IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
PROMISE HEALTHCARE GROUP, LLC, *et al.*,[1]	:	Case No. 18-12491 (CSS)
Debtors.	:	(Jointly Administered)
	:	**Hearing Date: Jan. 8, 2019 at 11:00 a.m. (ET)** **Objection Deadline: December 21, 2018 at 4:00 p.m. (ET)**

MOTION OF THE DEBTORS FOR ENTRY OF AN ORDER (I) AUTHORIZING THE SALE OF THE EQUITY INTERESTS IN SUCCESS HEALTHCARE 2, LLC [ST. ALEXIUS FACILITY] FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES, (II) AUTHORIZING THE SELLER TO ASSUME AND ASSIGN CERTAIN EXECUTORY CONTRACTS, AND (III) GRANTING OTHER RELATED RELIEF

Promise Healthcare Group, LLC ("***Promise***") and its affiliated debtors and debtors in possession (collectively, the "***Debtors***") in the above-captioned chapter 11 cases (the "***Chapter 11 Cases***") file this motion (this "***Motion***") pursuant to sections 105(a), 363 and 365 of Title 11 of the United States Code (the "***Bankruptcy Code***"), Rules 2002, 6004, and 6006 of the Federal

[1] The Debtors in these Chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are as follows: HLP HealthCare, Inc. (8381), PH-ELA, Inc. (9180), Professional Rehabilitation Hospital, L.L.C. (5340), Promise Healthcare #2, Inc. (1913), Promise Healthcare Group, LLC (1895), Promise Healthcare Holdings, Inc. (2601), Bossier Land Acquisition Corp. (6644), HLP of Los Angeles, LLC (9102), HLP of Shreveport, Inc. (1708), HLP Properties at The Villages Holdings, LLC (0006), HLP Properties at the Villages, L.L.C. (1938), HLP Properties of Vidalia, LLC (4255), HLP Properties, Inc. (0068), Promise Healthcare of California, Inc. (9179), Promise Healthcare, Inc. (7953), Promise Hospital of Ascension, Inc. (9219), Promise Hospital of Baton Rouge, Inc. (8831), Promise Hospital of Dade, Inc. (7837), Promise Hospital of Dallas, Inc. (0240), Promise Hospital of East Los Angeles, L.P. (4671), Promise Hospital of Florida at The Villages, Inc. (2171), Promise Hospital of Louisiana, Inc. (4886), Promise Hospital of Lee, Inc. (8552), Promise Hospital of Overland Park, Inc. (5562), Promise Hospital of Phoenix, Inc. (1318), Promise Hospital of Salt Lake, Inc. (0659), Promise Hospital of Vicksburg, Inc. (2834), Promise Hospital of Wichita Falls, Inc. (4104), Promise Properties of Dade, Inc. (1592), Promise Properties of Lee, Inc. (9065), Promise Properties of Shreveport, LLC (9057), Promise Skilled Nursing Facility of Overland Park, Inc. (5752), Promise Skilled Nursing Facility of Wichita Falls, Inc. (1791), Quantum Health, Inc. (4298), Quantum Properties, L.P. (8203), St. Alexius Hospital Corporation #1 (2766), St. Alexius Properties, LLC (4610), Success Healthcare 1, LLC (6535), Success Healthcare 2, LLC (8861), Success Healthcare, LLC (1604), Vidalia Real Estate Partners, LLC (4947), LH Acquisition, LLC (2328), Promise Behavioral Health Hospital of Shreveport, Inc. (1823), Promise Rejuvenation Centers, Inc. (7301), Promise Rejuvenation Center at the Villages, Inc. (7529), and PHG Technology Development and Services Company, Inc. (7766). The mailing address for the Debtors, solely for purposes of notices and communications, is 999 Yamato Road, 3rd FL, Boca Raton, FL 33431.

Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "***Local Rules***"), for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "***Proposed Order***"), (i) approving the sale by the Debtors of all of the equity interests (the "***Purchased Interests***")[2] in Success Healthcare 2, LLC, a California limited liability company ("***Holdco***"), as contemplated by that certain Purchase Agreement, as amended, (the "***Purchase Agreement***")[3] between Debtor Success Healthcare, LLC, as seller (the "***Seller***"), and Americore Holdings, LLC, a Delaware limited liability company, or its assignee, nominee, or designee, as purchaser (the "***Purchaser***"), free and clear of encumbrances and interests (except as set forth in the Purchase Agreement), (ii) authorizing the Seller to assume certain executory contracts (the "***Assumed Contracts***") to which the Seller is party and that benefit Holdco, a list of which is included in Schedule 3.18 of the Disclosure Schedules to the Purchase Agreement, and to assign the Assumed Contracts to the Purchaser pursuant to the Purchase Agreement, and (iii) granting other related relief. The Debtors further seek approval of the transfer (or abandonment by Holdco to Seller) of the Excluded Assets and Excluded Liabilities to Seller. In further support of the Motion, the Debtors respectfully represent as follows:

[2] The Purchased Interests are fully defined in the Purchase Agreement. The acquisition of the Purchased Interests will result in the indirect acquisition of all limited liability company interests (collectively, the "***Interests***") of St. Alexius Properties, LLC, and all common stock (collectively, the "***Shares***") of St. Alexius Hospital Corporation #1 (together with St. Alexius Properties, LLC, the "***St. Alexius Debtors***"), which together own and operate a short-term acute care hospital in St. Louis, Missouri (the "***St. Alexius Facility***"). The indirect acquisition of the Interests and Shares will result in the indirect acquisition of the Assets (as defined in Section 1.2 of the Purchase Agreement) and Retained Liabilities (as defined in Section 1.4 of the Purchase Agreement), while excluding the Excluded Assets (as defined in Section 1.3 of the Purchase Agreement)—which will be transferred to Seller, pursuant to Section 1.3 of the Purchase Agreement—and Excluded Liabilities (as defined in Section 1.5 of the Purchase Agreement).

[3] Except as otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Purchase Agreement.

PRELIMINARY STATEMENT

1. For the past eighteen to twenty-four months, the Debtors have informally sought a buyer for the Purchased Interests, most notably the St. Alexius Facility.[4] The Debtors received interest from Purchaser and no other expressions of interest.

