

**FORM OF**  
**OPTION TO REPURCHASE AGREEMENT**

This Option to Repurchase Agreement (this “Agreement”) is hereby made and entered into as of [\_\_\_], 200[\_\_\_], by and between Essent Healthcare - Ayer, Inc., a Tennessee business corporation, and its successors and assigns (together “Essent”), and The Nashoba Community Hospital Corporation, a non-profit corporation organized and existing under Chapter 180 of the laws of the Commonwealth of Massachusetts (“Nashoba”) (Essent and Nashoba each a “Party” and together the “Parties”).

**Whereas:** pursuant to an Asset Purchase Agreement (the “Purchase Agreement”) between Essent as Buyer and Nashoba as a Seller (the “Purchase Agreement”) Nashoba and certain of its Affiliates have conveyed, by sale or lease, certain property (defined in the Purchase Agreement as the “Acquired Assets”) to Essent in connection with the sale, lease and transfer of the Deaconess-Nashoba Hospital (the “Hospital”);

**Whereas:** pursuant to the Purchase Agreement, Essent has the option to: (i) renovate the Hospital (defined in the Purchase Agreement as the “Renovated Hospital”); or (ii) rebuild the Hospital on the current site (defined in the Purchase Agreement as the “Replacement Hospital”); or (iii) relocate the Hospital to a new site (defined in the Purchase Agreement as the “New Hospital”);

**Whereas:** under the Renovated Hospital Option and the Replacement Hospital Option (as defined in the “Purchase Agreement”), certain real property will be transferred to Essent pursuant to the terms of the Purchase Agreement;

**Whereas:** this Agreement is the definitive agreement between the Parties setting forth the terms and conditions of Nashoba’s right to repurchase certain of the Acquired Assets;

**Whereas:** terms not otherwise defined herein that are defined in the Purchase Agreement, whether or not such terms are capitalized, shall have the meaning ascribed to them in said Purchase Agreement;

**Now, therefore,** for and in consideration of the premises, and the agreements, covenants, representations and warranties hereinafter set forth, and other good and valuable consideration, the receipt and adequacy all of which are forever acknowledged and confessed, the Parties hereto agree as follows:

1. Option to Repurchase; Term and Event of Default. For a period commencing on the date hereof and expiring on the earlier of: (i) the “Expiration Date” (as hereinafter defined); or (ii) the completion of construction of the Replacement Hospital (which shall be deemed to occur on the date that such Replacement Hospital is licensed by the Department of Public Health of the Commonwealth of Massachusetts (the “Department”) to provide hospital services and all patients are transferred from the Hospital to the Replacement Hospital); or (iii) the completion of construction of the New Hospital (which shall be deemed to occur on the date that such New Hospital is licensed by the Department to provide hospital services and all patients are transferred from the

Hospital to the New Hospital), (each of the foregoing, as applicable to the determination of the date upon which this Agreement expires, an “Option Term”), Nashoba shall have the option (the “Option”) upon a Event of Default (as hereinafter defined) to repurchase all of Essent’s title and leasehold interests in the Option Property (as hereinafter defined), in accordance with the terms and conditions hereinafter set forth. An Event of Default shall have occurred in the event Essent, for reasons other than those constituting a Force Majeure: (a) ceases to operate, on the Option Property, an acute care hospital with the services set forth in Section 12.2.4 of the Purchase Agreement (provided, however, that it shall not be an Event of Default if the Buyer is providing the services set forth in clauses (i), (ii) and (iii) of said Section 12.2.4 and is arranging for the provision of the services set forth in clauses (iv) and (v) of said Section 12.2.4 through or by other entities); and (b) such cessation continues for a continuous period of more than ninety (90) days. For the purposes of this Agreement the “Expiration Date” means the date that is the later of: (i) October 1, 2012 in the event an Event of Default is not then occurring on said date; or (ii) in the event an Event of Default then occurring on October 1, 2012, the date upon which Nashoba fails to timely elect to exercise the Option.

2. Exercise. Upon an Event of Default within the Option Term, Nashoba may, in its sole discretion, exercise the Option by written notice to Essent delivered not later than ninety (90) days subsequent to the date that is the later of: (i) the date Nashoba has actual knowledge of the Event of Default; or (ii) the date that Essent provides written notice to Nashoba of the Event of Default.

3. Property Subject to Option. The Option Property is described in Exhibit A, as attached hereto and incorporated herein by reference.

