and pertaining to Employees who are not Transferred Employees;

(e) any Documents (i) that constitute or contain information protected by any privilege of Seller, including without limitation the attorney-client privilege, or (ii) that Seller is required by Law to retain or that Seller determines are necessary or advisable to retain, including, without limitation, corporate or other entity filings; provided, however, that, subject to Section 7.11, (except as prohibited by Law) Purchaser shall have the right to make copies of any portions of Documents retained solely under forgoing clause (ii) that relate to the Business as conducted before the Closing or that relate to any of the Purchased Assets;

(f) any information management systems of Seller not used or held for use in the conduct of the Business, and the Intellectual Property embodied therein;

(g) any Documents relating to proposals to acquire the Business by Persons other than Purchaser;

(h) any claim, right or interest of Seller in or to any refund, rebate, abatement or other recovery for Taxes, together with any interest due thereon or penalty rebate arising therefrom, for any Pre-Closing Tax Period other than a Straddle Period;

(i) subject to Section 4.2(q), all insurance policies in effect immediately prior to the Closing Date and the rights to proceeds thereof relating to the Business or the Purchased Assets;

(j) to the extent not prohibited by Section 7.1 and Section 7.3, all assets disposed of or exhausted prior to the Effective Time, including, without limitation, Inventory, prepaid expenses and Furniture and Equipment;

(k) any rights, claims, counterclaims, demands or causes of action of Seller against third parties relating to assets, properties, Business or operations of Seller arising out of events occurring prior to the Closing Date or arising out of the Closing, other than any arising under or pursuant to any warranties, representations and guarantees referred to in Section 2.1(l);

(l) any right to receive or expectancy of Seller in any charitable gift, grant, bequest or legacy (including any income or remainder interest in or under any trust or estate),

regardless of when received and whether or not designated to be applied or used in respect of the Business;

- (m) the Charitable Assets as of the Effective Time;
- (n) the Retained Cash, provided that the parties understand that a portion of the Retained Cash shall be used to discharge the Rockland Debt at the Closing if such Debt has not previously been discharged as contemplated by Section 7.1(a);
- (o) all rights of Seller under this Agreement, the Seller Documents and the Contemplated Transaction;
- (p) all minute books and other corporate records of Seller;
- (q) the name “Rose Kalman Research Center” or any name using “Rose Kalman” in conjunction with activities to be carried on by Seller or a successor of Seller following the Closing;
- (r) all assets related to the 403(b) Plan and the 457(f) Plan; and
- (s) all assets listed on Schedule 2.2(s).

2.3. Assumption of Liabilities. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall assume, effective as of the Effective Time, and shall timely pay, perform and discharge in accordance with their respective terms all Liabilities of Seller existing as of the Closing, other than any that are Excluded Liabilities (collectively, the “Assumed Liabilities”). Assumed Liabilities include, without limitation:

- (a) All of Seller’s accounts payable and accrued operating expenses;
- (b) all Liabilities under the Purchased Contracts, Purchased Personal Property Leases, the Permitted Exceptions, Real Property Leases, Permits and Purchased Intellectual Property Licenses;
- (c) all Liabilities (i) associated with or arising out of the Employee Benefit Plans (including, without limitation, the Pension Liability, but not including the Liabilities associated with the 403(b) Plan, the 457(f) Plan and the Extended Sick Leave Policy,) and (ii) arising out of, relating to or with respect to the employment by, or performance of services for, Seller of any Employee or former employee, at or before the Effective Time, including, without limitation, accrued payroll expenses (including payroll taxes), all accrued paid time off, provided that Purchaser shall be obliged to continue an Employee Benefit Plan after the Effective Time only to extent required by other provisions of this Agreement;
- (d) all Liabilities constituting workers’ compensation claims and unemployment claims relating to Employees and former employees or other claims or rights, (other than Liabilities with respect to severance arrangements, subject to Section 2.3(h)), asserted against Seller, or by any officer or agent of Seller entitled by Seller to indemnification with

respect thereto, that relate to any period ending on or before the Effective Time, irrespective of whether such claims are made prior to or after the Effective Time;

(e) all Transfer Taxes applicable to the transfer of the Purchased Assets pursuant to this Agreement;

(f) except as provided in Schedule 2.3(f), all Liabilities under Seller's Medicare and MassHealth provider numbers and related provider agreements, including any amounts identified in the Financial Statements as overpayments that may be subject to recoupment by a third party payor, including Medicare;

(g) except as provided in Schedule 2.3(g), all Liabilities from or related to any overpayments, duplicate payments, refunds, discounts or adjustments due to Medicare, MassHealth or any third party payor programs;

(h) all Liabilities associated with agreements or arrangements with respect to severance, deferred compensation, retention bonuses and the like, between Seller and any Employee or former employee, whether or not a Transferred Employee, provided that such agreement or arrangement has been disclosed to Purchaser and is listed on Schedule 2.3(h);

(i) all Liabilities related to matters disclosed in the Self-Disclosures, whether or not such matters have been resolved with the applicable Governmental Body or Bodies prior to Closing;

(j) the Liabilities constituting the fees required to be paid by Seller hereunder, under the Seller Documents or the Contemplated Transaction of Navigant Capital Advisors, LLC ("Navigant") (net of any amounts held by Navigant as a retainer); and the fees of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. associated with the negotiation and closing of the Contemplated Transaction and incurred through the Closing (net of any amounts held as a retainer and net of any payments on account), in both instances payable by wire transfer at the Closing;

(k) all outstanding Liabilities under the Line of Credit Agreement described in Section 3.2;

(l) all Liabilities arising from the termination of any Contracts that are determined by Purchaser to be Excluded Contracts in accordance with Sections 2.1(f), 2.2(a) and 7.4(d), except for Liabilities arising from those Contracts described in Section 2.1(f)(i) that Purchaser determines are to be Excluded Contracts under such Sections, which Liabilities are subject to the provisions of Section 2.4(b);

(m) all other Liabilities with respect to the Business or the Purchased Assets incurred on or after the Closing; and

(n) all Liabilities relating to amounts otherwise required to be paid by Purchaser hereunder or otherwise related to the ownership, operation, and maintenance of the Business and the Purchased Assets upon and after the Closing.

2.4. Excluded Liabilities. Purchaser will not assume or be liable for any Excluded Liabilities. “Excluded Liabilities” shall mean only the following Liabilities of Seller:

(a) all Liabilities associated with or arising with respect to the Excluded Assets;

(b) all Liabilities of Seller arising from a Contract described in Section 2.1(f)(i) that Purchaser has determined to be an Excluded Contract, provided that Seller shall pay for any such Liabilities with Retained Cash;

(c) except as otherwise provided in Section 2.3(c) and ARTICLE XI, all Liabilities for Taxes of each Seller for any Pre-Closing Tax Period;

(d) Liabilities to be discharged by Seller before the Closing pursuant to Section 8.2(e);

(e) the Rockland Debt, which shall be discharged by Seller either at or prior to the Closing;

(f) all Liabilities arising from Seller’s willful or knowing violations of applicable Law to the extent arising from intentional acts or omissions prior to the Closing, including, without limitation, those pertaining to Medicare and MassHealth false claims, the Ethics in Patient Referrals Act (the so-called Stark Law) codified at 42 U.S.C. §1395nn and associated regulations, or fraud or abuse, but not including any Liabilities associated with matters disclosed in the Self-Disclosures; and

(g) all Liabilities associated with Extended Sick Leave Policy.

2.5. Further Conveyances and Assumptions.

(a) From time to time following the Effective Time, Seller and Purchaser shall, and shall cause their respective Affiliates to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to assure fully to Purchaser and its respective successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Purchaser under this Agreement and the Seller Documents and to assure fully to Seller and its Affiliates and their successors and assigns, the assumption of the liabilities and obligations intended to be assumed by Purchaser under this Agreement and the Seller Documents, and to otherwise make effective the Contemplated Transaction; provided, however, that nothing set forth in this Section 2.5(a) shall prevent or prohibit Seller from ceasing operations or winding up its affairs after the Closing; and provided, further, that nothing in this Section 2.5(a) shall be interpreted to require either Seller or Purchaser to undertake any representations or warranties not otherwise specifically provided for in this Agreement.

(b) In the event that Purchaser or its Affiliates receives any Excluded Assets following the Closing, Purchaser shall promptly deliver such Excluded Assets to Seller.

2.6. Transfer of Certain Protected Health Information. With respect to any Business Associate of Seller who holds Protected Health Information (“PHI”) concerning Seller’s patients, if such information is part of Seller’s Designated Record Set, then Seller shall use commercially reasonable efforts to cause each such Business Associate to (i) consent to the assignment of its Business Associate Agreement to Purchaser or a designated Affiliate of Purchaser, so that such Person shall become a Business Associate of Purchaser or such Affiliate; or (ii) cause such Business Associate to enter into a new Business Associate Agreement with Purchaser or a designated Affiliate of Purchaser; or (iii) cause such Business Associate to return all PHI with respect to Seller’s patients to Seller, so that Seller may transfer such information to Purchaser incident to the Closing; or (iv) cause such Business Associate to transfer all such PHI directly to Purchaser or a designated Affiliate of Purchaser incident to the Closing. Unless otherwise defined in this Agreement, all capitalized terms in this Section 2.6 shall have the meanings given them by HIPAA.

2.7. Review Period; Access; Environmental Investigation; Title.

(a) Review Period. Purchaser shall have a due diligence period (the “Review Period”) in which to conduct its own assessment of the condition of the premises relating to the Purchased Assets commencing on the Effective Date and ending at 5:00 P.M. Eastern Standard Time on June 1, 2012, i.e., the date that is sixty (60) days after the Effective Date (the “Review Period Expiration Date”), provided however that Purchaser will use commercially reasonable efforts to complete such review within thirty (30) days if practicable. Notwithstanding the foregoing to the contrary, the Review Period Expiration Date shall be thirty (30) days after the Effective Date with respect to title and survey matters affecting the Owned Properties and the properties subject to the Real Property Leases. Within thirty (30) days after the Effective Date, Purchaser shall provide to Seller copies of the Property Materials in Purchaser’s possession or control. Seller acknowledges that any Property Materials delivered by or on behalf of Purchaser are informational only and without warranty or representation as to its truth, accuracy or completeness. For purposes hereof, “Property Materials” shall mean the Title Commitment, the Title Commitment Date Down, any Phase I reports, Phase II reports, zoning reports or other written materials received by Purchaser relating to the title, survey, zoning or environmental condition of the Owned Property and the properties subject to the Real Property Leases, specifically excluding, however, materials provided to Purchaser by Seller and materials which are generally available to the public.

(b) Purchaser’s Access. From and after the Effective Date until Review Period Expiration Date, upon Purchaser providing Seller with notice reasonably in advance, Seller will permit representatives of Purchaser to have reasonable access during normal business hours in a manner so as not to interfere with the normal business operations of Seller and its tenants, to all premises, properties, personnel, books, records, contracts, and documents to the extent relating to the Purchased Assets, all at Purchaser’s sole cost and expense. Purchaser will treat and hold any information it receives from Seller in the course of the reviews contemplated by this Section 2.7(b) in accordance with the Confidentiality Agreement. All access by Purchaser (including its agents, employees and licensed contractors) shall be subject to the rights of tenants and landlords under the Real Property Leases and shall be conducted in a manner so as to minimize interference with or interruption of the use of Owned Properties or properties subject to the Real Property Leases by any such tenant(s), landlord(s) or Seller, as the case may be.

Seller shall cooperate with Purchaser and shall use commercially reasonable efforts to assist Purchaser in obtaining access to all Owned Property and properties subject to the Real Property Leases.

(c) Environmental Investigation. Purchaser and its representatives, agents and licensed contractors may make such tests, surveys and inspections of the Purchased Assets as Purchaser deems necessary for its due diligence, including without limitation, Phase II reports, environmental assessments and testing, soil tests, environmental audits, structural and foundation surveys, equipment inspections and testing and topographical surveys (“Environmental Investigation”), from time to time, at the sole cost and expense of Purchaser. Purchaser shall have no responsibility under this Agreement with respect to the discovery of any hazardous or toxic waste, substance or material, pollutant or contaminant, including asbestos, as defined for purposes of Environmental Law (“Hazardous Substance”) or any other condition found or discovered on or relating to the Purchased Assets or to undertake any remedial action on or relating to the Purchased Assets as a result of the inspections or tests undertaken by Purchaser and its representatives, agents or licensed contractors unless and to the extent that the presence of Hazardous Substances is due solely and directly to the acts Purchaser or its representatives, agents or licensed contractors. For purposes of any Environmental Investigation, Purchaser agrees to (i) carry and to cause its representatives, agents and licensed contractors to carry commercially reasonable insurance coverages adequate to cover the Environmental Investigation activities; (ii) except as otherwise provided in this Section 2.7(c), defend, indemnify and save Seller and tenants and landlords under the Real Property Leases harmless from and against all claims, out-of-pocket costs, expenses, losses and other obligations (including, without limitation, reasonable attorneys’ fees and court costs) incurred, directly on account of any loss, damage or injury to any person or property, including but not limited to Owned Properties and properties subject to Lessor Real Property Leases, by reason of any negligent act or omission of Purchaser, its representatives, agents or licensed contractors, in connection with any Environmental Investigation; and (iii) restore the Owned Properties and properties subject to Lessor Real Property Leases at Purchaser’s sole cost to the condition that existed immediately prior to the commencement of the Environmental Investigation. Purchaser’s obligations under Section 2.7(c)(ii) shall survive termination or expiration of this Agreement. In the event that Purchaser notifies Seller of any Environmental Objection or in the event that Purchaser’s due diligence reveals any other violation of Environmental Law or presence of Hazardous Substances on, in or under any of the Owned Properties or properties subject to Lessor Real Property Leases, Purchaser shall immediately notify Seller thereof and Seller, and not Purchaser or anyone acting on Purchaser’s behalf, shall make any disclosures to any Governmental Body as Seller deems appropriate.

Purchaser may, on or prior to the Review Period Expiration Date, notify Seller in writing of Purchaser’s finding of (i) a material violation of Environmental Law associated with any Owned Properties or with any of the properties subject to Lessee Real Property Leases, or (ii) the presence of Hazardous Substances, except for reasonable quantities of materials used in compliance with all applicable legal requirements and all applicable laws and used in the Ordinary Course of Business, on any of the Owned Properties or on any of the properties subject to Lessee Real Property Leases (the “Environmental Objection Notice”). Any such finding contained in an Environmental Objection Notice is hereinafter referred to as an “Environmental Objection.” Any matter relating to a material violation of Environmental Law or the presence of

Hazardous Substances on any of the Owned Properties or properties subject to a Lessee Real Property Lease that is not included in an Environmental Objection Notice delivered prior to the Review Period Expiration Date shall be a Permitted Exception if such Environmental Objection existed and was discoverable during the Review Period.

(d) Title, Survey and Zoning. Purchaser may, at Purchaser's expense, obtain title insurance commitments (each a "Title Commitment") and collectively, the "Title Commitments"), surveys and review zoning for any or all of the Owned Properties and the properties subject to the Lessee Real Property Leases. Purchaser may, on or prior to the Review Period Expiration Date, notify Seller (the "Title and Zoning Objection Notice") in writing of Purchaser's objection to any matters relating to title, survey or zoning for the Owned Property or the properties subject to the Lessee Real Property Leases. Notwithstanding the foregoing to the contrary, Purchaser shall not have the right to object to the matters described in the definition of Permitted Exceptions in (i) subsections 2, 3, 4, 5, 6, and 8 with respect to the portion of such definition related to the Owned Properties, or (ii) subsections 2, 3, and 4 with respect to the portion of such definition related to the properties subject to the Lessee Real Property Leases. All such title, survey and zoning matters properly included in the Title and Zoning Notice are referred to in this Agreement as the "Title and Zoning Objections." Purchaser shall obtain an update to the Title Commitment no earlier than ten (10) days prior to, and no later than, the Review Period Expiration Date (the "Title Commitment Date Down").

Any matter listed on Schedule 2.7 and any matter which is not included in any Title and Zoning Objection Notice delivered on or prior to the Review Period Expiration Date shall be a Permitted Exception (whether or not Purchaser chose to review such matters) if such matter existed and was discoverable as of the date and time of the Title Commitment Date Down. Notwithstanding the foregoing, any title, survey or zoning matter which first occurs or arises between the date and time of the Title Commitment Date Down and the Effective Time shall not be deemed to be a Permitted Exception, and Purchaser may, at or prior to the Effective Time, deliver a Title and Zoning Objection Notice to Seller regarding such matters, which shall thereafter be a Title and Zoning Objection and subject to Section 2.7(e) and (f).

Purchaser hereby acknowledges and agrees that prior to the Closing, and as a condition to Purchaser's obligation to Close, Seller shall discharge that certain Mortgage, dated May 10, 1993, from Renda Thornton and John M. Gillis to Fleet Real Estate Funding Corp., in the original principal amount of \$103,500, recorded in the Norfolk County Registry of Deeds in Book 9866, Page 463 (the "Thornton Gillis Mortgage").

Purchaser shall be entitled to request that its title company provide such endorsements to its title policy as Purchaser may require, provided that (i) Purchaser's obligations under this Agreement shall not be conditioned upon the issuance of such endorsements and, to the extent that such endorsements cannot be obtained, Purchaser shall nevertheless be obligated to proceed to close the transactions contemplated by this Agreement without reduction of or set off against any consideration to be provided by Purchaser, and (ii) the Closing shall not be delayed as a result of Purchaser's request; Seller agrees to reasonably cooperate with Purchaser in connection with such endorsements, provided that such endorsements or amendments shall be at no cost to Seller and shall not impose any additional

liability on Seller except as set forth in certificates, indemnities and/or affidavits that Seller is obligated to provide to Purchaser's title company as set forth in Section 4.2(h).