2. Upon receiving interest from Purchaser, Debtors and Purchaser negotiated a sale of the Purchased Interests, which results in the indirect acquisition of the Interests and Shares owned by Holdco, which further results in the acquisition of the entities that own and operate the St. Alexius Facility and other related businesses, including the Lutheran School of Nursing. As a result of substantial arm's length negotiations between Purchaser and the Debtors, Purchaser agreed to purchase the Purchased Interests for $10,000,000 and the transfer of the Excluded Assets to Seller. Moreover, the structure resulting from the negotiations resulted in a transaction that could close promptly after the filing of these Chapter 11 Cases on terms favorable to the Debtors. Given the current performance of the St. Alexius Facility and because, among other things, (a) the Purchaser is acquiring the Purchased Interests, as opposed to physical assets, (b) the Purchaser is relieving the Debtors of significant potential liability, and (c) the Purchaser has evidenced an ability to continue to operate the Lutheran School of Nursing and continue participation in Department of Education funding, adding value to the Sale for the Purchaser. The Debtors believe, in their business judgment, that it is unlikely an auction will lead to a

[4] During this process, on August 9, 2018, the Debtors received a letter from the United States Department of Health & Human Services, Centers for Medicare & Medicaid Services ("***CMS***") stating that the St. Alexius Facility no longer met the conditions of participation as a provider of services in the Medicare program. The letter also stated that CMS was extending the previously indicated termination date of the St. Alexius Facility's participation in the Medicare program to the close of business on November 7, 2018. This deadline has since been rescinded by CMS; however, to maintain compliance with CMS and State of Missouri rules and regulations related to the Medicare and Medicaid Programs, the St. Alexius Facility also requires certain capital improvements, which improvements the Debtors were not in a position to make due to their prepetition liquidity issues.

higher or otherwise better bid for the Purchased Interests and seek to sell the Purchased Interests to the Purchaser, pursuant to a private sale free and clear of all Encumbrances and interests.[5]

3. In short, given consideration to the terms set forth in the Purchase Agreement and the Debtors' challenges with respect to the St. Alexius Facility, (a) the Purchase Agreement represents the highest or otherwise best transaction available to the Debtors, (b) the sale to Purchaser is in the best interests of the Debtors and their estates, as it provides a greater recovery for the Debtors' estates than would be available by any other available alternative, (c) any further marketing process or delay in the sale to Purchaser would only harm the Debtors' business and impair the Debtors' ability to maximize the value of their assets for all creditors, and (d) proceeding expeditiously with the sale to Purchaser will act to retain employees and preserve the value of the Debtors' operations and ensure that the Debtors maximize the value of their estates for all of their constituents.

4. For these reasons and as set forth more fully below, the relief sought by this Motion should be granted.

JURISDICTION AND VENUE

5. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and, pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final judgment or order with respect to the Motion, if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

6. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

[5] The Debtors reserve the right to a fiduciary out should another party express a bona fide interest in purchasing the Purchased Interests for higher or otherwise better consideration.

BACKGROUND

7. On November 5, 2018 (the "***Petition Date***"), each of the Debtors commenced cases under chapter 11 of the Bankruptcy Code (the "***Chapter 11 Cases***"). The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in the Chapter 11 Cases, and an unsecured creditors committee was appointed on November 14, 2018.

8. A detailed background of the Debtors' businesses and operations, as well as the events leading to the filing of the Chapter 11 Cases is set forth in the *Declaration of Andrew Hinkelman in Support of First Day Relief* [D.I. 18].

RELIEF REQUESTED

9. By this Motion, the Debtors seek (i) approval of a private sale (the "***Sale***") of the Purchased Interests to the Purchaser for cash consideration equal to $10 million (the "***Purchase Price***") as set forth in the Purchase Agreement, (ii) to assume and assign certain executory contracts pursuant to section 365 of the Bankruptcy Code, (iii) to transfer or abandon the Excluded Assets to Seller, and (iv) other related relief.

BASIS FOR RELIEF REQUESTED

I. The Purchase Agreement is Reasonable, and Entering into the Purchase Agreement is an Exercise of the Debtors' Reasonable Business Judgment.

10. The Debtors believe, and respectfully submit, that the terms of the Purchase Agreement are reasonable under the circumstances, and have been entered into in the proper exercise of their business judgment.

11. Pursuant to Bankruptcy Rule 6004(f)(1), sales of property outside the ordinary course of business may be by private sale or by public auction. The paramount goal in any

proposed sale of property of the estate is to maximize the proceeds received by the estate. *See In re Mushroom Transp. Co.*, 382 F.3d 325, 339 (3d Cir. 2004) (noting that the debtor in possession "had a fiduciary duty to protect and maximize the estate's assets"). *See also Commodity Futures Trading Comm'n v. Weintraub*, 471 U.S. 343, 352 (1985) (debtor in possession has the duty to maximize the value of the estate); *Cadle Co. v. Mims (In re Moore)*, 608 F.3d 253, 263 (5th Cir. 2010) (same).

12. In accordance with Local Rule 6004-1, the Purchase Agreement, in summary fashion, provides as follows:[6]

(a) Sale of Purchased Interests. The Debtors are seeking approval for the Sale of the Purchased Interests to Purchaser by private sale for the Purchase Price and upon the terms and conditions set forth in the Purchase Agreement.

(b) Free of Any and All Encumbrances. The Sale will be free and clear of all encumbrances and interests, with such encumbrances to attach to the net proceeds of the sale.

(c) Indemnification. The Purchase Agreement does not provide for indemnity by either party.

(d) Consent to Jurisdiction. Purchaser will be deemed to have consented to the core and exclusive jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any and all disputes relating to, arising from or connected with the purchase and sale of the Purchased Interests, and the construction and enforcement of the Purchase Agreement.

13. Pursuant to Local Rule 6004-1, a copy of the Proposed Order is attached to this Motion as **Exhibit A** and the executed Purchase Agreement is attached to the Proposed Order as **Exhibit 1**. In compliance with Local Rule 6004-1(b)(iv), Debtors further show:

(a) Sale to Insider. The Purchaser is not an insider of the Debtors within the meaning of section 101(31) of the Bankruptcy Code.

[6] This summary is qualified in its entirety by reference to the provisions of the Purchase Agreement itself. In the event of any inconsistencies between this summary and the Purchase Agreement, the terms of the Purchase Agreement shall govern. Unless otherwise defined, capitalized terms shall have the meanings ascribed to them in the Purchase Agreement.

(b) Agreements with Management. The Purchaser has not discussed or entered into any agreements with Debtors' management or key employees regarding future compensation or employment.

(c) Release. The Purchase Agreement does not include a release in favor of any entity.

(d) Private Sale/No Competitive Bidding. The Debtors are seeking approval for a proposed sale of the Purchased Interests to Purchaser by private sale free and clear of all Encumbrances and interests for the Purchase Price and upon the terms and conditions set forth in the Purchase Agreement.

(e) Closing and Other Deadlines. The closing date of the Sale shall take place on a date mutually acceptable to Debtors and Purchaser, which date shall not occur prior to, among other things, Debtors receiving confirmation reasonably satisfactory to Purchaser that the Lutheran School of Nursing shall continue to be eligible to participate in the Department of Education funding programs that it participated in immediately prior to the filing of the Chapter 11 Cases.

(f) Good Faith Deposit. The Purchase Agreement does not contemplate a good faith deposit.

(g) Interim Arrangements with Proposed Buyer. The Debtors do not currently have any interim management or other agreement with Purchaser.

(h) Use of Proceeds. The Purchase Agreement and related funds flow agreed to by the Seller and Purchaser contemplate a distribution of the proceeds of the Sale in accordance with the Final DIP Order [D.I. 218].

(i) Tax Exemption. The Debtors are not seeking pursuant to this Motion to have the Sale declared exempt from taxes under section 1146(a) of the Bankruptcy Code.