4. Price. Except as provided hereafter to the contrary, the price (the “Option Price”) to be paid by Nashoba for the Option Property with respect to its exercise of the Option shall be an amount equal to:

- (i) the amount paid at the Closing of the Purchase Agreement pursuant to clauses 3.1.1(i) and (ii) of the Purchase Agreement; plus
- (ii) all costs and expenses (other than as contained in the amounts set forth in clause (i) first above) expended, invested or incurred by Essent on and with respect to the Option Property that are properly characterized as capital expenses in accordance with GAAP; less
- (iii) all depreciation properly taken in accordance with GAAP by Essent on and with respect to the Option Property.

Notwithstanding the foregoing, the Option Price to be paid by Nashoba for Buyer’s exercise of the Option shall be the amount determined under clauses (ii) and (iii) above and without the inclusion of the amount determined under clause (i) above in the event and only in the event that, at the time the Option is exercised in accordance with paragraph 2 above, Buyer has not expended, invested or incurred, or caused to be invested, expended or incurred, at least two million dollars (\$2,000,000) in capital expenditures (as properly characterized by GAAP): (a) on the Option Property; and (b)

subsequent to Buyer's taking title to the Option Property pursuant to the Hospital Property Lease.

5. Conveyance. The conveyance of any real and personal property constituting the Option Property shall be made by quitclaim deed(s), bills of sale, and assignment and assumption agreements, in each case subject to all liens, security interests, easements, restrictions, covenants, conditions and matters of record. Notwithstanding the foregoing, Nashoba may deduct from the Option Price such amounts as Nashoba elects to expend at the closing of the acquisition of the Option Property as are required to remove any lien or security interest in the Option Property arising out a financing entered into by Essent of a capital expenditure included as part of the Option Price under clause 4(ii) above but under no event shall Essent be responsible for or have any obligation with respect to any lien or security interest which cannot be removed, either due to an insufficiency in the Option Price or otherwise.

6. Condition of Option Property. Except as hereinafter provided, the Option Property shall be conveyed in its "as-is, where-is" condition, with all faults including, without limitation, all liens, mortgages, security interests and encumbrances or any nature or kind. Notwithstanding the foregoing, for a period of five (5) years subsequent to Nashoba taking title to the Option Property pursuant to this Agreement, Buyer shall indemnify and hold Nashoba wholly harmless from and against, any and all claims, judgments, damages, penalties, fines, expenses, liabilities or losses that Nashoba incurs as a result of a Buyer, during Buyer's ownership or lease of the Option Property, generating, storing, using or disposing of any hazardous waste, hazardous material or oil (collectively "Hazardous Materials") regulated pursuant to any and all applicable federal, state and local laws, rules and regulations relating to such Hazardous Materials (collectively "Environmental Laws") in violation of any of such Environmental Laws. Other than with respect to the aforementioned environmental covenant, Nashoba shall have no recourse against Essent with respect to any aspect of the Option Property.

7. Closing. The closing of the repurchase shall occur within ninety (90) days after the giving of notice by Nashoba of its election to exercise the Option.

8. Failure to Exercise. In the event, with respect to any particular Event of Default, Nashoba shall fail to: (i) timely elect to exercise the Option pursuant to Paragraph 2 above; or (ii) timely close within the period set forth in Paragraph 7 above, Nashoba's Option with respect to said Event of Default (but not with respect to any subsequent and independent Event of Default) shall automatically be terminated and Nashoba shall have no further right to exercise such Option with respect to such Event of Default.

9. No Assignment. Nashoba acknowledges and agrees that the rights of Nashoba under this Agreement and the Option contained herein may not be assigned, transferred, sold or hypothecated, except with the written consent of Essent, which consent, except as hereinafter provided, may be withheld by Essent in its absolute discretion. Notwithstanding the foregoing, Essent shall consent to an assignment to: (i) a foundation that is established, with the approval of the Attorney General, as a successor in interest to Nashoba's rights under this Agreement; (ii) an Affiliate of Nashoba; or (iii)

CareGroup, Inc., in accordance with the following. In the event of and as a condition of such assignment, the assignee shall enter into a written agreement, enforceable by Buyer and in a form and with terms and conditions reasonably satisfactory to Buyer, providing that assignee will assume, upon its exercise of the Option and not prior thereto, jointly and severally with, and not in substitution for, Nashoba, each and all of the indemnification obligations of Nashoba, if any may then exist, under (but with the benefit of any rights of Nashoba under) Section 13.1 of the Purchase Agreement, provided, however, that such assumption shall only be with respect to any amounts that are then or may become due Buyer in connection with the above indemnification obligations which can not be satisfied by Nashoba through the use of available Net Proceeds.