(e) Seller's Opportunity to Cure. Except for Title and Zoning Objections and Environmental Objections, Purchaser shall have no right to object to the physical condition (including without limitation, with respect to compliance with applicable building codes) of the Owned Properties or the properties subject to the Lessee Real Property Leases, Seller shall have no obligations with respect thereto, and all such matters shall be Permitted Exceptions. For the purposes of the foregoing sentence, "physical condition" shall mean the current state and status of such properties (including without limitation, with respect to compliance with applicable building codes) and not physical matters that would be disclosed by a land survey of the land underlying such properties or of record at the Norfolk County Registry of Deeds. Seller may either elect to cure, at Seller's sole cost and expense, any Title and Zoning Objection or Environmental Objection set forth in a Title and Zoning Objection Notice or an Environmental Objection Notice, as the case may be, or decline to cure any or all of such Title and Zoning Objections and Environmental Objections. Seller shall make such election by giving written notice thereof ("Seller's Cure Notice") to Purchaser within ten (10) days of receipt of the respective Title and Zoning Objection Notice and the Environmental Objection Notice. If Seller fails to timely deliver Seller's Cure Notice within such 10-day period, Seller shall be deemed to have elected not to cure the Title and Zoning Objections and the Environmental Objections, as the case may be. If Seller elects to cure, Seller shall be obligated to cure or satisfy the Title and Zoning and the Property Objections specified in Seller's Cure Notice on or before the Closing Date.

(f) Termination of Agreement. If, pursuant to Section 2.7(e), Seller elects or is deemed to elect not to cure any Title and Zoning Objection or Environmental Objection, then Purchaser may elect, by giving notice thereof to Seller within ten (10) Business Days following receipt of the Seller's Cure Notice, or the date on which Seller is deemed to have elected not to cure such Title and Zoning Objection or Environmental Objection, to terminate this Agreement pursuant to Section 4.4(c) if (i) any Title and Zoning Objection, individually or when taken as a whole, substantially impairs the use of the affected property or properties, as such property is currently used, or that in Purchaser's reasonable opinion, impair or impede the commercial marketability of the affected property or decreases the value of the affected property or properties by an amount equal to or greater than \$50,000 in the aggregate, when such property is used as it is presently used and with its current improvements thereon, or (ii) any Environmental Objection collectively constitute a Material Adverse Effect. If Seller does not terminate this Agreement pursuant to the previous sentence, all such Title and Zoning Objections and Environmental Objections that Seller elected or is deemed to have elected not to cure will become Permitted Exceptions. If, after having elected to cure any Title and Zoning Objection or Environmental Objection, Seller fails to cure or satisfy the same to Purchaser's reasonable satisfaction by the Closing Date, then Purchaser may elect, by giving notice thereof prior to the Closing, either to (i) waive any Title and Zoning Objection, (ii) waive any Environmental Objection (iii) grant Seller an additional adjournment of the Closing to attempt to cure any Title and Zoning Objection or Environmental Objection, if Seller agrees to cure same, (iv) terminate this Agreement pursuant to Section 4.4(c) if any Title and Zoning Objection is not cured, provided, however, that Purchaser shall have no right to terminate this Agreement because any Title and Zoning Objections remain uncured unless such uncured Title and Zoning Objection,

individually or when taken as a whole, substantially impairs the use of the affected property or properties, as such property is currently used, or that in Purchaser's reasonable opinion, impair or impede the commercial marketability of the affected property or decreases the value of the affected property or properties by an amount equal to or greater than \$50,000 in the aggregate, when such property is used as it is presently used and with its current improvements thereon, or (v) terminate this Agreement pursuant to Section 4.4(c) if any Environmental Objections collectively constitute a Material Adverse Effect. If Purchaser elects to waive Title and Zoning Objections or Environmental Objections and proceeds to Closing, then such items waived shall become Permitted Exceptions and Seller shall have no liability with respect to such Title and Zoning Objections or Environmental Objections.

2.8. Diligence Regarding Medical Billing. Upon Purchaser providing Seller with notice reasonably in advance, Seller shall permit Purchaser to have necessary access to conduct due diligence regarding Seller's medical billing and coding practices, including access to all supporting documents as Purchaser shall reasonably request. Due diligence related to medical billing and coding practices shall be completed within seven (7) days following Seller's provision of the requested materials. If Purchaser undertakes an on-site review of such materials at premises of Seller, then such access shall be provided only during normal business hours, and Purchaser shall conduct such review in a manner so as not to interfere with the normal business operations of Seller.

ARTICLE III.

CONSIDERATION; LINE OF CREDIT

3.1. Purchase Consideration. The aggregate consideration for the Purchased Assets (the "Purchase Price") shall be comprised of the assumption of the Assumed Liabilities, including Seller's liabilities as of the Effective Time with respect to the Pension Plan (it being understood that the assumption of such liabilities with respect to the Pension Plan shall be net of the value of the corresponding assets contained in the Pension Plan from time to time as such assets relate to Seller's Employees and former employees).

3.2. Line of Credit. As of the Effective Date, Purchaser agrees to extend a line of credit of up to Three Million Dollars (\$3,000,000.00) (the "Line of Credit"), to Seller, as further detailed in the agreement attached hereto as Exhibit A (the "Line of Credit Agreement"). Seller may access the funds in the Line of Credit by sending Purchaser a certificate, at least seven (7) Business Days in advance of the requested date of the draw that indicates the amount, such amount not to exceed \$500,000 per request, and the Business purposes for which the amount drawn is intended to be used, which Business purpose is not to be inconsistent with the terms of this Agreement. Each such certificate shall be executed by either the chief executive officer or the chief financial officer of NESH, acting singly, or, in the event of the unavailability of both of those officers, by a representative of Seller identified in a notice to Purchaser from the chair of the NESH Board of Directors. Each draw against the Line of Credit based on a certificate as described above shall be approved by Purchaser, the approval of which shall not be unreasonably withheld, conditioned or delayed. In exchange for Purchaser's extension of the Line of Credit, Seller agrees that such Line of Credit shall be secured by a first mortgage lien (the "Mortgage") on the Owned Properties, subject only to the Permitted Exceptions and exceptions and

encumbrances listed in the Title Commitment, Commitment Number NCS-526409-BOS1, issued by the Title Company with the effective date of February 12, 2012.

ARTICLE IV.

CLOSING AND TERMINATION

4.1. Closing Date. Subject to the satisfaction of the conditions set forth in Sections 9.1, 9.2 and 9.3 (or the waiver thereof by the party entitled to waive that condition), the closing of the Contemplated Transaction (the "Closing") shall take place at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., at One Financial Center, Boston, MA 02111 (or at such other place as the parties may designate in writing) at 10:00 a.m. (Eastern time) on the date that is the last Business Day of the month in which the conditions set forth in ARTICLE IX (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) have been satisfied or waived, provided however, that if the day on which all closing conditions are satisfied or waived is less than seven (7) Business Days before the last day of the month, then the Closing shall be held on the last Business Day of following month, unless another time or date, or both, are agreed to in writing by the parties hereto. The date on which the Closing shall be held is referred to in this Agreement as the "Closing Date." Unless otherwise agreed by the parties in writing, regardless of the time at which the Closing is completed, the Closing shall be deemed effective and all right, title and interest of Seller to be acquired by Purchaser hereunder, and all risk of loss with respect to the Business, shall be considered to have passed to Purchaser as of 12:01 a.m. (Eastern time) on the first day on the month immediately following the Closing Date (the "Effective Time"). The parties agree to use commercially reasonable efforts to cause the Closing to occur before September 1, 2012. The parties acknowledge that, subject to the limitations set forth in Section 4.4, each party shall have the right to terminate this Agreement pursuant to Section 4.4 if the Closing shall not have occurred by no later than September 1, 2012.

4.2. Deliveries by Seller. At the Closing, Seller shall deliver to Purchaser:

- (a) a duly executed bill of sale in the form of Exhibit B;
- (b) a duly executed assignment and assumption agreement in the form of Exhibit C;
- (c) the officer's certificates required to be delivered pursuant to Sections 9.1(a), 9.1(b) and 9.1(c);
- (d) a certificate of non-foreign status from each of NESH and Physician Subsidiary satisfying the requirements of Treasury Regulations Section 1.1445-2(b) in a form reasonably acceptable to Purchaser;
- (e) all other instruments of conveyance and transfer, in form and substance reasonably acceptable to Seller and Purchaser, as may be necessary to convey the Purchased Assets to Purchaser, including executed certificates of title for the Purchased Vehicles;

(f) an officer's certificate certifying (i) Seller's Articles of Organization and the most recent Articles of Amendment, (ii) Seller's bylaws, (iii) the incumbency and signature of the authorized individuals executing this Agreement and the other Seller Documents on behalf of Seller, and (iv) resolutions that Seller's Board of Directors has authorized the execution, delivery and performance by Seller of this Agreement and the Seller Documents and have ratified the Contemplated Transaction;

(g) a certificate from the appropriate Governmental Body certifying to the legal existence of each Seller;

(h) subject to Section 2.7(d), such reasonable certificates, indemnities and affidavits as the Title Company requires in order to issue an owner's title policy for the Owned Properties, without exception for the following items to the extent they do not constitute a Permitted Exception: mechanic's and materialmen's liens, broker's liens, or rights of parties in possession other than the tenants and occupants under the Lessor Real Property Leases;

(i) evidence, reasonably satisfactory to Purchaser and the Title Company, of the authority of any person or persons executing instruments for or on behalf of Seller;

(j) a waiver of corporate excise tax lien from the Massachusetts Department of Revenue or, if despite Seller's diligent efforts, the Massachusetts Department of Revenue will not issue such waiver of corporate excise tax lien due to Seller's status as a 501(c)(3) corporation, a certificate of good standing for a non-profit organization issued by the Massachusetts Department of Revenue;

(k) all releases of claims, if any are required under the 457(f) Plan, provided in exchange for payment to 457(f) Plan participants as described in Section 8.2(f);

(l) estoppel certificates substantially in the form of Exhibit D-1 with respect to the Third Party Leases (or, if a different form is required by any Third Party Lease, in the form so required by such Third Party Lease) and in the form of Exhibit D-2 with respect to each Lessor Real Property Lease; provided, however, that Purchaser agrees not to unreasonably object to or withhold Purchaser's consent to alterations in the form of such estoppel certificates;

(m) quitclaim deeds duly executed by Seller in recordable form, conveying to Purchaser good and clear record and marketable fee simple title to the Owned Properties, subject only to the Permitted Exceptions, which quitclaim deeds shall be in the form attached hereto as Exhibit E, duly executed and acknowledged;

(n) Intentionally omitted;

(o) the Tufts Extension;

(p) documentation that the Rockland Debt has been discharged, at or before the Closing;

(q) if, prior to the Closing, all or any portion of the Purchased Assets are damaged or destroyed by fire, earthquake or other casualty, all insurance proceeds paid or

payable with respect thereto that have not been applied to secure, repair or replace such damage or destruction with Purchaser's consent, or an instrument assigning Seller's right to such proceeds to Purchaser, to be effective upon the Closing, which obligation shall continue through the Effective Time with respect to any casualty occurring between the Closing and the Effective Time; and

(r) with respect to the Seller's accounts receivable, an account control and sweep agreement with Seller's bank or banks, directing such banks to deliver the proceeds of such accounts to Purchaser on and after the Effective Time, with the exception of the Charitable Assets and the Retained Cash.

4.3. Deliveries by Purchaser. At the Closing, Purchaser shall deliver to Seller:

(a) a duly executed assignment and assumption agreement in the form attached hereto as Exhibit C;

(b) the officer's certificates required to be delivered pursuant to Sections 9.2(a) and 9.2(b);

(c) a certificate of an officer of Purchaser certifying (i) Purchaser's articles of organization, (ii) Purchaser's bylaws, (iii) the incumbency and signature of the authorized individuals executing this Agreement and the other Purchaser Documents on behalf of Purchaser, and (iv) resolutions that the shareholders and directors of Purchaser have authorized the execution, delivery and performance by Purchaser of this Agreement and the Purchaser Documents and have ratified the Contemplated Transaction;

(d) a certificate of an officer of Purchaser Guarantor certifying (i) Purchaser Guarantor's certificate of formation, (ii) Purchaser Guarantor's operating agreement, (iii) the incumbency and signature of the authorized individuals executing this Agreement on behalf of Purchaser Guarantor, and (iv) resolutions that the members or managers of Purchaser Guarantor have authorized the execution, delivery and performance by Purchaser of this Agreement;

(e) a certificate from the appropriate Governmental Body certifying to Purchaser's good standing and, if applicable, qualification to do business in Massachusetts; and

(f) such other documents, instruments and certificates as Seller may reasonably request.

4.4. Termination of Agreement. In respect of the Contemplated Transaction, this Agreement may be terminated prior to the Closing as set forth in this Section 4.4.

(a) Termination by Purchaser or Seller. Either Purchaser or Seller may terminate this Agreement upon the occurrence of any of the following:

(i) the Closing shall not have occurred by 4:00 p.m. Eastern time on September 1, 2012 (the "Termination Date"); provided, however, that if the Closing shall not have occurred on or before the Termination Date due to a material breach of any representations, warranties, covenants or agreements contained in this Agreement by Purchaser or Seller, then the

breaching party may not terminate this Agreement pursuant to this Section 4.4(a)(i) and the non-breaching party may not terminate this Agreement during any cure period required pursuant to Section 4.4(c)(ii) or Section 4.4(d)(iii), as applicable. Notwithstanding the foregoing, if Purchaser has, in accordance with Section 7.6(a), timely submitted and pursued with due diligence the Healthcare Applications necessary to obtain the Healthcare Regulatory Consents and Permits necessary for Purchaser to consummate the Contemplated Transaction, and Purchaser is otherwise in compliance with its obligations under this Agreement, then Purchaser shall have the right to delay the Closing by thirty (30) days from the Termination Date if Purchaser delivers to Seller a written notice of Purchaser's exercise of this right by not later than five (5) Business Days prior to the earlier of the Termination Date or the date upon which the parties have agreed the Closing is otherwise scheduled to take place;

(ii) DPH refuses to issue a Determination of Need to Purchaser with respect to the transfer of ownership of the Hospital, or DPH does not deem Purchaser suitable for licensure to operate the Hospital, or Purchaser fails to obtain any approval or Permit required to be obtained by Purchaser to consummate the Contemplated Transaction; provided, however, that, in order for Purchaser to be entitled to terminate this Agreement pursuant to this Section 4.4(a)(ii), Purchaser must have timely applied for and pursued with due diligence the necessary Determination of Need, approvals or Permits; or

(iii) there shall otherwise be in effect a final non-appealable Order of a Governmental Body of competent jurisdiction restraining, enjoining, failing to issue a required consent or approval for or otherwise prohibiting the consummation of the Contemplated Transaction.

(b) Termination by Mutual Written Consent. This Agreement may be terminated by mutual written consent of Seller and Purchaser.

(c) Termination by Purchaser. Purchaser may terminate this Agreement upon the occurrence of any of the following:

(i) if any of the conditions to the obligations of Purchaser set forth in Sections 9.1 and 9.3 shall have become incapable of fulfillment, other than as a result of a breach by Purchaser of any covenant or agreement contained in this Agreement, and such condition is not waived by Purchaser; or

(ii) if there shall be a material breach by Seller of any representation or warranty, or any covenant or agreement contained in this Agreement, which breach would provide the Purchaser the right not to close the Contemplated Transaction pursuant to Sections 9.1(a), 9.1(b) or 9.1(c) and which breach cannot be cured or has not been cured by the later of twenty (20) Business Days after the giving of written notice by Purchaser to Seller of such breach or the Termination Date;

(d) Termination by Seller. Seller may terminate this Agreement upon the occurrence of any of the following:

(i) in the event Purchaser fails to submit to DPH its Determination of Need application for approval of the Contemplated Transaction within fifteen (15) Business

Days following the Effective Date, and to submit to any other Governmental Body any applications required thereby for any approval thereof required for the Contemplated Transaction in due course and in sufficient time to assure Purchaser's ability to operate the Hospital on the Closing Date;

(ii) if any of the conditions to the obligations of Seller set forth in Sections 9.2 and 9.3, shall have become incapable of fulfillment, other than as a result of a breach by Seller of any covenant or agreement contained in this Agreement, and such condition is not waived by Seller; or

(iii) if there shall be a material breach by Purchaser of any representation or warranty, or any covenant or agreement contained in this Agreement that would provide Seller the right not to close the Contemplated Transaction pursuant to Sections 9.2 or 9.3 and which breach cannot be cured or has not been cured by the later of twenty (20) Business Days after the giving of written notice by Seller to Purchaser of such breach or the Termination Date.

4.5. Procedure For Termination. In the event of termination of this Agreement by Purchaser or Seller, or both, pursuant to Section 4.4, written notice thereof shall forthwith be given to the other party, and upon the giving of such notice (or at such time as specified in the particular termination right set forth in Section 4.4) the Contemplated Transaction shall be abandoned and this Agreement shall terminate to the extent and with the effect provided by Section 4.6, without further action by Purchaser or Seller.