(j) Record Retention. The Debtors will retain, or have reasonable access to, all patient records and records needed to administer these Chapter 11 Cases.

(k) Sale of Avoidance Actions. The Debtors are not seeking to sell avoidance actions.

(l) Requested Findings as to Successor Liability. The Debtors are not seeking to sell the Purchased Interests free and clear of successor liability claims.

(m) Sale Free and Clear of Unexpired Leases. The Debtors do not seek to sell the Purchased Interests free and clear of any unexpired leasehold interests or other rights.

(n) Credit Bid. The Purchase Agreement does not contemplate a right to credit bid.

(o) Relief from Bankruptcy Rule 6004(h). The Debtors are seeking relief from the fourteen-day stay imposed by Bankruptcy Rule 6004(h) for any sale.

II. A Sale of the Purchased Interests is Appropriate Under Section 363(b)(1) of the Bankruptcy Code.

14. The Debtors respectfully submit that the Sale meets the standard set forth in section 363(b) for sales outside of the ordinary course of a debtor's business. Section 363(b)(1) of the Bankruptcy Code provides that "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1).

15. This Court's power under section 363 is supplemented by section 105(a), which provides in relevant part that "[t]he Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title . . ." § 105(a). As set forth below, the Debtors submit that they have satisfied the requirements of sections 105 and 363 as those sections have been construed by courts in the Third Circuit.

16. A debtor should be authorized to sell assets out of the ordinary course of business pursuant to section 363 of the Bankruptcy Code and prior to obtaining a confirmed plan of reorganization if it demonstrates a sound business purpose for doing so. *See In re Del. & Hudson Ry. Co.*, 124 B.R. 169 (D. Del. 1991) (finding that the sale of substantially all of debtor's assets outside of a plan of reorganization is appropriate when a sound business reason justifies such a sale); *Myers v. Martin (In re Martin)*, 91 F.3d 389, 394–95 (3d Cir. 1996) (citing *Fulton State Bank v. Schipper (In re Schipper)*, 933 F.2d 513 (7th Cir. 1991)); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070–71 (2d Cir. 1983).

17. Courts have applied the following four factors in determining whether a sound business justification exists: (a) whether a sound business reason exists for the proposed transaction; (b) whether fair and reasonable consideration is provided; (c) whether the transaction has been proposed and negotiated in good faith; and (d) whether adequate and reasonable notice is provided. *See In re Del. & Hudson Ry. Co.*, 124 B.R. at 175–76 (adopting

Lionel factors to consider in determining whether sound business purpose exists for sale outside ordinary course of business in this District); *Lionel Corp.*, 722 F.2d at 1071 (setting forth the "sound business" purpose test); *In re Abbotts Dairies of Penn., Inc.*, 788 F.2d 143, 147–49 (3d Cir. 1986) (implicitly adopting the articulated business justification test set forth in *Lionel* and adding the "good faith" requirement).

18. Once the Debtors articulate a valid business justification, their decision to sell property out of the ordinary course of business enjoys a strong "presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in an honest belief that the action taken was in the best interests of the company." *In re Integrated Res. Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). Therefore, any party objecting to a debtor's proposed asset sale must make a showing of "bad faith, self-interest, or gross negligence," as courts are loath to interfere with corporate decisions absent such a showing. *See id*. at 656.

19. The Debtors have exercised sound business judgment and set forth sound business justifications for pursuing a private sale of the Purchased Interests, pursuant to the factors discussed above. They have marketed the Purchased Interests for over eighteen months and believe that the Purchaser is the only bidder for the Purchased Interests that can close a sale promptly on terms favorable to the Debtors. The Purchased Interests are not integral to the Debtors' on-going business that are to be marketed separately, and, in light of the Debtors' challenges with respect to the St. Alexius Facility, the Debtors believe that it is in the best interests of their estates to proceed with the sale of the Purchased Interests to the Purchaser.

20. The Debtors believe that a private sale of the Purchased Interests will allow for the greatest possible consideration for the Purchased Interests without unnecessary time and

estate resources being expended on a further marketing process that the Debtors do not believe will yield a higher purchase price for the Purchased Interests. Accordingly, the Debtors believe that the Purchase Price is a fair and reasonable value for the Purchased Interests.

III. Any Sale Should be Approved Free and Clear of Liens, Interests and Encumbrances.

21. Under section 363(f) of the Bankruptcy Code, a debtor in possession may sell property free and clear of any lien, claim, interest or encumbrance in such property if, among other things:

> (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
>
> (2) such entity consents;
>
> (3) such interest is a lien and the price at which such property is sold is greater than the aggregate value of all liens on such property;
>
> (4) such interest is in bona fide dispute; or
>
> (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

22. Because section 363(f) is stated in the disjunctive, satisfaction of any one of its five requirements will suffice to warrant approval of the proposed sale. *See In re Collins*, 180 B.R. 447, 450 (Bankr. E.D. Va. 1995) ("Section 363(f) is phrased in the disjunctive, such that only one of the enumerated conditions must be met in order for the Court to approve the proposed sale"); *Scherer v. Fed. Nat'l Mortg. Ass'n (In re Terrace Chalet Apts., Ltd.)*, 159 B.R. 821, 827 (N.D. Ill. 1993) (sale extinguishes liens under section 363(f) as long as one of the five specified exceptions applies).

23. The Debtors will serve notice of the Motion to all creditors of Seller, Success Healthcare 2, LLC; St. Alexius Properties, LLC; and St. Alexius Hospital Corporation #1, and

each will have an opportunity to object to the Sale. The Debtors expect to obtain the consent of Wells Fargo, National Association, as administrative agent (the "***DIP Administrative Agent***") and prepetition agent such that section 363(f)(2) will apply. The Debtors contend that no other party holds a valid, perfected lien on the Purchased Interests. Accordingly, to the extent any party contends that it holds a valid lien on the Purchased Interests, such lien is subject to bona fide dispute, and the Debtors may sell the Purchased Interests free and clear of such purported lien, under section 363(f)(4) of the Bankruptcy Code. Therefore, the Debtors request that the Sale be approved free and clear of all encumbrances and interests, with the proceeds of the Sale being distributed in accordance with the terms of the Final DIP Order.

IV. The Sale is Proposed in Good Faith.

24. Section 363(m) of the Bankruptcy Code provides:

> The reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

25. Section 363(m) "reflects the . . . 'policy of not only affording finality to the judgment of the bankruptcy court, but particularly to give finality to those orders and judgments upon which third parties rely.'" *Abbotts Dairies of Penn., Inc.*, 788 F.2d at 147 (quoting *Hoese Corp. v. Vetter Corp. (In re Vetter Corp.*), 724 F.2d 52, 55 (7th Cir. 1983)). *See also United States v. Salerno*, 932 F.2d 117, 123 (2d Cir. 1991) (noting that section 363(m) furthers the policy of finality in bankruptcy sales and "assists bankruptcy courts in maximizing the price for assets sold in such proceedings"); *In re Stein & Day, Inc.*, 113 B.R. 157, 162 (Bankr. S.D.N.Y. 1990) (same).