10. Covenants to Run with Real Property. The covenants and other terms and conditions set forth in this Agreement shall run with the land and buildings that now or hereinafter comprise any portion of the Option Property (the “Real Property”) and shall bind the owners of the Real Property, and their successors and assigns, provided, however, that said covenants and other terms and conditions of this Agreement shall automatically expire, without further action by any Party, and shall be of no further force and affect on the day that is first subsequent to the day that the Option Term ends. Upon the end of the applicable Option Term, as determined pursuant to Paragraph 1, Nashoba shall execute such documents, in recordable form, as shall acknowledge the expiration of this Agreement and release Buyer from any and all obligations under this Agreement.

11. Miscellaneous Provisions.

(a) Applicable Law. The laws of the Commonwealth of Massachusetts shall govern the validity, interpretation, construction and performance of this Agreement.

(b) Amendment. This Agreement may be cancelled, modified or amended only by a written instrument executed by the Parties and recorded in the chain of title of the Real Property. The Parties agree to cooperate to amend this Agreement as necessary subsequent to the date hereof in order to ensure that this Agreement complies with applicable laws.

(c) Notice, Approvals and Consents. All notices, approvals, consents 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 nationally recognized overnight delivery service, addressed:

(d) Entire Agreement. This Agreement and the Purchase Agreement, together with any agreements executed in connection with this Agreement or the Purchase Agreement, constitute the entire agreement between the Parties hereto or thereto with respect to the Option Property, and no verbal statements made by anyone with regard to the transaction which is the subject of this Agreement shall be construed as a part hereof unless the same be incorporated herein by writing. In the event that there is any conflict between a provision of the Purchase Agreement and a provision of this Agreement, the provision of this Agreement shall govern.

(e) Counterparts. This Agreement may be executed in any number of identical counterparts and, if so executed, each of such counterparts is to be deemed an original for all purposes, and all such counterparts shall collectively constitute a single agreement, but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

(f) Severability. Whenever possible, each provision of this Agreement and all related documents shall be interpreted in such a manner as to be valid under applicable law, but, if any such provision shall be determined to be invalid or prohibited under said applicable law, then such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of the affected document.

(g) Waiver. The waiver by either Party of a breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of the same provision by that Party or as a waiver of the breach of any other term or provision of this Agreement.

(h) Force Majeure. If either of the Parties is delayed or prevented from fulfilling any of the obligations under this Agreement by any cause beyond the reasonable control of such Party, including but not limited to, act of God, act of terrorism, act or omission of civil or military authorities or a nation or state, fire, strike, flood, riot, war, delay of transportation, or inability due to the aforementioned causes to obtain necessary labor, materials or facilities, then said Party shall not be liable under this Agreement for said delay or failure but only for such period in which said delay or failure is caused by the Force Majeure.

**[remainder of page intentionally left blank]  
[signature page to follow]**

Signature Pages to Option to Repurchase Agreement

By and Between

The Nashoba Community Hospital Corporation and Essent Healthcare – Ayer, Inc.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered as a sealed instrument by their respective duly authorized representatives, as of the date first set forth above.

ESSENT HEALTHCARE - AYER, INC.  
(Essent)

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

The Nashoba Community Hospital Corporation  
(Nashoba)

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

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

COMMONWEALTH OF MASSACHUSETTS

County Suffolk

[\_\_\_\_], 200[ ]

Then personally appeared the above-named W. Hudson Connery, Jr., President of Essent Healthcare - Ayer, Inc., and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Essent Healthcare - Ayer, Inc., a Tennessee corporation, before me.

\_\_\_\_\_  
Notary Public

My commission expires:

COMMONWEALTH OF MASSACHUSETTS

County Suffolk

[\_\_\_\_], 200[ ]

Then personally appeared the above-named Jeffrey R. Kelly, President of The Nashoba Community Hospital Corporation and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of The Nashoba Community Hospital Corporation, a Massachusetts corporation, before me.

\_\_\_\_\_  
Notary Public

My commission expires:

***Exhibit A***  
**Option Property Description**

The Option Property at the time of Nashoba's exercise, if any, of the Option shall be:

(1) The land and buildings hereinafter described, together with any and all renovations, replacements, improvements and additions made subsequent to the date hereof.

[insert description from Schedule 2.1.1 of Purchase Agreement]

(2) All items of personal property as are then existing at the time the event described in clause (a) of Section 1 of this Agreement commences with respect to the Hospital and which are of a nature and type described in Sections 2.1.2, 2.1.4, 2.1.5, 2.1.6, 2.1.7, 2.1.8, 2.1.9, 2.1.10, 2.1.11, 2.1.12, 2.1.13 and 2.1.14 of the Purchase Agreement.

(3) If the Option is exercised prior to the time Essent takes title to the Real Property, the Option Property shall include Essent's leasehold interest in the Hospital Real Property.

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