4.6. Effect of Termination.

(a) Release of Future Obligations. In the event that this Agreement is validly terminated as provided herein so that the Closing contemplated hereunder does not occur, then (i) each of the parties shall be relieved of its duties and obligations arising under this Agreement after the date of such termination; provided, however, that the obligations of the parties set forth in the Confidentiality Agreement and in Sections 2.6, 4.6(b), 4.6(c), 4.6(d), 4.7 and 7.2 and, to the extent necessary to effectuate the foregoing enumerated provisions, ARTICLE I and ARTICLE XI of this Agreement, shall survive any such termination and shall be enforceable in accordance with their terms; and (ii) each party shall upon request redeliver as soon as practicable any or all documents, work papers and other material of any other party relating to its business or affairs or the Contemplated Transaction, whether obtained before or after the execution hereof, to the party furnishing the same, other than any material that is of public record.

(b) Effect on Line of Credit. In the event that this Agreement is validly terminated as provided herein so that the Closing contemplated hereunder does not occur, then, subject to and except as otherwise provided in Section 10.5, the outstanding balance on the Line of Credit as of the effective date of such termination shall be converted to a twenty-four (24) month term loan, the terms of which shall be governed by the Line of Credit Agreement.

(c) Liability for Breach. In the event that this Agreement is terminated pursuant to Section 4.4, all further obligations of the parties under this Agreement shall terminate

without further liability of either party to the other, other than as provided in Section 4.4(a); provided that nothing in this Section 4.6 shall relieve the Seller or Purchaser of any liability for an intentional breach of any covenant in this Agreement prior to the date of termination, which liability shall be subject to the limitations set forth in ARTICLE X and the parties shall be entitled to seek the remedy of specific performance as set forth in Section 10.4. Notwithstanding anything in this Section 4.6(c) or any other Section of this Agreement to the contrary, in no event shall Seller have any liability to Purchaser, and Purchaser shall have no claim against Seller, for damages of any type or nature arising from any violation or breach of any representations or warranties made by Seller to Purchaser in this Agreement.

(d) Survival Provisions. The Confidentiality Agreement shall survive any termination of this Agreement and nothing in this Section 4.6 shall relieve Purchaser or Seller of their obligations under the Confidentiality Agreement. If this Agreement is terminated in accordance with Section 4.4, Purchaser agrees that it shall not, directly or indirectly, solicit any Employee of Seller to join the employ of Purchaser or any of its Affiliates for a period of two (2) years following the effective date of such termination, such restriction to exclude any general solicitation of employees through newspapers or advertisements regarding hiring.

4.7. Right to Take Action. Notwithstanding anything in this Agreement to the contrary, nothing shall prevent or limit, and Purchaser shall not take actions to prevent or limit, Seller at any time after the Effective Time from being dissolved or liquidated, making payments to its creditors or distributions of its donor-restricted or charitable funds, or otherwise terminating its existence and/or taking any other action, in each case, as permitted by applicable law.

ARTICLE V.

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Purchaser that:

5.1. Organization and Good Standing; Affiliates. Each Seller is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now conducted. Except as set forth on Schedule 5.1, neither Seller has any subsidiaries or owns or holds any interest in another Person.

5.2. Authorization of Agreement. Subject to the satisfaction of the conditions referred to in clauses (i) through (iii) of Section 5.3(b), Seller has all requisite power, authority and legal capacity to execute and deliver, and has taken all corporate action necessary for it to validly execute and deliver, each agreement, document, or instrument or certificate contemplated by this Agreement to be executed by Seller in connection with the consummation of the Contemplated Transaction (the "Seller Documents") and to perform its obligations hereunder and thereunder and to consummate the Contemplated Transaction. This Agreement and each of the Seller Documents contemplated to be executed and delivered in connection with Seller entering into this Agreement has been, and each other Seller Document will be at or prior to the Closing, duly

and validly executed and delivered by Seller and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement constitutes, and each of the Seller Documents when so executed and delivered will constitute, legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms.

5.3. Contravention; Consents of Third Parties; Contractual Consents.

(a) To the Knowledge of Seller, except as described on Schedule 5.3(a), neither the execution, delivery and performance by Seller of this Agreement and the Seller Documents, nor the consummation by Seller of the transactions contemplated hereby and thereby will (i) violate or constitute a breach of any provision of Seller's bylaws or articles of organization, (ii) result in a breach of, constitute (with or without due notice or lapse of time or both) a default under, result in the acceleration of obligations under, create in any party the right to terminate, modify or cancel, or require any notice, consent or waiver under, any Contract, including without limitation any Purchased Contract, (iii) result in the imposition of any Liens (other than Permitted Exceptions) upon any assets or properties of Seller, including without limitation the Purchased Assets or (iv) violate any Order, Permit or Law applicable to the Business, Seller or any of their respective properties or assets, including the Purchased Assets.

(b) To the Knowledge of Seller, except as described on Schedule 5.3(b), Seller is not required to obtain any consent, waiver, approval, Order, Permit or authorization of, or to make any declaration or filing with, or to give any notification to, any Person (including any Governmental Body) in connection with the execution and delivery of this Agreement or the Seller Documents by Seller, the compliance by Seller with any of the provisions hereof or thereof, the consummation of the Contemplated Transaction or the taking by Seller of any other action contemplated hereby or thereby, except for (i) the approval of the AGO and the Supreme Judicial Court of the Commonwealth of Massachusetts, as the same may be required by Chapter 180 of the Massachusetts General Laws ("Chapter 180"), (ii) the issuance by DPH of a Determination of Need and suitability approval for Purchaser, and (iii) such other consents, waivers, approvals, Orders, Permits, authorizations, declarations, filings and notifications of which the failure to have obtained or made same would not have a Material Adverse Effect.

5.4. Title to Purchased Assets. Except as set forth in Schedule 5.4, and other than the real property subject to the Lessee Real Property Leases, the Intellectual Property subject to the Intellectual Property Licenses and the personal property subject to the Personal Property Leases, Seller owns or controls each of the Purchased Assets, and Purchaser will at the Effective Time be vested with good title to such Purchased Assets, free and clear of all Liens, other than the Permitted Exceptions. The Purchased Assets represent all of the assets used by Seller in the operation of the Business, other than the Excluded Assets. To the Knowledge of Seller, except as set forth on Schedule 5.4, there are no outstanding rights (including any rights of first refusal or offer or rights of reverter), options, or Contracts made on any Seller's behalf giving any Person any current or future right to require any Seller or, following the Effective Time, Purchaser, to sell or transfer to such Person or to any third party any interest in any of the Purchased Assets.

5.5. Taxes.

(a) Each Seller is, and has been, with respect to NESH for at least the last six (6) taxable years and for Physician Corporation since its incorporation, an entity exempt from federal income Tax as an organization described in Section 501(c)(3) of the Code and exempt from Commonwealth of Massachusetts corporate franchise Tax under the comparable provisions of the General Laws of the Commonwealth of Massachusetts, and has not, for at least such period of time specified above, respectively, and does not now, carry on its activities in such a manner that has required (or would require) the filing of any Tax Return and the payment of any Taxes under Section 511 of the Code and the comparable provision of Massachusetts law (or any similar provision of state, local or foreign Tax law).

(b) There are no Liens for Taxes upon the Purchased Assets other than for Taxes not yet due and payable.

(c) Except as set forth on Schedule 5.5(c), each Seller has timely filed all Tax Returns required to be filed and all Taxes owed (whether or not shown or required to be shown on such Tax Returns) have been paid or remitted, in each case, to the extent such Taxes and Tax Returns related to the Purchased Assets or the operation of the Business. All such Tax Returns were true, complete and correct in all respects. No portion of any Tax Return that relates to the Purchased Assets or the operation of the Business has been the subject of any audit, action, suit, proceeding, claim or examination by any Tax Authority, and no such audit, action, suit, proceeding, claim, deficiency or assessment is pending or, to the Knowledge of either Seller, threatened. Neither Seller is currently the beneficiary of any extension of time within which to file any Tax Return, and neither Seller has waived any statute of limitation with respect to any Tax or agreed to any extension of time with respect to a Tax assessment, or deficiency. To the Knowledge of Sellers, no claim has ever been made by a Tax Authority in a jurisdiction where either Seller does not file Tax Returns that it is or may be subject to taxation by that jurisdiction.

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

5.6. Real Property.

(a) Owned and Leased Real Property. Schedule 5.6(a) sets forth a list of Owned Properties and all Real Property Leases. Each Real Property Lease with a physician or other potential referral source is in material compliance with applicable Law.

(b) Property Agreements. The agreements identified in Schedule 5.6(b) (collectively, the “Property Agreements”) are all of the material contracts or agreements, such as maintenance, service, or utility contracts relating to or affecting Seller’s operation of the Owned Properties and the properties subject to the Real Property Leases. Seller has not granted and to Seller’s Knowledge there are no unrecorded outstanding options, rights of first offer or rights of first refusal with respect to the Owned Properties and the properties subject to Lessor Real Property Leases. Each Property Agreement is in full force and effect according to its terms, and to Seller’s Knowledge no breach or default, or alleged breach or default or event which would (with the passage of time, notice or both) constitute a breach or default by Seller thereunder or any other party or obligor with respect thereto, has occurred and is continuing. Except as set

forth in Section 7.1(h), Seller will not enter into, renew, replace, modify, cancel, terminate, alter, extend or otherwise change in any manner any Property Agreement without Purchaser's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Real Property Leases. The rent roll (the "Rent Roll") and the list of security deposits under any Real Property Lease provided in Schedule 5.6(c) is complete and accurate in all material respects. Each Real Property Lease is in full force and effect according to its terms, and no breach or default, alleged breach or default or event which would (with the passage of time, notice or both) constitute a breach or default by Seller thereunder or any other party or obligor with respect thereto has occurred and is continuing. Except for those tenants in possession under Lessor Real Property Leases described in Schedule 5.6(c), to Seller's Knowledge, no Person other than Seller possesses or claims possession of, adverse or not, any Owned Properties or properties subject to Lessor Real Property Leases, whether as lessee, tenant at sufferance, trespasser or otherwise. Except as set forth in Section 7.1(a) and Section 7.1(h), Seller shall not enter into, renew, replace, modify, cancel, terminate, alter, extend or otherwise change in any manner any Real Property Lease without Purchaser's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(d) Condition of Property. (i) All of the Owned Properties and to Seller's Knowledge, all of the properties subject to the Real Property Leases are serviced by all necessary utilities, including water, sewage, electricity and telephone, and no Seller is aware of any material inadequacies with respect to such utilities. To Seller's Knowledge, there has been no material adverse change in the title, environmental condition, zoning or physical condition of the Owned Properties or any property which is subject to a Lessee Real Property Lease that has occurred after the Review Period. Further, Seller shall (i) continue to operate and maintain the Owned Properties and the properties subject to the Real Property Leases in substantially the same manner as it is operating and maintaining such properties as of the Effective Date; and (ii) maintain all equipment and systems located on the Owned Properties and the properties subject to the Real Property Leases in substantially the same manner as it is operating and maintaining such properties as of the Effective Date.

(e) Eminent Domain. Seller has not received written notice of condemnation, eminent domain or similar proceeding relating to the Owned Properties or Real Property Leases or any part thereof.

(f) Unrecorded Encumbrances. To Seller's Knowledge, there are no unrecorded claims, charges, easements, encumbrances, conditional sales agreements, rights of first refusal, options, encroachments, security interests, mortgages, liens, pledges or restrictions, whether imposed by Contract, Law, equity or otherwise on the Purchased Assets other than those listed on Schedule 5.6(f) on the Purchased Assets that will be binding on Purchaser as of the Effective Time. Seller owns the Owned Properties, and all buildings and improvements located thereon, subject only to the Permitted Exceptions. Seller agrees that title to the Owned Properties shall not be voluntarily altered by Seller between the Effective Date and the Effective Time in any material respect, except to the extent not restricted by Section 7.1 and Section 7.3.

5.7. Tangible Leased Personal Property. Schedule 5.7 sets forth a list of all Personal Property Leases relating to personal property used by Seller in the Business.

5.8. Intellectual Property. Except as set forth on Schedule 5.8, Seller owns or has licenses to use all Intellectual Property and Intellectual Property Licenses used by it in the Ordinary Course of Business, except to the extent that the failure to be the owner or the licensee thereof would not have a Material Adverse Effect; provided, however, that Seller makes no representation or warranty as to the ownership by the licensor of any Intellectual Property or Intellectual Property Licenses that is licensed to Seller.

(a) To the Knowledge of Seller, the conduct of the Business as presently conducted and as conducted between the Effective Date and the Closing does not infringe, violate, or misappropriate, and has not infringed, violated, or misappropriated, any Intellectual Property of any Person. There are no suits, actions or proceedings pending or, to the Knowledge of Seller, threatened with respect to the Hospital, or the conduct of the Business, infringing, violating or misappropriating the Intellectual Property of any Person, nor, to the Knowledge of Seller, has any Person made any claims of such infringement, violation, or misappropriation. All Purchased Intellectual Property is owned by the Seller free and clear of all Liens (except for Permitted Exceptions). Except in agreements listed in Schedule 5.8, no licenses or other rights to such Purchased Intellectual Property have been granted to any other Person.

(b) The Seller, its Affiliates and the Hospital are not in material breach of any Purchased Intellectual Property License; nor, to the Knowledge of the Seller, is any other party thereto in breach of a Purchased Intellectual Property License. Each such Purchased Intellectual Property License is in full force and effect. Except as provided in Schedule 5.8(b), the execution, delivery and performance of this Agreement will not give rise to a termination of, or have a material adverse effect on, the right of Purchaser or the Hospital to use and enjoy the Software or any other Purchased Intellectual Property License under the terms of the applicable Purchased Intellectual Property License agreements nor give rise to any termination right by licensor or right to increase fees or charge additional fees due to the consummation of the Contemplated Transaction.

(c) The Purchased Intellectual Property and the Purchased Intellectual Property Licenses comprise all Intellectual Property owned or licensed by Seller that is necessary for the conduct of the Business as presently conducted. To the Knowledge of Seller, no third party is infringing, violating, or misappropriating any of the Purchased Intellectual Property or Purchased Intellectual Property Licenses.

5.9. Contracts. Schedule 5.9 sets forth a list of all Contracts material to the Business to which Seller is a party or by which it is bound, and Schedule 5.9 also designates which of such Contracts require consent to the assignment thereof to Purchaser. Each such Contract is in full force and effect and, to the Knowledge of Seller, complies in all material respects with applicable Laws. Seller has delivered to Purchaser or its representative true and complete copies of all such written Contracts (and all written amendments or other modifications thereto). Except as set out in Schedule 5.9, to the Knowledge of Seller (i) all of such Contracts are valid, in full force and effect and binding against Seller and the other parties thereto in accordance with their respective terms; (ii) comply in all material respects with applicable Laws; (iii) Seller has paid or accrued all amounts due from it under all such Contracts and has satisfied in full or provided for all of its Liabilities thereunder that are presently required to be satisfied or provided for; (iv) neither Seller nor any other party thereto is in default of any of its obligations under any

such Contract; and (v) there does not exist any condition that with notice or lapse of time or both would constitute a default thereunder.

5.10. Financial Information.

Schedule 5.10 hereto contains Seller's (i) audited financial statements for the fiscal year ended September 30, 2010, (ii) audited financial statements for the fiscal year ended September 30, 2011 and (iii) an unaudited balance sheet dated as of December 31, 2011 (the "Financial Statements"). Except as disclosed on Schedule 5.10, the Financial Statements have been prepared in accordance with GAAP in all material respects (subject in the case of the financial statements described in clause (iii) above to the absence of footnotes and normal year-end audit adjustments), applied on a consistent basis throughout the periods indicated, and Seller has not changed any accounting policy or methodology in determining the obsolescence of Inventory throughout all periods presented. Except as set forth on Schedule 5.10, the items described in clause (iii) present fairly, in all material respects, its financial condition as of the date thereof (subject in the case of the financial statements described in clause (iii) above to the absence of footnotes and normal year-end audit adjustments). Except as set forth on Schedule 5.10 and except for Liabilities that are disclosed in this Agreement (including any Schedules or Exhibits hereto) and Liabilities incurred after the periods of the Financial Statements in the Ordinary Course of Business, as of the Effective Date there are no material Liabilities of any nature related to the Purchased Assets or the Assumed Liabilities that are required in accordance with GAAP consistently applied to be disclosed on its financial statements.

5.11. Employees; Employee Benefits.

(a) Except as described in Schedule 5.11(a), in connection with Seller's operation of the Business, (i) Seller is not a party to any labor, collective bargaining, employee association or other collective agreement that contains provisions governing the terms and conditions of employment of any Employee, and (ii) no labor union or employee association has been certified as exclusive bargaining agent for any group of Employees. Prior to the Effective Date, Seller has delivered to Purchaser a list of all its Employees as of a recent date, indicating their position, current annual rate of compensation or current hourly wage rate or other basis of compensation and date of hire by Seller. Schedule 5.11(a) also lists all Employee Benefit Plans, and all other material payroll practices, maintained by Seller or to which Seller contributed or is obligated to contribute thereunder for current or former employees, including all "employee pension plans", as defined in Section 3(2) of ERISA, subject to Title IV of ERISA or Section 412 of the Code, maintained by Seller in which any current or former employees participated.

(b) Except as set forth on Schedule 5.11(b), each Employee Benefit 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. Each Employee Benefit 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 no event has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification. To Seller's Knowledge, no event has occurred and no condition exists that would subject Purchaser to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and

regulations. Except as set forth on Schedule 5.11(b), 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.

(c) Except as set forth on Schedule 5.11(c), no Employee Benefit Plan is a “multiemployer plan” (as defined in Section 4001(a)(3) of ERISA) and Seller has not at any time sponsored or contributed to, or has or had any liability or obligation in respect of, any multiemployer plan. With respect to any Employee Benefit Plan, (i) no actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending or, to Seller’s Knowledge, threatened; (ii) to Seller’s Knowledge, 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 Employee Benefit 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).