26. While the Bankruptcy Code does not define "good faith," some courts have held that a good faith purchaser is one who "purchases the assets for value, in good faith, and without notice of adverse claims." *Hardage v. Herring Nat'l Bank,* 837 F.2d 1319, 1323 (5th Cir. 1988) (quoting *Willemain v. Kivitz (In re Willemain),* 764 F.2d 1019, 1023 (4th Cir. 1985)). Furthermore, the good faith status of a purchaser can be destroyed with evidence of "fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders." *TMT Procurement Corp. v. Vantage Drilling Co.* (*In re TMT Procurement Corp.),* 764 F.3d 512, 521 (5th Cir. 2014).

27. The Sale has been proposed in good faith. The Purchase Agreement was the product of extensive good faith, arm's length negotiations between the Debtors, on the one hand, and Purchaser, on the other, and was negotiated with the active involvement of the Debtors' officers and professionals. The Debtors believe and submit that the sale of the Purchased Interests to the Purchaser pursuant to the terms and conditions of the Purchase Agreement is not the product of collusion or bad faith. No evidence suggests that the Purchase Agreement is anything but the product of arm's length negotiations between the Debtors, Purchaser, and their respective professional advisors. In connection with approval of the proposed Sale, the Debtors request that the Court make a finding that the Purchaser is a good faith purchaser and entitled to the protections of section 363(m) of the Bankruptcy Code.

V. Assumption and Assignment of the Assumed Contracts Is Warranted Under Section 365 of the Bankruptcy Code.

A. Assumption and Assignment of the Assumed Contracts Is Within Debtors' Business Judgment

28. Pursuant to the Purchase Agreement, Debtors are required to seek to assume the Assumed Contracts and the obligations thereunder, and to subsequently assign the Assumed Contracts to Purchaser. Section 365 of the Bankruptcy Code provides as follows:

> (a) Except as provided in . . . subsections (b), (c), and (d) of this section, the trustee, subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor.

11 U.S.C. § 365(a). Accordingly, section 365 authorizes the proposed assumption of the Assumed Contracts by Debtors. The assumption of a contract by a debtor is subject to review under the business judgment standard. *In re Federated Dept. Stores, Inc.*, 131 B.R. 808, 811 (S.D. Ohio 1991) ("Courts traditionally have applied the business judgment standard in determining whether to authorize the rejection of executory contracts and unexpired leases"). If a debtor's business judgment has been reasonably exercised, a court should approve the assumption or rejection of the contracts. *See, e.g., NLRB v. Bildisco and Bildisco*, 465 U.S. 513, 523 (1984); *Grp. of Institutional Investors v. Chicago M. St. P. & P.R.R. Co.*, 318 U.S. 523 (1943); *In re Market Square Inn, Inc.*, 978 F.2d 116, 121 (3d Cir. 1992) (holding that the "resolution of [the] issue of assumption or rejection will be a matter of business judgment").

29. The business judgment rule shields a debtor's management from judicial second-guessing. *Id.*; *In re Johns-Manville Corp.*, 60 B.R. 612, 615–16 (Bankr. S.D.N.Y. 1986) ("[T]he Code favors the continued operation of a business by a debtor and a presumption of reasonableness attaches to a debtor's management decisions."). Once a debtor articulates a valid business justification, "[t]he business judgment rule 'is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.'" *In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). Indeed, when applying the business judgment rule, courts show great deference to

a debtor's decision to assume a contract. *See Summit Land Co. v. Allen (In re Summit Land Co.*), 13 B.R. 310, 315 (Bankr. D. Utah 1981) (absent extraordinary circumstances, court approval of a debtor's decision to assume an executory contract "should be granted as a matter of course"). Thus, this Court should approve the assumption of the Assumed Contracts, if the Debtors are able to demonstrate a sound business justification for doing so. *See In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983); *In re Delaware Hudson Ry. Co.*, 124 B.R. 169, 179 (Bankr. D. Del. 1991).

30. As previously noted, the assumption of the Assumed Contracts is required so that they may be assigned to the Purchaser pursuant to the Purchase Agreement. In addition, the Buyer is responsible for any and all cure amounts associated with assuming the Assumed Contracts. The Debtors, with the assistance of their advisors, have carefully reviewed the economic benefits of assumption and assignment of the Assumed Contracts and believe that their decision to assume the Assumed Contracts is within the Debtors' sound business judgment, as the assumption of the Assumed Contracts will permit the consummation of the Sale, thereby benefiting the Debtors and their estates, while avoiding any further liability under the Assumed Contracts. Accordingly, the Debtors believe that assuming the Assumed Contracts is in the best interests of the Debtors, the Debtors' estates, their creditors, and all other parties in interest.

B. Purchaser Will Pay Cure Amounts, If Any

31. The Purchase Agreement provides that, to the extent that any cure payments are required, the Purchaser will pay all cure amounts. Section 365 of the Bankruptcy Code provides as follows:

> (b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee:

> (A) cures, or provides adequate assurance that the trustee will promptly cure such default;
>
> (B) compensates or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and
>
> (C) provides adequate assurance of future performance under such contract or lease. . . .

11 U.S.C. § 365(b)(1).

32. Accordingly, section 365 authorizes the proposed assumption of the Assumed Contracts, provided that any defaults under the Assumed Contracts are cured, or adequate assurance is given by the debtor that the default will be promptly cured. The Assumed Contracts Counterparties (as defined in Schedule 3.18 of the Disclosure Schedules) are being served with this Motion, and will have the opportunity to object if they believe otherwise.

C. Purchaser Can Demonstrate Adequate Assurance of Future Performance

33. Section 365 of the Bankruptcy Code provides that the trustee may assign an executory contract or unexpired lease if (i) such contract or lease is assumed in accordance with the Bankruptcy Code and (ii) adequate assurance of future performance by the assignee is provided. 11 U.S.C. § 365(f)(2).

34. The words "adequate assurance of future performance" must be given a "practical, pragmatic construction" in "light of the proposed assumption." *In re Fleming Cos.*, 499 F.3d 300, 307 (3d Cir. 2007) (quoting *Cinicola v. Scharffenberger*, 248 F.3d 110, 120 n. 10 (3d Cir. 2001); *see Carlisle Homes, Inc. v. Arrari (In re Carlisle Homes, Inc.),* 103 B.R. 524, 538 (Bankr. D.N.J. 1989); *In re Natco Indus., Inc.*, 54 B.R. 436, 440 (Bankr. S.D.N.Y. 1985) (adequate assurance of future performance does not mean absolute assurance that debtor will thrive and pay rent); *In re Bon Ton Rest. & Pastry Shop, Inc.*, 53 B.R. 789, 803 (Bankr. N.D. Ill.

1985) ("[A]lthough no single solution will satisfy every case, the required assurance will fall considerably short of an absolute guarantee of performance.").

