

**FORM OF**  
**GUARANTEE AGREEMENT**

This Guarantee Agreement (the “Agreement”), made and entered into as of [\_\_\_\_], 200[ ], by and among Essent Healthcare, Inc., a business corporation organized and existing under the laws of the State of Delaware (“Guarantor”), The Nashoba Community Hospital Corporation, a non-profit corporation organized and existing under Chapter 180 of the Massachusetts general laws (“Obligee”) (each a “Party” and collectively the “Parties”).

**W I T N E S S E T H:**

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated [\_\_\_\_], 2002 (the “Purchase Agreement”), by and between Essent Healthcare – Ayer, Inc. (“Essent”) and, among others, Obligee, Essent has agreed to purchase or lease substantially all of the assets, real, personal and mixed, tangible and intangible, associated with or employed in the business and operations of the Deaconess-Nashoba Hospital (the “Hospital”); and

WHEREAS, Essent is a wholly-owned subsidiary of Guarantor; and

WHEREAS, Obligee conditioned its closing of the transactions contemplated by the Purchase Agreement upon Guarantor providing a guarantee of the performance by Essent of certain financial obligations assumed by Essent under the Purchase Agreement; and

WHEREAS, Guarantor, in consideration of the Obligee's closing the transactions contemplated by the Purchase Agreement, has agreed to so guarantee such financial obligations of Essent subject to and in accordance with the terms and conditions of this Agreement;

NOW THEREFORE, as an inducement to Obligee to close the transactions contemplated by the Purchase Agreement and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

**ARTICLE I**  
**NATURE AND SCOPE OF GUARANTEE**

**1.1 Guarantee of Obligations.** Subject to the terms and conditions of this Agreement, Guarantor hereby guarantees to Obligee, its successors and assigns, the performance by Essent of the Guaranteed Obligations.

**1.2 Definition of Guaranteed Obligations; No Amendment.** For the purposes of this Agreement, a Guaranteed Obligation means and shall be an obligation of Essent to make any payment to Obligee: (i) under Sections 3.1.1, 3.2.4, 3.2.5, 3.3, 3.4 and 3.5 of Article 3 of the Purchase Agreement; (ii) under Sections 12.2.1 and 12.2.8 of the Purchase Agreement; or (iii) under Section 13.2 of the Purchase Agreement (collectively the “Guaranteed Obligations”). It is hereby acknowledged that no obligation that constitutes a Guaranteed Obligation may be amended, rescinded, waived, modified or in any way altered except by a writing signed by Essent and each of the Parties.

**1.3 Conditions Precedent to Obligee’s Rights.**

**1.3.1 Guaranteed Obligation Final.** Prior to Obligee making any claim against Guarantor under this Agreement (a “Guaranteed Claim”):

(a) in the event the Guaranteed Claim arises under Section 1.2(i) above, the Guaranteed Obligation shall be fully due and payable, without right of set-off or defense, by Essent in accordance with the applicable provisions of Article 3 of the Purchase Agreement;

(b) in the event the Guaranteed Claim arises under Section 1.2(ii) above, the Guaranteed Obligation shall be fully due and payable, without right of set-off or defense, by Essent in accordance with the applicable provisions of Sections 12.2.1 and 12.2.8 of the Purchase Agreement; and

(c) in the event the Guaranteed Claim arises under Section 1.2(iii) above, Obligee shall: (i) have afforded Guarantor all the rights of Essent as an Indemnifying Party under Article 13 of the Purchase Agreement, including, without limitation, the receipt of notice from Obligee of the claim from which the Guaranteed Claim arose (which notice may be delivered to Guarantor simultaneously with notice to Essent), the opportunity to defend said claim, and the opportunity to control the defense, settlement and prosecution of any litigation with respect to such claim; and (ii) the Guaranteed Claim shall otherwise be finally due and payable, without right to set-off or defense, by Essent to Obligee in accordance with Article 13 of the Purchase Agreement.

**1.3.2 Right to Certain Defenses.** Notwithstanding anything to the contrary contained herein, Guarantor shall not be required to make a payment of a Guaranteed Obligation to the extent that there exists a valid defense (with respect to which Essent has provided notice to Obligee), set-off, discharge, right of release or equitable right of limitation or liability under the Purchase Agreement to which Essent is entitled and that does not arise out of the bankruptcy or insolvency of Essent.

**1.4 Term and Termination.** This Agreement shall terminate effective January 1, 2009, provided, however, that the Parties’ rights and obligations under this

Agreement shall survive such termination with respect to any Guaranteed Claim for which notice was duly given prior to such date by Obligee pursuant to Section 1.3.1.

## **ARTICLE II REPRESENTATIONS AND WARRANTIES OF GUARANTOR**

**2.0 Representations and Warranties of the Guarantor.** Guarantor represents and warrants that:

(a) Guarantor is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Guarantor has the full corporate power and authority to execute, enter into and deliver this Agreement and to perform all of its obligations hereunder. The execution, delivery and performance of this Agreement by Guarantor have been duly authorized by all necessary corporate action, and this Agreement has been duly and validly executed and delivered by Guarantor and is legal, valid and binding on and enforceable against Guarantor in accordance with its terms except as such enforceability may be subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity. Any requisite consents of third parties to the execution and delivery of this Agreement and the performance of the obligations contemplated herein have been obtained.