(d) Seller’s Section 457(b) Deferred Compensation Plan was terminated effective December 15, 2011.

5.12. Employee Relations.

(a) Except as provided in Schedule 5.12(a), Seller (i) is in compliance with all applicable Laws and regulations relating to Employees, including without limitation Laws and regulations with respect to immigration, employment, employment practices, terms and conditions of employment and wages and hours; (ii) has withheld all amounts required by Law or by agreement to be withheld from the wages, salaries and other payments to Employees, except as otherwise provided by valid employment policies of Seller; (iii) is not delinquent in payments to any of its Employees or to individuals who are independent contractors to Seller (“Independent Contractors”) for wages, salaries, commissions, bonuses or other direct compensation for any services performed by them or amounts required to be reimbursed to any Employees or Independent Contractors or any Taxes or any penalty for failure to comply with any of the foregoing; (iv) to the Knowledge of Seller, is not liable for any payment to any trust or other fund or to any Governmental Entity, with respect to unemployment compensation benefits, social security or other benefits or obligations for Employees (other than routine payments to be made in the ordinary course of business and consistent with past practice), and (v) is not a party to any ongoing or threatened Litigation regarding the classification of any workers.

(b) Except as provided in Schedule 5.12(b), no work stoppage or labor strike against Seller is pending or, to Seller’s Knowledge, threatened. Seller is not involved in or, to Seller’s Knowledge, threatened with, any labor dispute, grievance or litigation relating to labor, safety or discrimination matters involving any Employee, including without limitation charges of unfair labor practices or discrimination complaints, that, if adversely determined, could reasonably be expected to result in material liability to Seller. Seller is not presently, and has not

been in the past, a party to or bound by any collective bargaining agreement or union contract with respect to Employees and no collective bargaining agreement is being negotiated by Seller. No union organizing campaign or activity with respect to non-union Employees of Seller is ongoing, pending or, to the Knowledge of Seller, threatened.

(c) Prior to the Effective Date, Seller has delivered to Purchaser a list of all its Employees as of February 9, 2012, indicating their position, current annual rate of compensation or current hourly wage rate or other basis of compensation, date of hire by Seller, job title or other short summary of responsibilities, whether the Employee is part-time or full-time, and whether the Employee is a party to any individual agreement between the individual and the Seller.

(d) Except as set forth in Schedule 5.12(d), no Employee has given as of the Effective Date notice of an intention to leave Seller's employ before or after the Closing.

5.13. Insurance. Schedule 5.13 sets forth a true and complete list of all insurance policies or self insurance funds maintained by it as of Effective Date covering the ownership and operation of the Purchased Assets or the Hospital, indicating the types of insurance, policy numbers, terms, identity of insurers and amounts and coverages (including applicable deductibles). All of such policies are now and will be until the Effective Time in full force and effect with no premium arrearages.

5.14. Litigation or Proceedings.

(a) Schedule 5.14 contains an accurate list and summary description of all litigation and Legal Proceedings that are currently pending with respect to the Business and the Purchased Assets to which it is a party. Except to the extent set forth on Schedule 5.14, there are no material claims, actions, suits, audits, compliance reports or information requests, proceedings or investigations pending, or, to Seller's Knowledge, threatened in writing against or affecting the Business or the Purchased Assets that would reasonably be expected to have a Material Adverse Effect.

(b) Other than as set forth on Schedule 5.14, Seller is not subject to any outstanding judgment, order or decree with respect to the Purchased Assets.

(c) There is no claim, action, suit, proceeding or investigation pending or, to Seller's Knowledge, threatened in writing against or affecting Seller that has or would reasonably be expected to have a Material Adverse Effect on Seller's ability to perform this Agreement or any aspect of the Contemplated Transaction.

5.15. Medical Staff. Prior to the Effective Date Seller has delivered or made available to Purchaser correct and complete copies of the bylaws and rules and regulations of its medical staff and has delivered to Purchaser a complete listing of all physicians and other clinicians with medical staff privileges at the Hospital and copies of the Hospital's current medical staff bylaws and regulations. Except as set forth in Schedule 5.15, no member of the Hospital's medical staff is subject to any sanction, monitoring program, or peer review disciplinary proceeding, other than routine monitoring undertaken by the Hospital in conjunction with reappointing or recredentialing members of the medical staff, and, to the Knowledge of Seller, each member of

the medical staff of the Hospital has been appropriately credentialed as required by Law. Except as set forth in Schedule 5.15, no appeal of any medical staff disciplinary action or denial or reduction of privileges regarding a member of the Hospital's medical staff, or of the services provided through the Hospital, is currently pending, or to the Knowledge of Seller, threatened against Seller or the Hospital. To the extent any such information is discovered, it will be disclosed to Purchaser subject to the Confidentiality Agreement.

5.16. Sufficiency of Purchased Assets. The Purchased Assets constitute, in the aggregate, all the assets and property used by Seller in connection with the Business as currently conducted in all material respects.

5.17. Compliance with Laws; Permits.

(a) Except as set forth on Schedule 5.17(a) or in Section 5.19, and except for the Permitted Exceptions, Seller is, and to Seller's Knowledge has been for the past five (5) years, in compliance in all material respects with all applicable statutes, rules, regulations and requirements of Governmental Entities having jurisdiction over Seller and the Purchased Assets and has not received any notice alleging any material violation of any such statutes, rules, regulations and requirements. Seller has timely filed all material forms, applications, reports, statements, data and other information required to be filed with Governmental Entities. Seller is taking timely corrective action to satisfy any violation or deficiency of which Seller has received notification from CMS or the Joint Commission. Seller is not party to, or otherwise bound by, a corporate integrity agreement with the OIG, or any similar agreement with any Governmental Entity. To Seller's Knowledge, no event or circumstances exist that, with or without the passage of time or notice, constitutes or may result in a material violation by Seller of any Law applicable to Seller, the Hospital or the Purchased Assets.

(b) The Hospital holds full accreditation from the Joint Commission with no contingencies or exceptions and is accredited by such other accrediting bodies as may be necessary and customary for every service offered by the Hospital. Schedule 5.17(b) sets forth a true and complete list of all Permits owned or held by Seller that are material to the operation of the Business, including all of the operating licenses necessary to operate the Hospital. Seller has all Permits necessary for the operation of the Business, including, without limitation, all such Permits required by or relating to employment and all other licenses, permits, franchises, orders or approvals of any Governmental Body relating to the delivery of hospital services, the absence of which would have a Material Adverse Effect, and all of such Permits are in full force and effect. To the Knowledge of Seller, Seller is operating in material compliance with all material Permits; any applications for renewal necessary to maintain any material Permit in effect have been filed; and no proceeding is pending or, to the Knowledge of Seller, threatened to revoke, suspend, limit or adversely modify any material Permit. Notwithstanding the foregoing, the representations made in this Section 5.17, as they relate to Permits relating to land use/zoning/building code laws and regulations for the Owned Properties and property subject to the Real Property Leases, are made only to the Knowledge of Seller.

(c) NESH is eligible to receive payment under Titles XVII and XVIII of the Social Security Act and NESH is a "provider" under existing provider agreements with the

Medicare and MassHealth programs (collectively, the “Healthcare Programs”) through, in the case of Medicare, the applicable intermediary.

(d) Schedule 5.17(d) sets forth a current and accurate bed license count, including any skilled nursing facility beds not now in service, as licensed to NESH by DPH;

(e) To Seller’s Knowledge, each Employee of the Seller who is required by law to have a professional license or certification to perform his or her job for the Seller holds such license or certification in good standing. To Seller’s Knowledge, no proceeding is pending or threatened, seeking revocation, cancellation, suspension or limitation of any Employee’s professional license or certification.

(f) Seller is not in receipt of any written notice from the United States federal government, the Commonwealth of Massachusetts or from any municipality that the Owned Properties or any properties subject to Third Party Leases are currently in violation of any building, fire, zoning and other laws, rules ordinances and regulations applicable thereto.

(g) Other than as set forth on Schedule 5.17(g), to Seller’s Knowledge, there are no Hazardous Substances existing on, in, under, or migrating to or from the Owned Properties or the properties subject to the Real Property Leases or any portion thereof, except for reasonable quantities of materials used in compliance with all applicable legal requirements and all applicable laws and used in the Ordinary Course of Business. Seller has not received written notice from any governmental or quasi-governmental agency pursuant to any law (including without limitation any Environmental Law) requiring the correction of any condition at or concerning the noncompliance of the Owned Properties or any properties subject to the Lessor Real Property Leases or any part thereof.

(h) Seller has delivered to Purchaser copies of all environmental reports and surveys and engineering reports existing to Seller’s Knowledge and in Seller’s possession concerning the Owned Properties or the properties subject to the Real Property Leases and all such materials delivered to Purchaser are, to Seller’s Knowledge, true, correct and complete copies of the materials provided to Seller.

5.18. Financial Advisors. Other than Navigant, no Person has acted, directly or indirectly, as a broker, finder or financial advisor for Seller in connection with the Contemplated Transaction and no Person is entitled to any fee or commission or like payment from Purchaser in respect thereof.

5.19. Self-Disclosure Filings. On February 23, 2012, Seller filed with the OIG a self-disclosure report that discloses to the OIG all instances of Seller’s material non-compliance with 42 U.S.C. 1320a-7b(b), 42 U.S.C. 1395nn and implementing regulations related to Seller’s financial relationship with physicians, and related Medicare billing rules, occurring, or in existence, on or after April 1996 (the “OIG Self-Disclosure”). Seller may file additional self-disclosures with other Governmental Bodies containing the same subject matter as the OIG Self-Disclosure (“Other Self-Disclosures”, collectively, the “Self-Disclosures”). To the best of Seller’s knowledge, the information provided in the Self-Disclosures was accurate and complete in all material respects when filed.

5.20. HIPAA/Privacy. Except as provided in Schedule 5.20, to the Knowledge of Seller, Seller is in material compliance with the applicable requirements of HIPAA and the implementing regulations thereunder governing the privacy and security of protected health information.

5.21. No Other Representations or Warranties; Schedules. Except for the representations and warranties contained in this ARTICLE V, neither Seller nor any other Person makes any express or implied representation or warranty with respect to Seller, the Business, the Purchased Assets, the Assumed Liabilities or the Contemplated Transaction, and Seller disclaims any other representations or warranties, whether made by Seller, any Affiliate of Seller or any of their respective officers, directors, Employees, agents or representatives. In furtherance, and not in limitation of, the foregoing, except for the representations and warranties contained in this ARTICLE V, Seller (i) expressly disclaims and negates any representation or warranty, expressed or implied, at common law, by statute, or otherwise, relating to the condition of the Purchased Assets (including any implied or expressed warranty of merchantability or fitness for a particular purpose, or of conformity to models or samples of materials) and (ii) disclaims all liability and responsibility for any representation, warranty, projection, forecast, statement, or information made, communicated, or furnished (orally or in writing) to Purchaser or its Affiliates or representatives (including any opinion, information, projection, or advice that may have been or may be provided to Purchaser by any director, officer, Employee, agent, consultant, or representative of Seller or any of its Affiliates). Seller makes no representations or warranties to Purchaser regarding the probable success or profitability of the Business. The disclosure of any matter or item in any schedule hereto shall not be deemed to constitute an acknowledgment that any such matter is required to be disclosed or is material or that such matter would result in a Material Adverse Effect.

5.22. Full Disclosure. No representation or warranty by Seller contained in this Agreement, and no statement contained in the Seller Disclosure Schedule, any notice given pursuant to Section 12.8, or any other document, certificate or other instrument delivered by or on behalf of Seller pursuant to this Agreement, contains any untrue statement of a material fact or omits to state any material fact necessary, in light of the circumstances under which it was made, in order to make the statements herein or therein not materially misleading. There is no fact or circumstance known to Seller that has specific application to the Business, the Purchased Assets or the Assumed Liabilities (other than an Excluded Matter) that would reasonably be expected to result in a Material Adverse Effect and that is not set forth in this Agreement or in the Seller Disclosure Schedule.

ARTICLE VI.

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser and Purchaser Guarantor (collectively, for purposes of this Article VI only, "Purchaser") hereby represent and warrant to Seller that:

6.1. Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, is duly qualified as to do business in Massachusetts as a foreign corporation and has all requisite corporate power

and authority to own, lease and operate its properties and to carry on its business as now conducted.

6.2. Authorization of Agreement. Subject to the provisions of Section 6.3(a), Purchaser has all requisite power, authority and legal capacity to execute and deliver, and has taken all corporate action necessary for it to validly execute and deliver, each agreement, document, or instrument or certificate contemplated by this Agreement to be executed by Purchaser in connection with the consummation of the Contemplated Transaction (the “Purchaser Documents”) and to perform its obligations hereunder and thereunder and to consummate the Contemplated Transaction. This Agreement and each of the Purchaser Documents contemplated to be executed and delivered in connection with Purchaser entering into this Agreement has been, and each other Purchaser Document will be at or prior to the Closing, duly and validly executed and delivered by Purchaser and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement constitutes, and each of the Purchaser Documents when so executed and delivered will constitute, legal, valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their respective terms.

6.3. Consents of Third Parties; Conflicts.

(a) Except as described on Schedule 6.3(a), Purchaser is not required to obtain any consent, approval, authorization, waiver, Order, license or Permit of or from, or to make any declaration or filing with, or to give any notification to, any Person (including any Governmental Body) in connection with the execution and delivery of this Agreement or the Purchaser Documents by Purchaser, the compliance by Purchaser with any of the provisions hereof or thereof, the consummation of the Contemplated Transaction or the taking by Purchaser of any other action contemplated hereby or thereby, except for the Healthcare Regulatory Consents.

(b) Except as set forth on Schedule 6.3(b), none of the execution and delivery by Purchaser of this Agreement or any of the Purchaser Documents, the consummation of the Contemplated Transaction by Purchaser, or compliance by Purchaser with any of the provisions hereof or thereof will conflict with, or result in any violation of or a default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provision of, any Contract or Permit to which Purchaser is a party or by which any of the properties or assets of Purchaser are bound, other than any such conflicts, violations, defaults, terminations or cancellations that would not have a material adverse effect on the ability of Purchaser to consummate the Contemplated Transaction.

6.4. Litigation. There are no Legal Proceedings pending or, to the knowledge of Purchaser, threatened against Purchaser, or to which Purchaser is otherwise a party before any Governmental Body, which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Purchaser to perform its obligations under this Agreement or to consummate the Contemplated Transaction. Purchaser is not subject to any Order of any Governmental Body except to the extent the same would not reasonably be expected to have a material adverse effect on the ability of Purchaser to perform its obligations under this Agreement or to consummate the Contemplated Transaction.

6.5. Financial Advisors. Except as set forth on Schedule 6.5, no Person has acted, directly or indirectly, as a broker, finder or financial advisor for Purchaser in connection with the Contemplated Transaction, Purchaser has not dealt with any Person purporting to represent Seller with regard to the Contemplated Transaction other than Navigant, and no Person is entitled to any fee or commission or like payment in respect thereof.

6.6. Financial Capability. Purchaser (i) has, and at the Closing will have, sufficient internal funds (without giving effect to any unfunded financing regardless of whether any such financing is committed) available to pay the Purchase Price and any expenses incurred by Purchaser in connection with the Contemplated Transaction, (ii) has, and at the Closing will have, the resources and capabilities (financial or otherwise) to perform its obligations hereunder, and (iii) has not incurred any obligation, commitment, restriction or Liability of any kind that would impair or adversely affect such resources and capabilities.

6.7. Healthcare Regulatory Compliance Status.

(a) To the knowledge of Purchaser, except as described on Schedule 6.7, neither Purchaser nor any of its Affiliates is involved in any litigation, proceeding, or investigation by or with any Governmental Authority which, if determined or resolved adversely, would have an adverse impact on the ability of Purchaser to obtain or maintain any governmental qualifications, registrations, filings, licenses, Permits, Orders, approvals or authorizations necessary for Purchaser to conduct the Business and to own or use the Purchased Assets, as the Business is conducted and the Purchased Assets are owned and used as of the Closing, where the failure to have such qualifications, registrations, filings, licenses, permits, orders, approvals or authorizations could reasonably be expected to prevent or materially delay the consummation of the Contemplated Transaction or the performance by Purchaser of any of its obligations under this Agreement.

(b) Purchaser and, to the knowledge of Purchaser, its officers, directors, employees, shareholders and providers, have not knowingly engaged in any activities that are prohibited under 42 U.S. Code Section 1320a-7a and 7b, or the regulations promulgated pursuant to such statutes, or similar or related state or local statutes or regulations, or by rules of professional conduct, or that otherwise constitute fraud, including the following: (i) making or causing to be made a false statement or misrepresentation of a material fact in any application for any benefit or payment; (ii) making or causing to be made any false statement or misrepresentation of a material fact for use in determining rights to any benefit or payment; (iii) failing to disclose knowledge by a claimant of the occurrence of any event affecting the initial or continued right to any benefit or payment on its behalf or on behalf of another, with intent to secure such benefit or payment fraudulently; and (iv) soliciting, paying or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offering to pay such remuneration (A) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by the Healthcare Programs or any private payor source or (B) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part by the Healthcare Programs or any private payor source. Purchaser does not know of any reason why the approvals or Permits required for

Purchaser to consummate the Contemplated Transaction would be delayed or rejected. Neither Purchaser nor any of its owners, directors, officers or managers has been indicted or convicted of a crime, been suspended or excluded from any of the Healthcare Programs, has had a professional license suspended or revoked, or has had a Certificate of Need or Determination of Need application denied or failed to pass a character and competency or suitability review by any Governmental Body. Purchaser has no knowledge of any fact that could reasonably be expected to cause any Governmental Body to question the character and competency or suitability of any of Purchaser's officers or directors.