35. Among other things, adequate assurance may be given by demonstrating the assignee's financial health and experience in managing the type of enterprise or property assigned. *See In re Bygaph, Inc.*, 56 B.R. 596, 605–06 (Bankr. S.D.N.Y. 1986) (adequate assurance of future performance is present when prospective assignee of a lease from debtor has financial resources and has expressed a willingness to devote sufficient funding to business in order to give it strong likelihood of succeeding; chief determinant of adequate assurance is whether rent will be paid).

36. As set forth above, Debtors will be assuming and assigning the Assumed Contracts to the Purchaser, who has been selected due to its financial condition and ability to consummate the Sale. Debtors submit that the Purchaser's financial condition provides sufficient adequate assurance of future performance, and that the assignment of the Assumed Contracts to the Purchaser as part of the Sale should be approved.

WAIVER OF BANKRUPTCY RULE 6004(h)

37. The Debtors request that the Court waive the fourteen (14) day stay period under Bankruptcy Rule 6004(h). Timely consummation of the Sale are of critical importance to both the Debtors and the Purchaser and the Debtors' efforts to maximize the value of the estates. Because of the St. Alexius Facility's poor performance during periodic healthcare regulatory reviews, monthly losses, and the ongoing regulatory issues with CMS, the Debtors hereby request that the Court waive the fourteen-day stay period under Bankruptcy Rules 6004(h).

RESERVATION OF RIGHTS

38. Nothing contained in this Motion or any actions taken by the Debtors pursuant to relief granted in the Order is intended or should be construed as: (a) an admission as to the

validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party-in-interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver or limitation of the Debtors' or any other party-in-interest's right under the Bankruptcy Code or any other applicable law.

NOTICE

39. The Debtors have provided notice of the filing of the Motion to: (i) the Office of the United States Trustee; (ii) the proposed counsel to the Committee; (iii) counsel to Wells Fargo, N.A., as administrative agent under the Debtors' prepetition and debtor-in-possession credit facilities; (iv) the Internal Revenue Service; (v) the United States Attorney for the District of Delaware; (vi) the United States Department of Justice; (vii) the State Attorney General's Office in each state where the Debtors operate; (viii) all parties known to have a lien on the Purchased Interests; (ix) all parties who have expressed an interest in the Purchased Interests; (x) all creditors of Seller, Success Healthcare 2, LLC, St. Alexius Properties, LLC, and St. Alexius Hospital Corporation #1, (xi) the Counterparties to the Assumed Contracts, and (xii) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the "***Notice Parties***"). The Debtors respectfully submit that no further notice of this Motion is required under the circumstances.

NO PRIOR REQUEST

40. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request entry of the Proposed Order, and granting the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: December 7, 2018
Wilmington, Delaware

DLA PIPER LLP (US)

/s/ *Stuart M. Brown*

Stuart M. Brown (#4050)
Kaitlin MacKenzie Edelman (#5924)
1201 N. Market Street, Suite 2100
Wilmington, DE 19801
Telephone: (302) 468-5700
Facsimile: (302) 394-2341
Email: Stuart.Brown@dlapiper.com
Kaitlin.Edelman@dlapiper.com

-and-

WALLER LANSDEN DORTCH & DAVIS, LLP
John Tishler (admitted *pro hac vice*)
Katie G. Stenberg (admitted *pro hac vice*)
Blake D. Roth (admitted *pro hac vice*)
Tyler N. Layne (admitted *pro hac vice*)
511 Union Street, Suite 2700
Nashville, TN 37219
Telephone: (615) 244-6380
Facsimile: (615) 244-6804
Email: John.Tishler@wallerlaw.com
Katie.Stenberg@wallerlaw.com
Blake.Roth@wallerlaw.com
Tyler.Layne@wallerlaw.com

Attorneys for the Debtors and Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
	:	Case No. 18-12491 (CSS)
PROMISE HEALTHCARE GROUP, LLC, *et al.*,[1]	:	(Jointly Administered)
Debtors.	:	**Obj. Deadline: December 21, 2018 at 4:00 p.m. (ET)**
	:	**Hearing Date: January 8, 2019 at 11:00 a.m. (ET)**

NOTICE OF MOTION AND HEARING

PLEASE TAKE NOTICE that, on December 7, 2018, Promise Healthcare Group, LLC and its affiliated debtors and debtors-in-possession (collectively, the "Debtors") filed the *Motion of the Debtors for Entry of an Order (I) Authorizing the Sale of the Equity Interests in Success Healthcare 2, LLC [St. Alexius Facility] Free and Clear of all Liens, Claims, Interests, and Encumbrances, (II) Authorizing the Seller to Assume and Assign Certain Executory Contracts, and (III) Granting Other Related Relief* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court"), a copy of which is attached hereto.

PLEASE TAKE FURTHER NOTICE that if a response is timely filed, served, and received, you or your attorney must attend the hearing on the Motion scheduled to be held before The Honorable Judge Christopher S. Sontchi at the Court, 824 North Market Street, 5th Floor, Courtroom 6, Wilmington, Delaware 19801 on **January 8, 2019 at 11:00 a.m. (ET)**.

[1] The Debtors in these Chapter 11 Cases, together with the last four digits of each Debtor's federal tax identification number, are as follows: HLP HealthCare, Inc. (8381), PH-ELA, Inc. (9180), Professional Rehabilitation Hospital, L.L.C. (5340), Promise Healthcare #2, Inc. (1913), Promise Healthcare Group, LLC (1895), Promise Healthcare Holdings, Inc. (2601), Bossier Land Acquisition Corp. (6644), HLP of Los Angeles, LLC (9102), HLP of Shreveport, Inc. (1708), HLP Properties at The Villages Holdings, LLC (0006), HLP Properties at the Villages, L.L.C. (1938), HLP Properties of Vidalia, LLC (4255), HLP Properties, Inc. (0068), Promise Healthcare of California, Inc. (9179), Promise Healthcare, Inc. (7953), Promise Hospital of Ascension, Inc. (9219), Promise Hospital of Baton Rouge, Inc. (8831), Promise Hospital of Dade, Inc. (7837), Promise Hospital of Dallas, Inc. (0240), Promise Hospital of East Los Angeles, L.P. (4671), Promise Hospital of Florida at The Villages, Inc. (2171), Promise Hospital of Louisiana, Inc. (4886), Promise Hospital of Lee, Inc. (8552), Promise Hospital of Overland Park, Inc. (5562), Promise Hospital of Phoenix, Inc. (1318), Promise Hospital of Salt Lake, Inc. (0659), Promise Hospital of Vicksburg, Inc. (2834), Promise Hospital of Wichita Falls, Inc. (4104), Promise Properties of Dade, Inc. (1592), Promise Properties of Lee, Inc. (9065), Promise Properties of Shreveport, LLC (9057), Promise Skilled Nursing Facility of Overland Park, Inc. (5752), Promise Skilled Nursing Facility of Wichita Falls, Inc. (1791), Quantum Health, Inc. (4298), Quantum Properties, L.P. (8203), St. Alexius Hospital Corporation #1 (2766), St. Alexius Properties, LLC (4610), Success Healthcare 1, LLC (6535), Success Healthcare 2, LLC (8861), Success Healthcare, LLC (1604), Vidalia Real Estate Partners, LLC (4947), LH Acquisition, LLC (2328), Promise Behavioral Health Hospital of Shreveport, Inc. (1823), Promise Rejuvenation Centers, Inc. (7301), Promise Rejuvenation Center at the Villages, Inc. (7529), and PHG Technology Development and Services Company, Inc. (7766). The mailing address for the Debtors, solely for purposes of notices and communications, is 999 Yamato Road, 3rd FL, Boca Raton, FL 33431.