(b) The execution and delivery of this Agreement, the performance of the obligations contemplated herein, and the compliance with and performance of the terms and conditions of this Agreement by Guarantor is not prevented by, is not limited by, does not conflict with or will not result in a breach or violation of or default under the terms, conditions or provisions of: (i) its certificate of incorporation or by-laws; (ii) any material mortgage, security agreement, indenture, loan agreement or other agreement or instrument to which Guarantor is a party or by which it is bound; or (iii) any provision of law, any order of any court or administrative agency or any rule or regulation applicable to Guarantor or its business.

(c) As of the date hereof, Guarantor is the owner of 100% of the issued and outstanding ownership interests of Essent.

## **ARTICLE III MISCELLANEOUS**

**3.1 Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon Guarantor and Obligee and upon the respective successors, assigns, estates, heirs, executors and administrators of Guarantor and Obligee; provided, however, that Guarantor may not assign or delegate any of its obligations hereunder without the

prior written consent of Obligee, or its respective successors and assigns, which consent shall not be unreasonably withheld. Any entity into which Guarantor may be merged or consolidated, or any entity resulting from any merger, conversion or consolidation to which Guarantor is a party, or any person succeeding to all or substantially all the business of Guarantor, shall be the successor hereunder to Guarantor without the express written consent of the Obligee; provided, however, that Guarantor shall provide Obligee with written notice of such merger or consolidation not less than thirty (30) days subsequent to such merger or consolidation.

**3.2 Notices.** All notices, certificates, demands or other communications hereunder shall be in writing and signed by the Party giving the same, and shall be deemed to have been delivered when the same are sent by certified or registered mail, postage prepaid, return receipt requested, deposited in the United States mail, delivered by hand or delivered by a nationally recognized overnight delivery service with documentation of receipt, addressed as follows:

(a) If to Guarantor:

Essent Healthcare, Inc.  
3100 West End Avenue, Suite 900  
Nashville, TN 37203  
Attn: President

with copies to:

Kennedy Covington Lobdell & Hickman  
2801 Slater Road, Suite 120  
Research Triangle Park  
Morrisville, NC 27650  
Attn: Patricia T. Meador

Greenberg Traurig, LLP  
One International Place, 3<sup>rd</sup> Floor  
Boston, MA 02110  
Attn: David G. Spackman

(b) If to Obligee:

The Nashoba Community Hospital Corporation  
[ ]  
Attn: President

With copies to:

Krokidas & Bluestein, LLP  
141 Tremont Street  
Boston, MA 02111  
Attn: Robert J. Griffin

Guarantor and Obligee each may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, demands or communications shall be sent.

**3.3 Entire Agreement; Conflict with Purchase Agreement.** This Agreement constitutes the entire agreement of the Parties and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to the subject matter hereof except as specifically set forth or incorporated herein. In the event of any conflict of any provision of this Agreement with any provision of the Purchase Agreement, the provision of this Agreement shall take priority and be determinative of the conflict.

**3.4 Amendments, Changes and Modifications.** No term or provision of this Agreement may be amended, waived, changed, modified, altered, released or terminated in any manner unless such amendment, waiver, change, modification, alteration, release or termination is in writing and signed by the Party against whom such amendment, waiver, change, modification, alteration, release or termination is sought to be enforced.

**3.5 Severability.** The invalidity or unenforceability of any one or more phrases, sentences, paragraphs or sections in this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement or any part thereof.

**3.6 Governing Law.** This Agreement and the rights, duties, obligations and responsibilities of the Guarantor shall be governed by and interpreted under the laws of the Commonwealth of Massachusetts without regard to conflict of laws principles.

**3.7 Headings; Interpretation.** Section and paragraph headings are not to be considered part of this Agreement, are included solely for convenience and are not intended to be full or accurate descriptions of the contents thereof. Sections and paragraphs mentioned by number only are the respective sections and paragraphs of this Agreement. The use of the terms “herein”, “hereunder”, “hereof”, and like terms shall be deemed to refer to this entire Agreement and not merely to the particular provision in which the term is contained, unless the context clearly indicates otherwise.

**3.8 Recitals.** The recital and introductory paragraphs hereof are a part hereof, form a basis for this Agreement and shall be considered prima facie evidence of the facts and documents referred to therein.

**3.9 Other Defined Terms.** Any capitalized term utilized herein shall have the meaning as specified in the Purchase Agreement, unless such term is otherwise specifically defined herein.

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[signature page to follow]

IN WITNESS WHEREOF, executed as of the day and year first above written.

**ESSENT HEALTHCARE, INC.**  
**( Guarantor)**

By: \_\_\_\_\_  
W. Hudson Connery, Jr.  
President and CEO

**THE NASHOBA COMMUNITY HOSPITAL CORPORATION**  
**(Obligee)**

By: \_\_\_\_\_  
Jeffrey R. Kelly  
President and Chief Executive Officer

By: \_\_\_\_\_  
William C. Picott, III  
Chairman, Board of Trustees

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