6.8. Acknowledgement Regarding Condition of the Business. Notwithstanding anything contained in this Agreement to the contrary, Purchaser acknowledges and agrees that Seller is not making any representations or warranties whatsoever, express or implied, beyond those expressly given by Seller in ARTICLE V (as modified by the Schedules hereto as supplemented or amended). Purchaser acknowledges and agrees that, except for the representations and warranties contained therein, the Purchased Assets and the Business are being transferred to and accepted by Purchaser in an "as is," "where is" and "with all faults" condition, free of any warranties or representations whatsoever, and SELLER EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, LATENT OR PATENT, WITH RESPECT THERETO. Any claims Purchaser may have for breach of representation or warranty shall be based solely on the representations and warranties of Seller set forth in ARTICLE V (as modified by the Schedules hereto as supplemented or amended). Purchaser further represents that neither Seller nor any of its Affiliates nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding Seller, the Business or the Contemplated Transaction not expressly set forth in this Agreement, and neither Seller nor any other Person will have or be subject to any liability to Purchaser or any other Person resulting from the distribution to Purchaser or its representatives or Purchaser's use of, any such information, including any confidential memoranda distributed on behalf of Seller relating to the Business or other publications or data room information provided to Purchaser or its representatives, or any other document or information in any form provided to Purchaser or its representatives in connection with the sale of the Business and the Contemplated Transaction. Purchaser acknowledges that it has conducted, to its satisfaction, its own independent investigation of the Business and, in making the determination to proceed with the Contemplated Transaction, Purchaser has relied on the results of its own independent investigation. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASER ACKNOWLEDGES THAT SELLER HAS NOT MADE ANY REPRESENTATION RELATING TO THE OWNED PROPERTIES OR ANY PROPERTY THAT IS THE SUBJECT OF A REAL PROPERTY LEASE REGARDING SOIL CONDITIONS, AVAILABILITY OF UTILITIES, DRAINAGE, COMPLIANCE WITH ZONING LAWS, ENVIRONMENTAL LAWS, OR ANY OTHER FEDERAL, STATE OR LOCAL STATUTES, CODES, REGULATIONS OR ORDINANCES RELATING TO THE USE THEREOF, EXCEPT AS EXPRESSLY STATED HEREIN. PURCHASER ALSO ACKNOWLEDGES AND AGREES THAT THE INSPECTION AND INVESTIGATION OF THE PURCHASED ASSETS BY PURCHASER AND ITS REPRESENTATIVES HAS BEEN ADEQUATE TO ENABLE PURCHASER TO MAKE PURCHASER'S OWN DETERMINATION WITH RESPECT TO THE VALUE, SUITABILITY AND FITNESS OF THE LAND, INCLUDING WITH RESPECT TO SOIL CONDITIONS, AVAILABILITY OF UTILITIES, DRAINAGE, ZONING LAWS, ENVIRONMENTAL LAWS, AND ANY OTHER

FEDERAL, STATE OR LOCAL STATUTES, CODES REGULATIONS OR ORDINANCES. PURCHASER ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS PARAGRAPH ARE AN INTEGRAL PORTION OF THIS AGREEMENT.

6.9. Purchaser Acknowledgements.

(a) Purchaser has: (i) such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the Contemplated Transaction, including the purchase of the Purchased Assets and the assumption of the Assumed Liabilities; (ii) the ability to bear the economic risk in connection with the consummation of the Contemplated Transaction, including a complete loss of future revenue, income or profits related to the Purchased Assets; and (iii) has been furnished with and has had access to such information as it has considered necessary to make a determination to execute, deliver and perform its obligations hereunder.

(b) The decision of Purchaser to purchase the Purchased Assets and to assume the Assumed Liabilities has been (i) made voluntarily and of its own accord, based upon (A) the extensive knowledge and experience of Purchaser in financial and business matters relating to owning and operating hospitals, (B) consultations with advisors of Purchaser, and (C) its investigation of the business, assets, risks and prospects of the Business and Purchased Assets and (ii) made without relying on any statement (whether oral or written), or any representation or warranty of, Seller or any officer or director of Seller, other than the representations and warranties expressly contained in this Agreement and the other Seller Documents executed in connection herewith. Purchaser has no knowledge of any facts or circumstances that constitute or are reasonably likely to constitute a breach of the representations and warranties of the Seller set forth in ARTICLE V of this Agreement.

6.10. No Other Representations and Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE VI (INCLUDING THE SCHEDULES), PURCHASER MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, AND PURCHASER HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY WITH RESPECT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

ARTICLE VII.

COVENANTS

7.1. Negative Covenants Pending Closing. Except as otherwise provided in this Agreement, including Section 3.2, during the period from the Effective Date to the Closing, Seller shall not, without the written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed, take any of the following actions:

(a) Acquisition or Disposition of Assets. Acquire, sell, lease, license or otherwise dispose of any assets or property, other than arm's length purchases and sales of assets

in the Ordinary Course of Business consistent with past practice; provided, however, that nothing in this Agreement shall be construed to prevent Seller from discharging in full the Rockland Debt prior to the Closing with the collateral held by Rockland to secure such Debt and such additional sources of cash or cash equivalents as may be needed for effecting such discharge;

(b) Indebtedness. Create, incur or assume any Indebtedness (including obligations in respect of capital leases) other than through intracompany borrowings; assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other Person; or make any loans, advances or capital contributions to, or investments in, any other Person;

(c) Liens. Create, incur, assume or suffer to exist or remain in effect any Liens (other than Liens existing as of the Effective Date or Permitted Exceptions) on any of its assets, including without limitation the Purchased Assets that will be binding on Purchaser after the Effective Time;

(d) Liabilities. Pay, discharge or satisfy any Liabilities, other than the payment, discharge or satisfaction, in the Ordinary Course of Business and consistent with past practice, of Liabilities reflected or reserved against in Seller's balance sheets or incurred in the Ordinary Course of Business and except as provided for in Section 7.1(a) regarding the Rockland Debt;

(e) Employee Matters. Increase the compensation payable to any director, officer, Employee, agent or consultant of Seller, except in accordance with existing agreements in the Ordinary Course of Business; enter into, adopt or amend any employment, severance or other agreement with any director, officer, Employee, consultant or agent of Seller; adopt, amend or increase the benefits under any Employee Benefit Plan, except to (i) terminate any such Employee Benefit Plan (other than the Pension Plan), (ii) reduce or eliminate rights and features of any such Plan, (iii) in each case, as required by Law or in accordance with existing agreements; hire any new Employees except in the Ordinary Course of Business consistent with past practice or hire any new officers or senior executives;

(f) Contracts. Amend, terminate, cancel, take or omit to take any action that would constitute a knowing or intentional violation of or default under, or waive any rights under, any of the Purchased Contracts;

(g) Real Property. Except as set forth in Section 7.1(a) or Section 7.1(h) and except with respect to Seller providing notice to the Tufts Landlord of the extension of the Tufts Lease, enter into, renew, replace, modify, cancel, extend or otherwise change in any material manner any Property Agreement or Real Property Lease or any contract, insurance policies, easement or other agreement affecting the Owned Properties or the title, occupancy or development thereof. Seller shall not knowingly default under any Real Property Lease or Property Agreement;

(h) New Agreements. Except for contracts or commitments related to capital expenditures that are subject to Section 7.1(i), and except for the Tufts Extension, enter into or modify contracts or commitments involving potential payments or potential additional payments

by Seller in any single instance of \$10,000 or more or in the aggregate of \$50,000 or more, except for contracts or commitments for the purchase of services, supplies or materials in the Ordinary Course of Business consistent with past practice;

(i) Capital Expenditures. Except in the case of an emergency, for which Seller will provide Purchaser with written notice as soon as may be practical, authorize capital expenditures that in any single instance exceed \$25,000 or in the aggregate exceed \$250,000, except for (i) capital expenditures reflected in an annual budget provided by Seller to Purchaser; (ii) those capital expenditures relating to current and on-going renovations and capital improvements to the Owned Properties that have been identified on Schedule 7.1(i); and (iii) capital items to be entirely funded out of donor-restricted funds;

(j) Accounting Policies. Change any of the accounting methods, principles or practices used by it, or restate any of the Financial Statements, in each case except as may be appropriate to conform to changes in GAAP implemented following the Effective Date;

(k) Legal Matters. Except with respect to recoupment of any understatement of third party payor liabilities referenced in the Financial Statements, settle or compromise any pending or threatened Legal Proceedings that are or may be material to the Business or the assets (including the Purchased Assets), properties, results of operations or financial condition of Seller or that relate to the Contemplated Transaction;

(l) Extraordinary Transactions. Adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of Seller, except to the extent same is intended to be implemented subsequent to the Closing; or make, or permit to be made, any material acquisition of property or assets outside the Ordinary Course of Business;

(m) WARN Act. Effectuate a “plant closing” or “mass layoff,” as those terms are defined in the Worker Adjustment and Retraining Notification Act of 1988; or

(n) Obligations. Obligate itself to do any of the foregoing; or take any action or fail to take any action permitted by this Agreement with the knowledge that such action or failure to take action would result in (i) any of the representations and warranties of Seller set forth in ARTICLE V becoming untrue or (ii) any of the conditions to the purchase of the Purchased Assets set forth in ARTICLE IX not being satisfied.

Nothing contained in this Agreement shall give Purchaser, directly or indirectly, the right to control or direct Seller’s operations prior to the Effective Time. Prior to the Effective Time, Seller shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

7.2. Access to Information; Cooperation of Seller. Subject to this Section 7.2, and subject to compliance with any applicable federal or state antitrust laws, Seller agrees that, prior to the Closing Date, Purchaser shall be entitled, through its officers, employees and representatives (including, without limitation, its legal advisors and accountants), to make such investigation of the assets, properties and operations of the Business, including any environmental assessment and/or investigation of the properties and operations of the Business,

and such examination of the books and records of Seller pertaining to the Business, the Purchased Assets and the Assumed Liabilities as it reasonably requests and to make extracts and copies of such books and records at Purchaser's sole expense; it being understood, however, that the foregoing shall not entitle Purchaser to access (i) the books, records and documents referred to in Section 2.2(p), (ii) any books, records or documents access to which by Purchaser Seller reasonably determines would be competitively disadvantageous to Seller in any material respect or (iii) any books, records or documents the disclosure of which by Seller to Purchaser would (A) violate any patient confidentiality obligation of Seller or (B) any other agreement or any obligation of confidentiality to which Seller is a party or is bound prior to the Effective Date or (C) any obligation of confidentiality by which Seller is bound under applicable Law. Any such investigation and examination shall be conducted during regular business hours upon reasonable advance notice and under reasonable circumstances and shall be subject to any restrictions on disclosure by Seller to Purchaser or use of the information contained therein by Purchaser applicable pursuant to any agreement to which Seller is a party or is bound prior to the Effective Date or under applicable Law. Seller shall cause its officers, Employees (including Employees who also serve as officers), consultants, agents, accountants, attorneys and other representatives to cooperate with Purchaser and Purchaser's representatives in connection with such investigation and examination, and Purchaser and its representatives shall cooperate with Seller and its representatives and shall use their reasonable efforts to minimize any disruption to Seller's business and operations, including the Business. Notwithstanding anything herein to the contrary, Seller shall not be required to permit any such investigation or examination if, and to the extent that, Seller, upon advice of counsel, determines that such investigation or examination by Purchaser would or is reasonably likely to result in a loss of any attorney-client or attorney work product privilege available to Seller. Seller agrees to timely respond to Purchaser's requests for diligence and to deliver all items identified on Schedule 7.2 by the deliverable dates set forth therein.

7.3. Conduct of the Business Pending the Closing.

(a) Prior to the Effective Time, except (i) as set forth on Schedule 7.3, (ii) as required by applicable Law, (iii) as otherwise expressly contemplated by this Agreement, or (iv) with the prior written consent of Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), Seller shall conduct the Business only in the Ordinary Course of Business and in compliance with all applicable Laws.

(b) Between the Effective Date and the Effective Time, each party shall give prompt notice to the other party of (i) the occurrence or non-occurrence of any event or circumstance that would be likely to cause any representation or warranty contained in this Agreement or any schedule hereto to be untrue or inaccurate if made at such time and (ii) any failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder. In the event such violation or breach of this Agreement shall occur on or prior to the Effective Time, each party shall promptly use commercially reasonable efforts to remedy the same. No such information shall be deemed to avoid or cure any misrepresentation or breach of warranty or constitute an amendment of any representation, warranty or statement in this Agreement or any schedule hereto for the purpose of determining the accuracy of any of the representations and warranties made by Seller or Purchaser in this Agreement or determining

whether any of the conditions in Sections 9.1, 9.2 and 9.3 have been satisfied, except as provided below.

(c) Seller covenants with Purchaser that from the Effective Date until Closing, if Seller has knowledge of any material change in (i) the information with respect to the Owned Properties or the properties subject to the Real Property Leases furnished to Purchaser pursuant to this Agreement or (ii) any condition or state of the Owned Properties or the properties subject to the Real Property Leases, or (iii) any Property Agreement, Seller shall promptly notify Purchaser in writing of such change.

(d) The parties shall cooperate with each other in responding to reasonable requests to facilitate the resolution of the matters described in the Self-Disclosures. Specifically, Seller and Purchaser shall cooperate in facilitating discussions with Governmental Bodies and jointly agree on substantive negotiating positions of Seller, and Seller shall not agree to any settlement agreement or integrity agreement proposed by a Governmental Body prior to the Closing in connection with the resolution of the matters described in the Self-Disclosures without Purchaser's approval. If the parties cannot reach agreement on negotiation positions or on the terms of any settlement agreement or integrity agreement with any Governmental Body, Seller shall use its best efforts to request that such Governmental Body delay resolution of the matters described in the applicable Self-Disclosure until after the Closing. Seller shall keep Purchaser apprised of all meetings, conference calls and other communications with the Governmental Bodies with respect to the Self-Disclosures, and promptly shall provide to Purchaser a copy of all communications received by Seller from any person with respect to the Self-Disclosures. Seller and Purchaser shall instruct their respective legal counsels to cooperate in all reasonable respects with each other with respect to all legal matters relating to the Self-Disclosures, subject, however to the delivery of a joint defense agreement in form and substance acceptable to both parties. Prior to Closing, Purchaser may request that Seller seek to have Purchaser directly participate in negotiations relating to the Self-Disclosures as conducted by Seller with the applicable Governmental Body. If Purchaser makes such request, Seller will use good faith efforts to facilitate Purchaser's participation in negotiations with the applicable Governmental Body related to the Self-Disclosure, provided, however, that the refusal of any Governmental Body to assent to Purchaser's participation shall not be considered a breach of this Agreement by Seller..

(e) If, in any calendar month, Seller's EBITDA falls more than twenty-five percent (25%) below the EBITDA calculated from Seller's fiscal year 2012 budget, or if Seller draws upon the Line of Credit, Purchaser shall have the right to hire a consultant (at Purchaser's cost) to offer advice to the current management team and, in preparation for the Closing, to provide information to Purchaser necessary to aid in the transition process. Management of the Business prior to the Effective Time will remain with Seller's management and its board of trustees.

7.4. Consents.

(a) Seller shall use its commercially reasonable efforts, and Purchaser shall cooperate with Seller, including by taking the actions referred to in Section 7.6, to obtain at the earliest practicable date all consents, approvals, authorizations, waivers and Orders required to

be obtained by Seller, including the Healthcare Regulatory Consents, and to give at the earliest practicable date any notices required to be given by Seller, in order for Seller to consummate the Contemplated Transaction on the terms and in the manner provided hereby; provided, however, that Seller shall not be obligated to pay any consideration therefor to any third party from whom any such item is requested (other than filing or application fees payable to any Governmental Body) or to initiate any litigation or Legal Proceeding to obtain any such item except as otherwise provided by Section 7.6.

(b) Purchaser shall use its commercially reasonable efforts, and Seller shall cooperate with Purchaser, including by taking the actions referred to in Section 7.6, to obtain at the earliest practicable date all consents, approvals, authorizations, waivers, Orders, licenses and Permits required to be obtained by Purchaser, and to give at the earliest practicable date any notices required to be given by Purchaser, in order for Purchaser to consummate the Contemplated Transaction on the terms and in the manner provided hereby and to operate the Business after the Effective Time; provided, however, that Purchaser shall not be obligated to pay any consideration therefor to any third party from whom any such item is requested (other than filing or application fees payable to any Governmental Authority) or to initiate any litigation or Legal Proceeding to obtain any such consent or approval except as otherwise provided by Section 7.6.

(c) Purchaser shall obtain at the earliest practicable date all consents, waivers, approvals and authorizations, if any, required under any Real Property Lease, the Property Agreements and the Essential Contracts in connection with the assignment of the Real Property Leases, the Property Agreements and the Essential Contracts from Seller to Purchaser and Seller shall send appropriate notices and requests for consent to all third parties subject to any such agreement within ten (10) days of the Effective Date, or at such later time as the parties may mutually agree in writing. With respect to the Tufts Lease, Seller will exercise its option to extend the Tufts Lease for an additional five (5) year term at least three (3) Business Days prior to the expiration of the time period for the Lessee to provide such notice pursuant to the Tufts Lease and deliver a copy thereof to Purchaser contemporaneously.