PLEASE TAKE FURTHER NOTICE THAT IF NO RESPONSES TO THE MOTION ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY ENTER THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: December 7, 2018
Wilmington, Delaware

Respectfully submitted,

DLA PIPER LLP (US)

/s/ *Stuart M. Brown*

Stuart M. Brown (#4050)
Kaitlin MacKenzie Edelman (#5924)
1201 N. Market Street, Suite 2100
Wilmington, DE 19801
Telephone: (302) 468-5700
Facsimile: (302) 394-2341
Email: Stuart.Brown@dlapiper.com
Kaitlin.Edelman@dlapiper.com

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Tyler N. Layne (admitted *pro hac vice*)
511 Union Street, Suite 2700
Nashville, TN 37219
Telephone: (615) 244-6380
Facsimile: (615) 244-6804
Email: John.Tishler@wallerlaw.com
Katie.Stenberg@wallerlaw.com
Blake.Roth@wallerlaw.com
Tyler.Layne@wallerlaw.com

Attorneys for the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
PROMISE HEALTHCARE GROUP, LLC, *et al.*,[1]	:	Case No. 18-12491 (CSS)
Debtors.	:	(Jointly Administered)
	:	**Related D.I.: ___**

ORDER (I) AUTHORIZING THE SALE OF THE EQUITY INTERESTS OF SUCCESS HEALTHCARE 2, LLC FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES; (II) AUTHORIZING THE SELLER TO ASSUME AND ASSIGN CERTAIN EXECUTORY CONTRACTS; AND (III) GRANTING OTHER RELATED RELIEF

Upon consideration of the *Motion of the Debtors for Entry of an Order (I) Authorizing the Sale of the Equity Interests of Success Healthcare 2, LLC Free and Clear of All Liens, Claims, Interests, and Encumbrances, (II) Authorizing the Seller to Assume and Assign Certain*

[1] The Debtors in these Chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are as follows: HLP HealthCare, Inc. (8381), PH-ELA, Inc. (9180), Professional Rehabilitation Hospital, L.L.C. (5340), Promise Healthcare #2, Inc. (1913), Promise Healthcare Group, LLC (1895), Promise Healthcare Holdings, Inc. (2601), Bossier Land Acquisition Corp. (6644), HLP of Los Angeles, LLC (9102), HLP of Shreveport, Inc. (1708), HLP Properties at The Villages Holdings, LLC (0006), HLP Properties at the Villages, L.L.C. (1938), HLP Properties of Vidalia, LLC (4255), HLP Properties, Inc. (0068), Promise Healthcare of California, Inc. (9179), Promise Healthcare, Inc. (7953), Promise Hospital of Ascension, Inc. (9219), Promise Hospital of Baton Rouge, Inc. (8831), Promise Hospital of Dade, Inc. (7837), Promise Hospital of Dallas, Inc. (0240), Promise Hospital of East Los Angeles, L.P. (4671), Promise Hospital of Florida at The Villages, Inc. (2171), Promise Hospital of Louisiana, Inc. (4886), Promise Hospital of Lee, Inc. (8552), Promise Hospital of Overland Park, Inc. (5562), Promise Hospital of Phoenix, Inc. (1318), Promise Hospital of Salt Lake, Inc. (0659), Promise Hospital of Vicksburg, Inc. (2834), Promise Hospital of Wichita Falls, Inc. (4104), Promise Properties of Dade, Inc. (1592), Promise Properties of Lee, Inc. (9065), Promise Properties of Shreveport, LLC (9057), Promise Skilled Nursing Facility of Overland Park, Inc. (5752), Promise Skilled Nursing Facility of Wichita Falls, Inc. (1791), Quantum Health, Inc. (4298), Quantum Properties, L.P. (8203), St. Alexius Hospital Corporation #1 (2766), St. Alexius Properties, LLC (4610), Success Healthcare 1, LLC (6535), Success Healthcare 2, LLC (8861), Success Healthcare, LLC (1604), Vidalia Real Estate Partners, LLC (4947), LH Acquisition, LLC (2328), Promise Behavioral Health Hospital of Shreveport, Inc. (1823), Promise Rejuvenation Centers, Inc. (7301), Promise Rejuvenation Center at the Villages, Inc. (7529), and PHG Technology Development and Services Company, Inc. (7766). The mailing address for the Debtors, solely for purposes of notices and communications, is 999 Yamato Road, 3rd FL, Boca Raton, FL 33431.

Executory Contracts, and (III) Granting Other Related Relief [D.I. ____][2] (the "***Sale Motion***") of the above-captioned debtors and debtors in possession (collectively, the "***Debtors***"); and Debtor Success Healthcare, LLC (the "***Seller***") having entered into that certain Purchase Agreement, dated November 13, 2018, a copy of which is attached hereto as **Exhibit 1** (as may be amended or supplemented, the "***Purchase Agreement***"), pursuant to which Americore Holdings, LLC, (the "***Purchaser***") shall acquire the Purchased Interests as set forth in the Purchase Agreement (the "***Sale***"); and it appearing that the relief requested in the Sale Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; adequate notice of the Sale Motion and opportunity for objection having been given; this Court having reviewed and considered the Sale Motion and any objections thereto; this Court having heard statements and evidence presented in support of the relief requested by the Debtors in the Sale Motion at a hearing before this Court (the "***Sale Hearing***"); upon the full record of the Chapter 11 Cases; it appearing that no other notice need be given; it further appearing that the legal and factual bases set forth in the Sale Motion and the record made at the Sale Hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause therefor:

THIS COURT FINDS AND DETERMINES THAT:

A. The findings and conclusions set forth here constitute this Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

[2] Except as otherwise defined herein, or where reference is made to a definition in the Sale Motion, all capitalized terms shall have the meanings ascribed to them in the Purchase Agreement.

Jurisdiction and Venue

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, date February 29, 2012.

C. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). The Debtors have confirmed their consent, pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "***Local Rules***"), to the entry of a final order by this Court in connection with the Sale Motion.

D. Venue is proper in this Court pursuant to 28 U.S.C. § 1408.

Statutory Predicates

E. The bases for the relief requested in the Sale Motion are sections 105(a), 363, and 365 of Title 11 of the United States Code (the "***Bankruptcy Code***"); Bankruptcy Rules 2002, 6004, and 6006; and Local Rules 2002-1 and 6004-1.

Final Order

F. This order (the "***Sale Order***") constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court expressly finds that there is no just reason for delay in the implementation of this Sale Order, and waives any stay and expressly directs entry of judgment as set forth herein.

Notice

H. As evidenced by the affidavits of service filed with this Court, actual written notice of the Sale Motion, the Sale, the Sale Hearing, and the transactions contemplated thereby, and a reasonable opportunity to object or be heard, has been afforded to all known interested entities and parties in accordance with all applicable requirements, including under Bankruptcy Code sections 102(1) and 363, Bankruptcy Rules 2002, 9007, 9008 and 9014, and Local Rules 2002-1 and 6004-1. The notices are good, sufficient and appropriate under the circumstances, and no other or further notice is or shall be required. The disclosures made by the Debtors were good, complete, and adequate.

Business Judgment

I. The Purchase Agreement, including the form and total consideration to be realized by the Debtors under the Purchase Agreement, (i) constitutes the highest and best offer received by the Debtors for the Purchased Interests; (ii) is fair and reasonable; and (iii) is in the best interests of the Debtors, their estates, their creditors and all other parties in interest.

J. The Debtors have demonstrated both (a) good, sufficient, and sound business purposes and justifications for approving the Purchase Agreement and for assuming and assigning the Assumed Contracts in accordance with the Purchase Agreement, and (b) compelling circumstances for the sale outside the ordinary course of business, pursuant to Bankruptcy Code section 363(b) before, and outside of, a plan of reorganization, in that, among other things, the immediate consummation of the Sale to Purchaser is necessary and appropriate to maximize the value of the Debtors' estates, and the Sale will provide the means for the Debtors to maximize distributions to creditors.

K. The Debtors and their professionals have adequately and appropriately marketed the Purchased Interests in accordance with the Debtors' fiduciary duties. Parties and prospective purchasers were afforded a reasonable and fair opportunity to bid for the Purchased Interests. The Debtors conducted the sale process without collusion and in accordance with their business judgment.

Corporate Authority

L. The Seller (i) has full corporate power and authority to execute and deliver the Purchase Agreement and all other documents contemplated thereby, (ii) has all of the necessary corporate power and authority to consummate the transactions contemplated by the Purchase Agreement, (iii) has taken all corporate action necessary to authorize, approve and consummate the Purchase Agreement, and (iv) subject to entry of this Order, needs no further consents or approvals, including any consents or approvals from any non-Debtor entities, other than those expressly set forth in the Purchase Agreement or this Order, to consummate the transactions contemplated thereby.

Good Faith of Purchaser

M. The sale process was at arm's length, non-collusive, in good faith, and substantively and procedurally fair to all parties in interest. Purchaser is not an "insider" of the Debtors, as that term is defined in Bankruptcy Code section 101(31) and no officer, director, manager, or other insider of the Debtors holds any interest in or is otherwise related to Purchaser.

N. Purchaser is purchasing the Purchased Interests and has entered into the Purchase Agreement in good faith and is a good-faith buyer within the meaning of Bankruptcy Code section 363(m), and is therefore entitled to the full protection of that provision, and

otherwise has proceeded in good faith in all respects. Neither the Debtors nor Purchaser have engaged in any conduct that would cause or permit the Purchase Agreement to be avoided under Bankruptcy Code section 363(n).

No Fraudulent Transfer or Merger

O. The consideration provided by Purchaser pursuant to the Purchase Agreement, including the transfer of the Excluded Assets to Seller, (a) is fair and reasonable, (b) is the highest or otherwise best offer for the Purchased Interests, and (c) constitutes reasonably equivalent value (as those terms are defined in each of the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, and Bankruptcy Code section 548). The Purchase Agreement was not entered into, and none of the Debtors or the Purchaser have entered into the Purchase Agreement or propose to consummate the Sale, for the purpose of (i) escaping liability for debts of any Debtor or (ii) hindering, delaying or defrauding present or future creditors of any Debtor, for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims, whether under the Bankruptcy Code or under any other laws of the United States, any state, territory, possession thereof or the District of Columbia or any other applicable jurisdiction with laws substantially similar to the foregoing.

P. Purchaser is not a mere continuation of the Seller, the Debtors or their estates, and there is no continuity of enterprise between Purchaser and any Debtor. Purchaser is not holding itself out to the public as a continuation of any Debtor. Purchaser is not a successor to any of the Debtors or their estates, and the Sale does not amount to a consolidation, merger, or *de facto* merger of Purchaser and any Debtor.

Sale Free and Clear

Q. Pursuant to Bankruptcy Code section 363(f), the transfer of the Purchased Interests to Purchaser will be, as of the Closing Date, a legal, valid, and effective transfer of the Purchased Interests, which transfer vests or will vest Purchaser with all right, title, and interest of Seller to the Purchased Interests free and clear of any interest (collectively, "***Interests***"), including, without limitation: (a) all liens and Encumbrances relating to, accruing, or arising at any time prior to the Closing Date (collectively, "***Liens***"); and (b) all debts arising under, relating to, or in connection with any act of the Debtors or any claims (as defined in Bankruptcy Code section 101(5)), liabilities, obligations, demands, guarantees, options in favor of third parties, rights, contractual commitments, restrictions, interests, and matters of any kind and nature, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise (collectively, "***Claims***"). Purchaser would not have entered into the Purchase Agreement, and would not consummate the transactions contemplated thereby, if the Sale of the Purchased Interests were not free and clear of all Interests.

R. For the avoidance of doubt, the terms "Liens" and "Claims," as used in this Sale Order, include, without limitation, all mortgages, restrictions (including, without limitation, any restriction on the use, voting rights, transfer rights, claims for receipt of income or other exercise of any attributes of ownership), hypothecations, charges, indentures, loan agreements, instruments, leases, licenses, sublicenses, options, deeds of trust, security interests, equity interests, conditional sale rights or other title retention agreements, pledges, judgments, demands, rights of first refusal, consent rights, offsets, contract rights, rights of setoff, recoupment rights, rights of recovery, reimbursement rights, contribution claims, indemnity

rights, exoneration rights, product liability claims, alter-ego claims, environmental rights and claims (including, without limitation, toxic tort claims), labor rights and claims, employment rights and claims, pension rights and claims, tax claims, regulatory violations by any governmental entity, decrees of any court or foreign or domestic governmental entity, charges of any kind or nature, debts arising in any way in connection with any agreements, acts, or failures to act, reclamation claims, obligation claims, demands, guaranties, option rights or claims, rights, contractual or other commitment rights and claims, rights of tenants and subtenants (if any) under Bankruptcy Code section 365(h) or any similar statute, and all other matters of any kind and nature, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under any theory, law or doctrine of successor or transferee liability or related theories, with the exception of Permitted Exceptions (as defined in the Purchase Agreement) that are expressly permitted by Purchaser pursuant to the Purchase Agreement.

S. The conditions of Bankruptcy Code section 363(f) have been satisfied in full. The Seller may sell the Purchased Interests free and clear of any Interests because, in each case, one or more of the standards set forth in Bankruptcy Code section 363(f)(1)-(5) has been satisfied. Holders of Interests who did not object, or who withdrew their objections, to the Sale or the Sale Motion are deemed to have consented pursuant to Bankruptcy Code section 363(f)(2). All other holders of Interests are adequately protected by having their Interests, if

any, attach to the net proceeds of the Sale of the Purchased Interests, in the same order of priority and with the same validity, force, and effect that such Interests had prior to the Sale, subject to any claims and defenses the Debtors and their estates may possess with respect thereto.