(d) Seller shall deliver a final version of Schedule 5.9 listing all written Contracts to which it is a party (and indicating any such Contracts which require consent in connection with assignment to Purchaser) on or before April 16, 2012. Within fifteen (15) Business Days of receipt of Schedule 5.9, Purchaser will deliver Schedule 2.1(f), indicating which of these Contracts will be Purchased Contracts and Schedule 2.2(a), indicating which of these Contracts will be Excluded Contracts. Seller shall, within ten (10) days after receipt of Schedule 2.1(f) (or at such later time as the parties may mutually agree in writing), send appropriate notices and requests for consent to all third parties subject to the Purchased Contracts. For any newly entered Contracts, or Contracts not previously disclosed to Purchaser prior to the Effective Date, Seller shall promptly provide notice to Purchaser and deliver a revised Schedule 5.9 with such notice. Purchaser shall deliver a revised Schedule 2.1(f) and a revised Schedule 2.2(a) within fifteen (15) Business Days of receipt of a revised Schedule 5.9. Seller shall, within ten (10) days after receipt of the revised Schedule 2.1(f) (or at such later time as the parties may mutually agree in writing), send appropriate notices and requests for consent to all third parties subject to such additional Purchased Contracts.

(e) Nothing contained herein shall require Seller to expend any funds in order to remove or eliminate any Lien, other than a monetary Lien, on any Purchased Asset in order to deliver such Purchased Asset to Purchaser pursuant to this Agreement free of such Lien; provided, however, in respect of any such Lien, Purchaser nevertheless shall not be required to consummate the Contemplated Transaction unless the conditions referred to in Section 9.1 are satisfied or waived by Purchaser.

(f) To the extent that any consent identified on Schedule 5.3(a) as being necessary for assignment of a Purchased Contract is not obtained as of the Closing, until such consent is obtained, Seller shall use its reasonable commercial efforts to provide Purchaser the benefits of any such Contract, cooperate in any reasonable and lawful arrangement designed to provide such benefits to Purchaser, and allow Purchaser to enforce such Contract against the applicable third party thereto and, in exchange therefor, Purchaser shall perform, on behalf of Seller, the obligations of Seller thereunder or in connection therewith.

(g) For each Third Party Lease, Seller shall diligently use reasonable efforts to provide written consents, in form and substance reasonably satisfactory to Purchaser, from the landlords under each Third Party Lease, consenting to the assignment and conveyance of such Third Party Lease from Seller to Purchaser under its current terms and subject only to those conditions proposed by such landlords as are acceptable to Purchaser in Purchaser's sole discretion; provided that, the failure of Seller to deliver written consents to the assignment and conveyances of such Third Party Leases shall impose no liability on Seller and shall not relieve the Purchaser of its obligation to complete the Contemplated Transaction;

7.5. Insurance. As of the Effective Time, Purchaser shall have appropriate insurance coverage in place for the Business consistent with what would be maintained under good industry business practices. The policies of insurance set forth on Schedule 5.13 shall not be assigned to Purchaser as part of the Purchased Assets. The Seller will obtain and fully pay for a "tail" liability insurance policy providing for extended reporting periods for claims made on or after the Effective Time in respect of events occurring prior to the Effective Time for all "claims made" policies identified in Schedule 5.13. Such "tail" policy shall have the same terms and limits of coverage as reflected in Schedule 5.13 and shall be for a period of at least six (6) years. The Seller shall deliver to Purchaser evidence of such tail policies at Closing, which shall be in a form reasonably acceptable to Purchaser.

7.6. Regulatory Approvals.

(a) Purchaser, at its own cost and expense, shall, within fifteen (15) Business Days following the Effective Date, submit to DPH a Determination of Need application with respect transfer of ownership of the Hospital and shall seek from DPH and any other Governmental Body any Healthcare Regulatory Consents required in order for Purchaser to consummate the Contemplated Transaction and to operate the Business in accordance with Law and shall also, as soon as practicable, seek any other Healthcare Regulatory Consents necessary in order for Purchaser to consummate the Contemplated Transaction and to operate the Business (collectively, the "Healthcare Applications"). Purchaser shall provide Seller with an opportunity to review the Healthcare Applications in advance of filing and shall use reasonable efforts to accommodate Seller's reasonable comments or suggestions thereon. Purchaser shall diligently

pursue the Healthcare Applications and shall timely submit all information and documents requested in connection therewith by any Governmental Body. Without limiting the generality of the foregoing, Purchaser shall take such actions as may be reasonably necessary to cure any character or competency objection that may be raised by DPH with regard to the Determination of Need application or in the course of its suitability and responsibility review of Purchaser, including removing or replacing any officer or director of Purchaser who fails to obtain character and competency approval. Purchaser shall provide Seller with prompt written notice of Purchaser's submission of a Healthcare Application. Within five (5) business days of its submission or receipt, Purchaser shall deliver to Seller a complete copy of all correspondence to or from any applicable Governmental Body having jurisdiction concerning a Healthcare Application. Purchaser shall provide Seller with reports of Purchaser's efforts to obtain all Healthcare Regulatory Consents as frequently as Seller may reasonably request. In addition, Purchaser shall provide Seller with immediate notice of its receipt of acceptance for review when deemed complete, approval, contingent approval or a rejection of Purchaser's application for a Determination of Need, along with a copy of any documentation related thereto. Purchaser shall not take any action prior to the Effective Time that might disqualify Purchaser as an established and licensed operator of the Hospital, except as may be required by Law. Upon Purchaser's request, Seller shall deliver to Purchaser an executed DEA power of attorney for use by Purchaser both prior to and after the Effective Time, pending Purchaser's receipt of its own DEA approvals. Purchaser and NESH shall timely file Medicare Form 855A for the assignment of NESH's Medicare provider agreement to Purchaser.

(b) If necessary, Purchaser and Seller shall (a) make or cause to be made all filings required of each of them or any of their respective Affiliates in respect of the Contemplated Transaction under any applicable Law, including without limitation Chapter 180, in addition to those referred to in Section 7.6(a), including such filings as are required to obtain the consents, approvals, authorizations, waivers, Orders, licenses or Permits or to provide the notices specified in Schedules 5.3(a) or 6.3(a), as promptly as practicable, (b) comply at the earliest practicable date with any request for additional information, documents, or other materials received by each of them or any of their respective Affiliates from any Governmental Body in respect of such filings or the Contemplated Transaction, and (c) cooperate with each other in connection with any such filing (including, to the extent permitted by applicable law, providing copies of all such documents to the non-filing party prior to filing and considering all reasonable additions, deletions or changes suggested in connection therewith) and in connection with resolving any investigation or other inquiry of any Governmental Body under such Laws with respect to any such filing or any such transaction.

(c) Each such party shall use commercially reasonable efforts to furnish to each other all information required for any application or other filing to be made pursuant to any applicable Law in connection with the Contemplated Transaction. Each such party shall promptly inform the other parties hereto of any material oral communication with, and provide copies of written communications with, any Governmental Body regarding any such filings or any such transaction. No party hereto shall independently participate in any formal meeting with any Governmental Body in respect of any such filings, investigation, or other inquiry without giving the other party hereto prior notice of the meeting and, to the extent permitted by such Governmental Body, the opportunity to attend and/or participate.

7.7. Additional Financial Information. Within fifteen (15) Business Days following the end of each calendar month prior to the Closing Date, Seller will deliver to Purchaser copies of the unaudited balance sheet and the related unaudited statement of operations for each month then ended (all such financial statements are referred to herein as the “Additional Financial Statements”). Seller’s Chief Financial Officer shall participate in discussions regarding the Additional Financial Statements upon the request of Purchaser.

7.8. No-Shop Clause. From and after the Effective Date until the earlier of Closing or the termination of this Agreement, Seller shall not (and will not permit any other Person acting for or on behalf of Seller), without the prior written consent of Purchaser or except as otherwise permitted in this Agreement: (i) offer for lease or sale all or any material portion of the Purchased Assets; (ii) solicit offers to lease or buy all or any material portion of the Purchased Assets; or (iii) enter into any agreement with any party (other than Purchaser) with respect to the lease, sale, assignment or other disposition of any or a material portion of the Purchased Assets. Seller will promptly communicate to Purchaser the substance of any inquiry or proposal concerning any such action.

7.9. Further Assurances. Each of Seller and Purchaser shall use its commercially reasonable efforts to (i) take all actions necessary or appropriate to consummate the Contemplated Transaction and (ii) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the Contemplated Transaction. Neither Seller nor Purchaser shall deliberately take any action or deliberately fail to take any action not permitted by this Agreement with the knowledge and intention that such action or failure to take action would result in (i) any of the representations and warranties of Seller or Purchaser, as the case may be, set forth in this Agreement becoming untrue or (ii) any of the conditions to the obligations of Seller or Purchaser, as the case may be, to close the Contemplated Transaction not being satisfied.

7.10. Post-Closing Receipts. If Seller after the Effective Time receives payment on any account receivable that is a Purchased Asset it shall as soon as practicable remit such amount received to Purchaser, together with such information identifying the account to which such payment relates as is reasonably available to Seller, and, if Purchaser after the Effective Time receives payment on any account receivable that is an Excluded Asset it shall as soon as practicable remit such amount received to Seller, together with such information identifying the account to which such payment relates as is reasonably available to Purchaser. Without limiting the generality of the foregoing, if Purchaser or any of its Affiliates shall at any time after the Effective Time receive any charitable gift, contribution or bequest that might be an Excluded Asset, or shall receive any notice that such a charitable gift, contribution or bequest may be received or available to Purchaser, Purchaser shall, as soon as practicable, give notice of the receipt or the notice to Seller and make available to Seller such information that Purchaser or any of its Affiliates has available to it regarding such gift, contribution or bequest that is received or about which notice has been received,. Purchaser will cooperate with Seller in determining whether such gift, contribution or bequest should be characterized as an Excluded Asset or a Purchased Asset, and shall assure the expeditious receipt by Seller of any such charitable gift, contribution or bequest upon determination that it is an Excluded Asset. The provisions of this Section 7.10 shall survive the Closing.

7.11. Confidentiality. Purchaser acknowledges that the Confidential Information provided to it in connection with this Agreement, including under Section 7.2, and the consummation of the Contemplated Transaction, is subject to the terms of the Non-Disclosure Agreement among Purchaser, Navigant and Seller dated November 17, 2011 (the "Confidentiality Agreement"), the terms of which are incorporated herein by reference and, to the extent applicable, supersede any conflicting or inconsistent provisions contained in this Agreement. Effective upon, and only upon, the Effective Time, the Confidentiality Agreement shall terminate with respect to information relating solely to the Business or otherwise included in the Purchased Assets; provided, however, that Purchaser acknowledges that any and all other Confidential Information provided to it by Seller or its representatives concerning Seller shall remain subject to the terms and conditions of the Confidentiality Agreement after the Effective Time. For purposes of this Section 7.11, "Confidential Information" shall mean any confidential information with respect to, including, methods of operation, customers, customer lists, prices, fees, costs, Technology, inventions, trade secrets, know-how, Software, marketing methods, plans, personnel, suppliers, competitors, markets or other specialized information or proprietary matters.

7.12. Preservation of Records. Purchaser agrees that it shall preserve and keep the Documents acquired under this Agreement for a period of seven (7) years from the Closing Date or the maximum period of time required by law, whichever is longer, and shall make Documents and personnel available to Seller as may be reasonably required by Seller in connection with, among other things, any insurance claims by, Legal Proceedings or tax audits against or other governmental or healthcare payor investigations or audits of Seller, or in order to enable Seller to exercise and comply with its rights and obligations under or in connection with this Agreement. In the event Purchaser wishes to destroy any such acquired Documents before that time, Purchaser shall first give ninety (90) days prior written notice to Seller or to a Person that had been designated by Seller if Seller has been dissolved prior to the time of such notice, and Seller or such designee shall have the right at its option and expense, upon prior written notice given to Purchaser within such ninety (90) day period, to take possession of such Documents within one hundred and eighty (180) days after the date of such notice.

7.13. Tax Matters. Following the Effective Time, Purchaser shall preserve all information, records and documents (to the extent a part of the Purchased Assets) relating to Tax matters of Seller at least until the expiration of any applicable statute of limitations or extensions thereof, and Purchaser shall cooperate fully with Seller and shall provide to Seller, as reasonably requested by Seller and at Seller's sole expense, access to all such information, records or documents to the extent required by Seller.

7.14. Medical Staff. To ensure continuity of care, Purchaser agrees that each of the members of the medical staff of the Hospital as of the Closing shall be granted medical staff privileges at the Hospital (as owned and operated by Purchaser from and after the Effective Time) as of the Effective Time. As of the Effective Time, the medical staff will be subject to the medical staff bylaws then in effect, as amended from time to time. Seller will cooperate with Purchaser in seeking the consent of the medical staff to amendments of the medical staff bylaws in the form requested by Purchaser, such amendments to be effective as of the Effective Time.

7.15. Pension Plan. Seller shall transfer the Pension Plan and the sponsorship of the same to Purchaser and Purchaser shall assume the Pension Plan (including the Pension Liability), and become the administrator and the sponsor of the same, effective as of the Effective Time. The parties shall cooperate with each other and take all steps necessary, whether alone or together, in order to facilitate the transition of the Pension Plan from Seller to Purchaser, in accordance with this Section 7.15, effective as of the Effective Time.

7.16. Wind-Down of Seller's Operations. After the Closing, and at Seller's request, Purchaser shall make available to Seller such personnel and other resources and provide such assistance as may be necessary for the wind-down of Seller's operations (including without limitation preparation and delivery or filing of any W-2, 1099 or other reporting obligations with respect to Employees, any required Tax Returns, any required forms or filings relating to any Employee Benefit Plan, and any cost reports under Healthcare Programs), the cost of which shall be borne by Purchaser, except to the extent any such items are to be funded from the Retained Cash.

7.17. Publicity. Neither Seller nor Purchaser shall issue any press release or public announcement concerning this Agreement or the Contemplated Transaction without obtaining the prior written approval of the other party hereto, which approval will not be unreasonably withheld, conditioned or delayed, unless, in the judgment of Purchaser or Seller upon advice of counsel, disclosure is otherwise required by applicable Law, provided that the party intending to make such release shall use commercially reasonable efforts consistent with such applicable Law to consult with the other party with respect to the text thereof.

7.18. Use of Name. From and after the Effective Time, Seller agrees not to use the name "New England Sinai Hospital" or any other Marks included in the Purchased Assets (or any derivation or any name likely to be confused therewith) in connection with any business, and, at Purchaser's written request, shall promptly change the corporate name of Seller and shall cease using the name New England Sinai Hospital. Seller agrees that Purchaser may change its name to "New England Sinai Hospital, a Steward Family Hospital, Inc.," or such similar name as Purchaser chooses, before the Closing, and may use such name in connection with pre-closing regulatory and reimbursement filings. If this Agreement terminates, Purchaser shall change its name and otherwise cease any use of Seller's name and Marks.

7.19. Delivery, Supplementation and Amendment of Schedules. On the Effective Date, Seller shall deliver to Purchaser the Seller Disclosure Schedule (with the exception of Schedule 5.9, which shall be delivered in accordance with Section 7.4(d)) and Schedule 2.3(h). On the Effective Date, Purchaser shall deliver to Seller Schedules 6.3(a), 6.3(b), 6.5 and 6.7. Seller and Purchaser shall complete and deliver all remaining schedules on or before April 16, 2012. Seller may, at its option, include in the Seller Disclosure Schedule items that are not material in order to avoid any misunderstanding, and such inclusion, or any references to dollar amounts, shall not be deemed to be an acknowledgement or representation that such items are material, to establish any standard of materiality or to define further the meaning of such terms for purposes of this Agreement. Information disclosed in the Seller Disclosure Schedule shall constitute a disclosure for all purposes of this Agreement notwithstanding any reference to a specific Schedule or a specific section in a Schedule, and all such information shall be deemed to qualify the entire Agreement and not just such section. Subsequent to the Effective Date, Seller shall be permitted,

and shall be obligated, to update the disclosures on the Seller Disclosure Schedule and Schedules to this Agreement to reflect matters, events or circumstances occurring subsequent to the Effective Date, or in the case of any disclosure that is limited in this Agreement to the Knowledge of Seller, to reflect matters, events or circumstances of which Seller obtained knowledge subsequent to the Effective Date, provided that any such updated Schedule shall apply only as of the date that it is delivered to Purchaser for purposes of determining whether there is a breach of a representation or warranty of Seller contained in this Agreement from and after such date, and shall not apply prior to such date or serve by itself to cure any breach of a representation or warranty that occurred prior to such date, but this Section 7.19 shall not be deemed to supersede the conditions to Closing established by Sections 9.1, 9.2 and 9.3. Any amendment to the Schedules of Purchased Assets, Excluded Assets, Purchased Contracts, Excluded Contracts or Essential Contracts shall be made only with the written agreement of both Seller and Purchaser.

7.20. Post-Closing Obligations.

(a) Continuation of Services. From the Effective Time until at least the fifth (5th) anniversary of the Effective Time, Purchaser shall maintain a long term acute care hospital in Stoughton, Massachusetts, or the immediately surrounding area (the “Successor Hospital”), using the name “New England Sinai Hospital” or some reasonably similar name and providing substantially the same services as the Hospital provides immediately prior to the Closing. For at least the same period of time Purchaser shall maintain multi-faith pastoral programs at the Successor Hospital at least equivalent to those provided at the Hospital immediately prior to the Closing, and shall seek to maintain an affiliation with one or more medical schools for the benefit of the Successor Hospital’s patients and medical staff reasonably consistent with the academic programs offered to the Hospital immediately prior to the Closing relating to fellows, faculty rounds, training of medical staff members and residents, and the like, it being understood that such programs are operated at the discretion of the medical schools.

(b) Capital Commitments: From the Effective Time until the fifth (5th) anniversary of the Effective Time, and subject to Section 7.20(c), Purchaser shall expend or commit to expend (i) no less than Thirteen Million Dollars (\$13,000,000) in the aggregate for capital expenditures and investments to improve, furnish, equip and expand the services of the Successor Hospital, including no less than Five Million Dollars (\$5,000,000) to be expended or committed to be expended in the aggregate within the first twenty-four (24) months following the Closing; provided that all such amounts shall qualify as capital expenditures under GAAP (except for operating costs directly associated with the acquisition, installation, and configuration of information technology and training related to information technology at the Successor Hospital); and provided, further, that, with respect to the commitment of amounts with the time periods specified above, the amounts so committed shall be expended as soon as feasible following such commitment being made consistent with the nature of the project for which such committed funds are to be expended.

(c) Local Governance Board: As soon as reasonably practicable after the Effective Time (but no later than the time period required by applicable Law), Purchaser shall cause the creation of a local governance board for the Successor Hospital (“Local Governance Board”), and shall cause to be appointed to such Board, initially, those members of NESH’s

Board of Directors who hold office immediately prior to the Closing. The Local Governance Board shall be the governing body of the Successor Hospital, subject, however, to the authority of the Purchaser Guarantor's certificate of formation and operating agreement, and shall have authority that includes, but is not limited to, the following (in the case of (i) through (iv) below, such authority shall be in accordance with 105 CMR 100.602(A) as applicable: (i) approval of borrowings in excess of \$500,000; (ii) additions or conversions which constitute substantial changes in service; (iii) approval of capital and operating budgets, including prioritization of capital investments; (iv) approval of the filing of an application for Determination of Need; (v) development of strategic plans for the Successor Hospital; (vi) medical staff credentialing; and (vii) community benefit planning. Subsequent to the Closing, the members of the Local Governance Board shall have the sole responsibility for nominating individuals for subsequent appointment to the Local Governance Board from time to time, with the board of directors of Purchaser Guarantor appointing such individuals so nominated to the Local Governance Board, provided each such nominee is (x) approved by the Chairman of Steward Health Care System LLC in his sole discretion, (y) following the initial appointments, the Local Governance Board shall consist of medical staff members, community leaders and appropriate executive officers; and (z) the Local Governance Board shall be organized and constituted so as to enable the Successor Hospital to maintain certification as a long term acute care hospital under Medicare requirements.

(d) Obligations Imposed on Successors. Purchaser and Purchaser Guarantor agree that, (i) in the event the Successor Hospital is transferred to an Affiliate of Purchaser, the commitments specified in Sections 7.20(a) through (c) will be continued in effect, in accordance with their terms, by such Affiliate; and (ii) in the event the Successor Hospital is transferred to an entity that is not an Affiliate of Purchaser, any such transferee will be obliged, under the terms of the transfer agreement, to continue the commitments specified in Sections 7.20(a) through (c) in accordance with their terms, and shall agree to require that any subsequent transferee require same of its transferee, provided that the approval of the Chairman of Steward Health Care System LLC shall no longer be required but the approval of an entity controlling the transferee and any subsequent transferee may be required instead.

(e) Unfunded Pension Liability. Purchaser agrees that, as of the Effective Time, it shall contribute to the trust that forms a part of the Pension Plan an amount, to the extent necessary, sufficient to cause the Pension Plan to meet any and all minimum funding requirements that may be imposed on the Pension Plan as of that time under the Code and ERISA, as applicable, including without limitation, Section 430 (inclusive of its respective subsections) of the Code. Further, after the Effective Time and until all liabilities under the Pension Plan are satisfied in full, the Purchaser shall maintain and administer the Pension Plan in a manner such that it meets any and all of the minimum funding requirements that may be imposed on the Pension Plan under the Code and ERISA, as applicable, including without limitation, Section 430 (inclusive of its respective subsections) of the Code.

(f) Reconciliation of Retained Cash. If, on the date that is twelve (12) months after the Closing Date, the remaining balance of the Retained Cash exceeds \$200,000, Seller shall remit any excess balance over \$200,000 to Purchaser.

ARTICLE VIII.

EMPLOYEES AND EMPLOYEE BENEFITS

8.1. Offers of Employment; Employment Terms. Effective as of the Effective Time, Seller shall terminate the employment of all of its Employees, including its Employees who are on approved leave as of the Effective Time ("Absent Employees"). No less than ten (10) Business Days prior to the Closing, to be effective as of the Effective Time but contingent on the Closing taking place, Purchaser shall offer employment to all of Seller's Employees, including Absent Employees, provided that, at the time such offers are to be made, such Employees are in good standing as determined by Seller's employment policies. Under the terms of each offer of employment Purchaser shall agree to employ each such Employee following the Effective Time at compensation substantially equivalent to the compensation such Employee was receiving immediately prior to the Closing, and with benefits consistent with those described in Section 8.2. Notwithstanding the foregoing, Purchaser shall not be required to make offers of employment to the following categories of Employees: (i) members of Hospital senior management who have advised Purchaser in writing prior to the date on which offers of employment are to be made, as provided above, that they have elected to seek other employment; (ii) any Employee who, prior to his or her employment by Seller, had been an employee of Purchaser or an Affiliate of Purchaser and whose employment record indicates that such person is ineligible for rehire by Purchaser, as determined by Purchaser's employment policies; and (iii) any Employee who does not satisfy Purchaser's employment policies regarding employee documentation, drug testing, screening, and similar matters. Prior to the time Purchaser is to make the offers of employment to the Employees, it will notify Seller as to which of the Employees fall into the categories described in (i) through (iii) above, and Purchaser will notify Seller within three (3) Business Days before the Closing which of Seller's Employees have declined to be employed by Purchaser. Purchaser shall indemnify and hold Seller and its officers, trustees, directors, Employees, agents, attorneys and representatives ("Seller's Indemnitees") harmless from and against each and every claim, demand, loss, liability, damage or expense (including reasonable attorneys' fees and other expenses incurred in litigation or settlement of any claims) of whatever nature suffered by Seller's Indemnitees arising out of or in connection with any Employee of Seller who is not offered employment by Purchaser based on clauses (ii) and (iii) above. Seller will not discourage any of its Employees from accepting employment with Purchaser. Employees who accept such offers of employment are hereinafter referred to as the "Transferred Employees." Pursuant to the "Standard Procedure" provided in Section 5 of Revenue Procedure 96-60, 1996 2 C.B. 399, (i) Purchaser and Seller shall report on a predecessor/successor basis as set forth therein, (ii) Seller will not be relieved from timely filing a Form W 2 with respect to any Transferred Employees with respect to the portion of the calendar year in which the Effective Time occurs during which such Employees are employed by Seller, and (iii) Purchaser will undertake to file (or cause to be filed) a Form W 2 for each such Transferred Employee with respect to the portion of the calendar year in which the Effective Time occurs during which the Transferred Employees are employed by Purchaser.

8.2. Employee Benefits.

(a) As of the Effective Time Purchaser shall cause all Transferred Employees to be eligible to participate in the retirement, health and welfare benefit plans, arrangements and

programs maintained by Purchaser (or for Purchaser and its Affiliates, as provided in Section 8.2(g)), for similarly situated employees of Purchaser and its Affiliates, subject to the terms and conditions of each such plan. For purposes of eligibility and vesting (but not benefit accrual) under the employee benefit plans of Purchaser under which benefits are provided to Transferred Employees (the "Purchaser Plans") and other service-based plans such as paid time off, Purchaser shall credit each such Transferred Employee with his or her years of service with Seller and any predecessor entities, to the same extent as such Transferred Employee was entitled immediately prior to the Effective Time to credit for such service under any similar Employee Benefit Plan or service-based plan. The Purchaser Plans shall not deny any such Transferred Employees coverage on the basis of pre-existing conditions and shall credit such Transferred Employees against any deductibles provided by such Purchaser Plan in respect of a Transferred Employee's participation in the Purchaser Plan for the year in which the Effective Time occurs and for any out-of-pocket expenses paid by the Transferred Employee before the Effective Time during such year. Notwithstanding any other provision of this Agreement or the foregoing, there shall be no gap in coverage for any Transferred Employee between the date that coverage ceases under the applicable Employee Benefit Plan and begins under the applicable Purchaser Plans.

(b) Notwithstanding the provisions of Section 8.1, Assumed Liabilities for purpose of Section 2.3 shall include all Liabilities associated with Employees and former employees, whether or not the Employee becomes a Transferred Employee, that have accrued or been earned as of the Effective Time arising from and in relationship to all Employee Benefit Plans (other than the 403(b) Plan, the 457(f) Plan and the Extended Sick Leave Policy), payroll taxes, accrued vacation, sick and personal days, and other paid time off whether or not accrued on Seller's books. Purchaser agrees to recognize as accrued payroll any bonuses awarded to the Chief Financial Officer prior to the Effective Time, up to an aggregate total amount of \$50,000. Further, Purchaser agrees to assume and discharge Seller's Liabilities to those Employees or former employees who do not become Transferred Employees under agreements or arrangements they have with Seller with respect to severance, deferred compensation, retention bonuses and the like, provided that each such agreement or arrangement is in writing and is scheduled on Schedule 2.3(h) (each, a "Severance Arrangement"). Purchaser shall, as a condition of making offers of employment to Employees pursuant to Section 8.1, include in such offers the condition that each Employee who wishes to become a Transferred Employee shall agree not to assert claims under his or her Severance Arrangement against Seller. If Purchaser terminates the employment of a Transferred Employee who had had a Severance Arrangement with Seller prior to the Effective Time, Purchaser agrees to honor the terms of such Arrangement upon termination but only if such Arrangement is in writing and is scheduled on Schedule 2.3(h). Transferred Employees who did not have such Arrangements with Seller, and whose employment is terminated by Purchaser after the Effective Time, will be eligible to receive severance benefits, to the extent applicable, pursuant to Purchaser's employment policies. Purchaser will honor such Transferred Employees' lengths of service with Seller for purposes of such severance benefits.

(c) Purchaser will provide continued medical, dental, health care flexible arrangement and all other group health plan coverage to the extent required under Section 4980B of COBRA to each Employee or former employee of Seller (and his or her spouse, dependent and beneficiary) and any "M&A Qualified Beneficiary" (as defined in Treasury Regulation

Section 54.4980B-9, Q&A 4) with respect to “qualifying events” (as such term is defined by COBRA) that occur on, before or after the Effective Time, provided all such coverage shall be provided through the Purchaser Plans.

(d) Transferred Employees who were participating in Seller’s flexible spending arrangements as of the Effective Time shall be entitled to continue such participation in Purchaser’s flexible spending arrangements in the manner described in either Situation (1) or Situation (2) of Rev. Rul. 2002-32, as applicable.

(e) At such time as Seller deems appropriate whether prior to or following the Effective Time, Seller shall terminate Seller’s 403(b) Plan (the “403(b) Plan”) and distribute, as soon as practicable thereafter, to each participant in such plan an amount equal to such participant’s full account balance in such plan. Seller shall take all actions necessary to effectuate the foregoing. Seller shall retain all liabilities under and related to the 403(b) Plan. Purchaser agrees to accept any “eligible rollover distributions” from the 403(b) Plan, including any loan balances thereunder, into any of its “eligible retirement plans” in accordance with Section 402 of the Code.

(f) At such time as Seller deems appropriate prior to the Effective Time, Seller shall terminate all nonqualified deferred compensation plans under Section 457(f) of the Code (the “457(f) Plan”). Seller shall take all actions necessary to effectuate the foregoing. Seller shall retain all liabilities under and related to the 457(f) Plan; provided, however, that at Closing, Purchaser will, at the discretion of Seller, either (i) provide Seller with the funds necessary to pay the benefits for the participants in the 457(f) Plan whose current account balances are disclosed on Schedule 8.2(f) or (ii) make a payment to those participants in the 457(f) Plan whose current account balances are disclosed on Schedule 8.2(f). If payment to any 457(f) Plan participant requires a release of claims in exchange for such payment, any release obtained in exchange for such payment shall include the Seller and Purchaser, and their respective employees, officers, board members and agents.

(g) Purchaser shall take all such actions necessary to carry out the foregoing covenants including, without limitation, amending the Purchaser Plans to provide for the eligibility of the Transferred Employees to avoid any gap in coverage in accordance with Section 8.2(a), and to provide for any past service credit and credit for any deductibles and out-of-pocket expenses, as applicable. All references to Purchaser Plans, Purchaser benefit plans or employment policies in this Article VIII shall be deemed to refer to those plans or policies maintained on behalf of employees of Purchaser and its Affiliates generally.

ARTICLE IX.

CONDITIONS TO CLOSING

9.1. Conditions Precedent to Obligations of Purchaser. The obligation of Purchaser to consummate the Contemplated Transaction as provided by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Purchaser in whole or in part to the extent permitted by applicable Law):

(a) The representations and warranties of Seller set forth in this Agreement (other than the Fundamental Representations), subject to any qualification for materiality, shall be true and correct in all material respects at and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects on and as of such earlier date) and Purchaser shall have received a certificate signed by an authorized officer of Seller, dated the Closing Date, to the foregoing effect, which certificate shall be expressly subject to the limitations set forth in Section 10.1; provided, however, that in the event any such representation or warranty has been breached the condition set forth in this Section 9.1(a) shall nevertheless be deemed satisfied unless the effect of all such breaches of representations and warranties taken together result in a Material Adverse Effect;

(b) The Fundamental Representations shall be true and correct as of the Effective Date 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) and Purchaser shall have received a certificate signed by an authorized officer of Seller, dated the Closing Date, to the foregoing effect, which certificate shall be expressly subject to the limitations set forth in Section 10.1;

(c) Seller shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by it prior to the Closing Date and Purchaser shall have received a certificate signed by an authorized officer of Seller, dated the Closing Date, to the foregoing effect; provided, however, that the condition set forth in this Section 9.1(c) shall be deemed satisfied unless all such failures so to perform or comply taken together result in a Material Adverse Effect;

(d) Seller shall have delivered, or caused to be delivered, to Purchaser all of the items set forth in Section 4.2;

(e) Pursuant to and subject to the provisions of Section 2.7(d), Seller shall have fulfilled its obligation to cure Title and Zoning Objections and Environmental Objections, if any, as applicable;

(f) To the extent the Self-Disclosures have been resolved prior to the Closing, any condition imposed by a Governmental Body in connection with the resolution of the matters described in the applicable Self-Disclosure, including but not limited to entry into any settlement agreement or integrity agreement, has been imposed with the cooperation and approval of both Seller and Purchaser;

(g) Seller shall have obtained written consents to the assignment of the Essential Contracts and delivered copies of such consents to Purchaser;

(h) The net patient service revenue realized by NESH for the twelve (12) month period ending on the last day of the calendar month preceding the Closing Date (the "Measuring Period") shall be at least 67% of the net patient service revenue realized by NESH for the twelve (12) month period ended immediately prior to the Measuring Period;

(i) Seller shall have delivered confirmation from DPH of the bed license count as set forth on Schedule 5.17(d);

(j) NESH's hospital license and Medicare provider agreement shall be in full force and effect without material limitation;

(k) NESH shall be properly certified by both CMS and the Joint Commission as a long term acute care hospital and shall demonstrate to Purchaser's reasonable satisfaction that it is taking corrective action to satisfy any violation or deficiency of which Seller has received notification from CMS or the Joint Commission;

(l) Purchaser shall have reasonable assurances that the Hospital shall, after the Closing, continue to be exempt from the prospective payment systems specified in 42 C.F.R. § 412.1(a)(1) as a long-term care hospital defined in 42 C.F.R. § 412.23(e). Such reasonable assurances shall be Seller's demonstration, to the reasonable satisfaction of Purchaser, that: (i) the Hospital's satellites (as defined under 42 C.F.R. § 412.22(h)) are exempt from the requirement of 42 C.F.R. § 412.22(h)(2)(iii)(A)(1) pursuant to 42 C.F.R. § 412.22(h)(2)(iii)(A)(2); and (ii) that the Hospital and each of its satellites have independently (i.e., not on an aggregated basis) maintained an average Medicare inpatient length of stay (as calculated in accordance with 42 C.F.R. § 412.23(e)) of greater than 25 days for the period of at least five months of the six months immediately preceding the Closing, as required under 42 C.F.R. § 412.23(e)(3)(v);

(m) No material part of the Purchased Assets has been destroyed or damaged by fire or casualty or by any other cause, for which insurance or other proceeds equal to the value of the Purchased Assets destroyed or damaged are not available, and no material part of the Purchased Assets has been made subject to an eminent domain proceeding that would prevent the operation of the Successor Hospital following the Closing at substantially the same level of service as provided by the Hospital prior to the Closing;

(n) There has been no adverse change in title to the Owned Properties that has occurred after the date of the applicable Title Commitment, as updated by the Title Commitment Date Down, except for the Permitted Exceptions and other changes to title explicitly permitted pursuant to the terms of this Agreement;

(o) There has been no adverse change in the physical condition or environmental condition of the Owned Properties or any property that is subject to a Lessee Real Property Lease that give rise to a Material Adverse Effect, including, without limitation, any uncured discharge of any Hazardous Substance or any material violation of Environmental Law or which individually or collectively would give rise to a Material Adverse Effect;

(p) With respect to the Tufts Lease, (i) the Tufts Lease shall be in full force and effect, (ii) Seller shall have effectively extended the term of the Tufts Lease for a period of an additional five (5) years, such extension shall be in full force and effect and no event has occurred that would give the Tufts Landlord the right to void, terminate or rescind such extension (other than by application of Article 30 of the Tufts Lease with respect to the Contemplated Transaction), and (iii) Seller shall have delivered to Purchaser a copy of the notification that it has provided to the Tufts Landlord exercising its right to so extend the Tufts Lease (the "Tufts Extension"); and

(q) Seller shall have discharged the Thornton Gillis Mortgage to Purchaser's reasonable satisfaction.

9.2. Conditions Precedent to Obligations of Seller. The obligation of Seller to consummate the Contemplated Transaction as provided by this Agreement are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived by Seller in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Purchaser, and, as applicable, Purchaser Guarantor set forth in this Agreement, subject to any qualification as to materiality, shall be true and correct in all material respects at and as of the Closing Date as though made on the Closing Date, except to the extent such representations and warranties relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects on and as of such earlier date), and Seller shall have received a certificate signed by an authorized officer of Purchaser, dated the Closing Date, to the foregoing effect;

(b) Purchaser shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date, and Seller shall have received a certificate signed by an authorized officer of Purchaser, dated the Closing Date, to the foregoing effect; and

(c) Purchaser shall have delivered, or caused to be delivered, to Seller all of the items set forth in Section 4.3.

9.3. Conditions Precedent to Obligations of Purchaser and Seller. The respective obligations of Purchaser and Seller to consummate the Contemplated Transaction as provided by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Purchaser and Seller in whole or in part to the extent permitted by applicable Law):

(a) on the Closing Date, all of the Rockland Debt shall have been discharged, if not previously done as contemplated by Section 7.1(a);

(b) there shall not be in effect any Order by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Contemplated Transaction, and no proceeding has been commenced in any court or tribunal seeking to enjoin or prohibit the same;

(c) the parties shall have received the consents or approvals required by Section 5.3, if applicable, and the consents, approvals, licenses or Permits, or waivers thereof, of the Governmental Bodies identified in Schedule 9.3(c) and shall have given the notices required by Schedule 9.3(c); and

(d) Seller shall have delivered the Tufts Extension.

9.4. Frustration of Closing Conditions. Neither Seller nor Purchaser may rely on the failure of any condition set forth in Section 9.1, 9.2 or 9.3, as the case may be, to excuse it from

consummating the Contemplated Transaction if such failure was caused by such party's failure to comply with any provision of this Agreement.

ARTICLE X.

REMEDIES; LIMITATION ON DAMAGES

10.1. No Survival Period. The parties intend to shorten the statute of limitations and agree that, after the Closing or the termination of this Agreement, no claims or causes of action may be brought against Purchaser or Seller based upon, directly or indirectly, any of the representations or warranties contained in this Agreement at any time or any agreements contained in ARTICLE VII other than those contained in Sections 7.9 through 7.14, 7.16 through 7.18 and 7.20. Nothing in the preceding sentence shall apply, however, to a claim based on fraud or willful misconduct, or to those representations, warranties and agreements that by their terms are to survive the Closing or termination of this Agreement or are to be performed subsequent to the Closing or to those contained in Sections 10.2, Section 10.6 and the sections of Article VII specifically referenced in the preceding sentence.

10.2. Purchaser Indemnification. Purchaser shall indemnify and hold Seller's Indemnitees harmless from and against each and every claim, demand, loss, liability, damage or expense (including reasonable attorneys' fees and other expenses incurred in litigation or settlement of any claims) of whatever nature suffered by Seller's Indemnitees by virtue of Purchaser's failure to pay or otherwise resolve or settle all Assumed Liabilities or as a result of a breach of Purchaser's representation in Section 12.7 or as a result of Purchaser's failure to perform under any Purchased Contract; provided, however, that nothing in this Section 10.2 shall be interpreted to require Seller, as a condition of seeking indemnification under this Section, to pay or otherwise resolve or settle any claim associated with any matter for which indemnification is available for Seller under this Agreement.

10.3. Limitation on Damages. NOTWITHSTANDING ANYTHING TO THE CONTRARY ELSEWHERE IN THIS AGREEMENT, NO PARTY TO THIS AGREEMENT (OR ANY OF ITS AFFILIATES) SHALL, IN ANY EVENT, BE LIABLE TO THE OTHER PARTY (OR ANY OF ITS AFFILIATES) FOR SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, COSTS, EXPENSES, CHARGES OR CLAIMS.

10.4. Specific Performance.

(a) The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms in a manner that would allow a Party to avoid its obligation to consummate the Contemplated Transactions. Accordingly, if a Party fails to consummate the Closing, and such Party's conditions to Closing have been satisfied or waived, then the non-breaching party shall be entitled to specific performance with respect to the consummation of the Closing.

(b) Each party acknowledges and agrees that (i) it will not oppose any relief or remedy referred to in this Section 10.4 on the grounds that any other remedy is available at law or in equity, and (ii) no party hereto will be required to obtain, furnish or post any bond or

similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 10.4 (and it hereby irrevocably waives any right it may have to require the obtaining, furnishing or posting of any such bond or similar instrument). A party that obtains specific performance of any covenant or obligation also shall be entitled to receive an award of reasonable attorneys' fees and costs incurred in obtaining specific performance.

(c) If Seller or Purchaser terminates this Agreement as permitted by this Agreement, then the party so terminating this Agreement may not thereafter seek specific performance of this Agreement or any covenant or obligation hereunder.

10.5. Termination Fee. Notwithstanding anything herein to the contrary, if (i)(A) Seller is not in breach of any of its representations, warranties, covenants or agreements contained herein to an extent that would permit Purchaser not to close as provided for herein, and (B) the conditions contained in Sections 9.3 (a), (b), (c) and (d) are satisfied, and notwithstanding the situations described in (A) and (B) above, Purchaser does not proceed to consummate the Contemplated Transaction by the Termination Date, as it may be otherwise extended in accordance with the provisions of this Agreement, or (ii) if Purchaser fails to file the Determination of Need application within the time period required by Section 7.6, as it may be extended by mutual agreement of the parties, unless such failure is due to circumstances that were unforeseen by the parties and would constitute an incident of force majeure or is caused by failure of Seller to provide information in Seller's possession that is necessary for Purchaser to complete such application, then, in lieu of its right of specific performance pursuant to Section 10.4, Seller shall have the right to demand from Purchaser, and upon such notice Purchaser shall pay to Seller promptly (but in no event later than five (5) days after such notice), the amount equal to the greater of Two Million Dollars (\$2,000,000.00) or the outstanding amount under the Line of Credit as liquidated damages (the "Termination Fee"). The amount of the Termination Fee shall be offset against the amount due under the Line of Credit (including accrued interest). If the amount outstanding under the Line of Credit is less than Two Million Dollars (\$2,000,000.00), then the Purchaser shall pay the difference to Seller by wire transfer. If the amount outstanding under the Line of Credit is equal to or greater than Two Million Dollars (\$2,000,000.00), then the Line of Credit shall be deemed paid in full, the Line of Credit Agreement shall be terminated, the Mortgage released, and the note cancelled.

10.6. Purchaser Guarantor. Purchaser Guarantor joins in this Agreement for the purposes of (i) guaranteeing the financial obligations of Purchaser under this Agreement, including but not limited to the indemnification provisions of Sections 2.7(c)(ii), 8.1, 10.2, 11.1 and 12.6 and Purchaser's obligations with regard to the Assumed Liabilities; (ii) Purchaser's post-Closing commitments as set out in Section 7.20; and (iii) if applicable, payment of the Termination Fee. Purchaser Guarantor, as a principal obligor under this Agreement and not merely as a surety, unconditionally guarantees the full, punctual, and complete performance by Purchaser of the guaranteed obligations under this Agreement in accordance with its terms. Seller shall not be obligated to seek any remedy from Purchaser or proceed against Purchaser before proceeding against Purchaser Guarantor. Purchaser Guarantor represents and warrants that this Agreement and Seller's undertakings set forth herein are of substantial benefit and value to Purchaser Guarantor, and constitute adequate consideration for Purchaser Guarantor's undertakings and obligations. Purchaser Guarantor acknowledges that this guarantee is a substantial inducement to Sellers' entry into and performance of this Agreement. Any

successor to Purchaser Guarantor will assume the obligations of this Section 10.6, and, before assuming such obligations, Purchaser shall demonstrate to Seller's satisfaction that any such successor is financially capable of assuming such obligations.

10.7. Line of Credit Agreement. Any amounts outstanding under the Line of Credit Agreement on termination of this Agreement shall be repaid in accordance with the terms of the Line of Credit Agreement.

ARTICLE XI.

TAXES

11.1. Transfer Taxes. Purchaser shall be responsible for (and shall indemnify and hold harmless Seller and its directors, officers, Employees, , agents, successors and permitted assigns against) any sales, use, stamp, documentary stamp, filing, recording, transfer or similar fees or taxes or governmental charges (including any interest and penalty thereon) payable in connection with the Contemplated Transaction ("Transfer Taxes"). To the extent that any Transfer Taxes are required to be paid by Seller (or such Transfer Taxes are assessed against Seller), Purchaser shall promptly reimburse Seller for such Transfer Taxes. Seller and Purchaser shall cooperate and consult with each other prior to filing any Tax Returns in respect of Transfer Taxes. Seller and Purchaser shall cooperate and otherwise take commercially reasonable efforts to obtain any available refunds with respect to Transfer Taxes.

11.2. Taxes. Purchaser shall be responsible for all real and personal property Taxes or similar ad valorem obligations levied with respect to the Purchased Assets for any Post-Closing Tax Period, whether imposed or assessed before or after the Effective Time. If any Taxes subject to this Section are paid prospectively by Seller, the amount of such Taxes paid shall be paid promptly by Purchaser to Seller.

11.3. Purchase Price Allocation. For Tax purposes only, Seller and Purchaser shall allocate the Purchase Price (including the Assumed Liabilities) among the Purchased Assets as specified in Schedule 11.3 and, in accordance with such allocation, Purchaser shall prepare and deliver to Seller copies of Form 8594 and any required exhibits thereto (the "Asset Acquisition Statement"). Purchaser shall prepare and deliver to Seller from time to time revised copies of the Asset Acquisition Statement (the "Revised Statements") so as to report any matters on the Asset Acquisition Statement that need updating (including Purchase Price adjustments, if any) consistent with the agreed upon allocation. The Purchase Price for the Purchased Assets shall be allocated in accordance with the Asset Acquisition Statement or, if applicable, the last Revised Statements, provided by Purchaser to Seller, and Seller and Purchaser agree to report an allocation of the Purchase Price among the Purchased Assets in a manner entirely consistent with the Asset Acquisition Statement (or Revised Statement if applicable) in the preparation of financial statements and filing of all Tax Returns (including, without limitation, filing IRS Form 8594 with its federal income Tax Return for the taxable year that includes the Effective Time) and in the course of any Tax audit, Tax review or Tax litigation matter relating hereto.

ARTICLE XII.

MISCELLANEOUS

12.1. Expenses. Except as otherwise provided in this Agreement, Seller and Purchaser shall each bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the Contemplated Transaction. Whether or not the Contemplated Transaction is consummated, the parties agree as follows: (i) Seller shall pay the fees, expenses, and disbursements of Seller and its agents, representatives, accountants, and legal counsel incurred in connection with the subject matter hereof and any amendments hereto, except as otherwise specifically provided for in this Agreement; (ii) Purchaser shall pay the fees, expenses, and disbursements of Purchaser and its agents, representatives, accountants and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; (iii) Purchaser shall pay any state or local recording fees and deed, stamp, or other Tax associated with or assessed in connection with the conveyance of any of the Purchased Assets; and (iv) Purchaser shall pay all expenses associated with land surveys, any title reports and title insurance policies, and any environmental reports, and shall reimburse Seller for the costs of any of the foregoing that are ordered by Seller.

12.2. Submission to Jurisdiction; Consent to Service of Process. The parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the state court of competent jurisdiction sitting in Norfolk or Suffolk County (Massachusetts) and any appellate court from any thereof, for the resolution of any such claim or dispute. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection that they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action or proceeding by delivery of a copy thereof in accordance with the provisions of Section 12.8.

12.3. Waiver of Right to Trial by Jury. Each party to this Agreement waives any right to trial by jury in any action, matter or proceeding regarding this Agreement or any provision hereof.

12.4. Entire Agreement; Amendments and Waivers. This Agreement (including the schedules and exhibits hereto) and the Confidentiality Agreement represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver

of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by Law.

12.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts made and performed in such Commonwealth, without regard to the conflict of laws provisions thereof.

12.6. No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of the Seller and the Purchaser and their respective permitted successors or assigns, and it is not the intention of the parties to confer, and this Agreement shall not confer, third-party beneficiary rights upon any other Person, other than upon Employees or former employees, whether or not Transferred Employees, with respect to the benefits, including severance benefits, intended to be accorded to Employees in accordance with Section 8.1 and Section 8.2. Nothing in this Agreement shall create any third-party beneficiary rights with respect to the Pension Plan.

12.7. No Brokerage. Purchaser and Purchaser Guarantor each represents to Seller that neither Purchaser nor Purchaser Guarantor nor any Affiliate has dealt with or involved any broker in any way in connection with the Contemplated Transaction, except Navigant on behalf of Seller. Purchaser and Purchaser Guarantor agrees to forever indemnify, defend and hold Seller's Indemnitees harmless from and against any commission, liability, loss, cost, damage or expense (including reasonable attorneys' fees) that may be asserted against or incurred by Seller's Indemnitees as a result of any misrepresentation by Purchaser or Purchaser Guarantor pursuant to this Section 12.7. This Section 12.7 shall survive the Closing.

12.8. Notices. All notices required and other communications provided for by this Agreement will be in writing, will be addressed to the receiving party's address set forth below or to such other address as a party may designate by notice hereunder, and will be either (i) delivered by hand (ii) made by facsimile transmission, (iii) sent by overnight courier, or (iv) sent by certified mail, return receipt requested, postage prepaid:

If to Seller, to: New England Sinai Hospital
150 York Street
Stoughton, MA 02072
Attn: President and Chief Executive Officer

and to: New England Sinai Hospital
150 York Street
Stoughton, MA 02072
Attn: Chief Financial Officer

and to: Richard Blankstein, Esq.
36 Kodaya Road
Waban, MA 02468

With a copy not constituting notice to: Mintz Levin Cohn Ferris Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Attn: Stephen M. Weiner, Esq.

If to Purchaser, to: Steward Health Care System LLC
500 Boylston Street, 5th Floor
Boston, MA 02116
Attn: Joseph C. Maher, Jr., Esq.

With a copy not constituting notice to: Edwards Wildman Palmer LLP
111 Huntington Avenue
Boston, MA 02199
Attn: David S. Szabo, Esq.

or such other address as either party will advise the other party by notice delivered in accordance with the foregoing.

All notices and other communications hereunder will be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if sent by courier, on the next business day; or (iv) if sent by certified mail, on the fifth business day following the day such mailing is made.

12.9. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the Contemplated Transaction is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the Contemplated Transaction are consummated as originally contemplated to the greatest extent possible.

12.10. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No assignment of this Agreement or of any rights or obligations hereunder may be made by either Seller or Purchaser (by operation of law or otherwise) without the prior written consent of the other party hereto and any attempted assignment without the required consents shall be void; provided, however, that Purchaser may assign its right to acquire any or all of the Purchased Assets and its other rights hereunder to an entity wholly owned by it that also assumes all of Purchaser's obligations hereunder (but such assumption shall not relieve Purchaser of its obligations hereunder), with the consent of Seller, which shall not be unreasonably withheld, conditioned or delayed. No permitted assignment of any rights hereunder and/or assumption of obligations hereunder shall relieve the parties hereto of any of their obligations. Upon any such permitted

assignment, the references in this Agreement to Purchaser shall also apply to any such assignee unless the context otherwise requires; provided, however, that, in conjunction with any such assignment, the assignee will also assure the assignment of this Agreement to an entity that is capable of satisfying the obligations of Purchaser Guarantor under such Agreement.

12.11. No Personal Liability. In entering into this Agreement, the parties understand, agree and acknowledge that no director, trustee, officer, manager, member, employee, shareholder, attorney, accountant, advisor or agent of any party hereto shall be personally liable or responsible to any other party or its Affiliates, directors, trustees, officers, managers, members, employees, shareholders, attorneys, accountants, advisors or agents for the performance of any obligation under this Agreement of any party to this Agreement or the truth, completeness or accuracy of any representation or warranty contained in, or statement made in, this Agreement or any document prepared pursuant hereto and that all obligations hereunder are those of the named parties only (but nothing contained herein shall limit the liability of any person for his or her fraudulent acts).

1.2. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as a sealed instrument by their respective officers thereunto duly authorized, as of the date first written above.

SELLER:

New England Sinai Hospital

By: [Signature]
Name: Richard K. Blumenthal
Its: Chairman of Board

By: Judith C. Waterston
Name: JUDITH C. WATERSTON
Its: PRESIDENT/CEO

New England Sinai Physician Services Corporation

By: [Signature]
Name: Richard K. Blumenthal
Its: Chair of Board
New England Sinai
Hospital

By: Judith C. Waterston
Name: JUDITH C. WATERSTON
Its: PRESIDENT/CEO

PURCHASER:

Steward Medical Holdings Subsidiary Six, Inc.

By: _____
Name: _____
Its: _____

PURCHASER GUARANTOR:

Steward Health Care System LLC

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as a sealed instrument by their respective officers thereunto duly authorized, as of the date first written above.

SELLER:

New England Sinai Hospital

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

New England Sinai Physician Services Corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

PURCHASER:

Steward Medical Holdings Subsidiary Six, Inc.

By: [Signature]
Name: Ralph de la Torre
Its: Chairman + CEO

PURCHASER GUARANTOR:

Steward Health Care System LLC

By: [Signature]
Name: Ralph de la Torre
Its: Chairman + CEO