Validity of Sale

T. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation Bankruptcy Code sections 105(a), 363(b), 363(f) and 363(m) and all of the applicable requirements of such sections have been complied with in respect of the transaction. The Sale does not constitute a *sub rosa* or *de facto* chapter 11 plan for which approval has not been sought without the protections that a disclosure statement would afford.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

General Provisions

1. Relief Granted. The relief requested in the Sale Motion and the transactions contemplated thereby and by the Purchase Agreement are approved as set forth herein for the reasons set forth in the Motion and filings in support of the Motion, this Sale Order, and on the record of the Sale Hearing, which is incorporated herein as if fully set forth in this Sale Order.

2. Objections Overruled. Except as otherwise expressly provided in this Sale Order, all objections to the Sale Motion and the relief requested therein that have not been withdrawn, waived, or settled by announcement to this Court during the Sale Hearing or by stipulation filed with this Court, including, without limitation, any and all reservations of rights included in such objections or otherwise, are hereby denied and overruled on the merits, with

prejudice. Those parties who did not object, or withdrew their objections, to the Sale Motion are deemed to have consented pursuant to Bankruptcy Code section 363(f)(2).

3. Sale Order and Purchase Agreement Binding on All Parties. This Sale Order and the Purchase Agreement shall be binding in all respects upon all creditors (whether known or unknown) of and holders of equity interests in the Debtors (whether known or unknown), agents, trustees and collateral trustees, holders of Interests in, against, or on the Purchased Interests and Excluded Assets, or any portion thereof, all non-Debtor parties to any contracts with the Debtors (whether or not assigned), all successors and assignees of the Debtors, including, without limitation, any and all present or future affiliates of the foregoing, and any subsequent trustees appointed in the Chapter 11 Cases or upon a conversion of the Chapter 11 Cases to one or more cases under Chapter 7 of the Bankruptcy Code and shall not be subject to rejection, avoidance, termination or unwinding under any circumstances.

4. Subsequent Plan. Nothing contained in any chapter 11 plan confirmed in the Chapter 11 Cases, the confirmation order confirming any such chapter 11 plan, any order approving the wind down or dismissal of the Chapter 11 Cases, or any order entered upon the conversion of the Chapter 11 Cases to one or more cases under Chapter 7 of the Bankruptcy Code or otherwise shall conflict with or derogate from the provisions of the Purchase Agreement or this Sale Order. In the event there is a conflict between the terms of any subsequent chapter 11 plan or any order to be entered in these Chapter 11 Cases (including any order entered after conversion of these cases to cases under Chapter 7 of the Bankruptcy Code), the terms of this Order shall control.

Approval of the Purchase Agreement and Sale Free and Clear

6. Purchase Agreement Approved. The Purchase Agreement and all other ancillary documents, and all of the terms and conditions thereof, are hereby approved.

7. Authorization to Consummate Transactions. Pursuant to Bankruptcy Code sections 363(b) and (f), the Debtors are authorized, empowered, and directed to use their reasonable best efforts to take any and all actions necessary or appropriate to (a) consummate the Sale pursuant to and in accordance with the terms and conditions of the Purchase Agreement, (b) close the Sale as contemplated in the Purchase Agreement and this Sale Order, and (c) execute and deliver, perform under, consummate, implement, and fully close the Purchase Agreement, in accordance with the procedures set forth in the Purchase Agreement, together with additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale.

8. Transfer of the Purchased Interests Authorized. Pursuant to Bankruptcy Code sections 105(a), 363(b), and 363(f), the Debtors are authorized and directed to transfer the Purchased Interests to Purchaser on the Closing Date, and such transfer shall constitute a legal, valid, binding, and effective transfer of the Purchased Interests and shall vest Purchaser with title to the Purchased Interests. The remaining Excluded Assets and Excluded Liabilities shall be transferred to, and become the assets and liabilities of, Success Healthcare, LLC.

9. Assumed Contracts. The assumption of the Assumed Contracts, subject to Closing (as defined in the Purchase Agreement) and such other conditions as may be imposed by the Purchase Agreement, is approved. Debtors are authorized to assign the Assumed Contracts in connection with the Sale under the Purchase Agreement with such assignment being effective as of Closing. Pursuant to section 363(k) of the Bankruptcy Code, other than as

provided for in the Purchase Agreement, upon the assignment of the Assumed Contracts to the Purchaser, Debtors shall have no further liability or obligations with respect thereto and it is further ordered that the Court finds that Debtors have not committed any defaults under the Assumed Contracts and no cure is required pursuant to 11 U.S.C. § 365(b).

10. Surrender of Purchased Interests by Third Parties. All persons and entities that are in possession of some or all of the Purchased Interests are directed to surrender possession of such Purchased Interests to Purchaser, its assignee, or its designee at the time of Closing. On the Closing Date, each of the Debtors' creditors are authorized and directed to execute such documents and take such other actions as may be reasonably necessary to release their Interests in the Purchased Interests, if any, as such Interests may have been recorded or may otherwise exist. All persons are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Purchased Interests to Purchaser in accordance with the terms of the Purchase Agreement and this Sale Order. To the extent provided by Section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation or use of the Purchased Interests sold, transferred and conveyed to the Purchaser on account of the filing or pendency of these Chapter 11 cases or the consummation of the transactions contemplated by this Sale Order.

11. Transfer Free and Clear of Interests. Upon Closing, and other than Permitted Exceptions specifically set forth in the Purchase Agreement, the transfer of the Purchased Interests to Purchaser shall be free and clear of all Interests of any kind or nature whatsoever, including, without limitation, all Claims, Liens and Encumbrances, with all such Interests to attach to the net proceeds of the Sale of the Purchased Interests against which such Interests are

asserted, with the same validity, force, and effect, and in the same order of priority, which such Interests had prior to the Closing of the Sale, subject to any rights, claims, and defenses that the Debtors or their estates, as applicable, may possess with respect thereto.

12. Legal, Valid, and Marketable Transfer with Permanent Injunction. The transfer of the Purchased Interests to Purchaser pursuant to the Purchase Agreement constitutes a legal, valid, and effective transfer of good and marketable title of the Purchased Interests, and vests, or will vest, Purchaser with all right, title, and interest to the Purchased Interests, free and clear of all Interests except as otherwise expressly stated in the Purchase Agreement. All persons holding Interests of any kind or nature whatsoever against the Debtors or the Purchased Interests are hereby and forever barred, estopped, and permanently enjoined from asserting against Purchaser, its successors or assignees, its property, or the Purchased Interests, any Interest (including Claims, Liens and Encumbrances) existing, accrued, or arising prior to the Closing.

12. Recording Offices and Releases of Interests. On the Closing Date, this Sale Order shall be construed and shall constitute, for any and all purposes, a full and complete assignment, conveyance, and transfer of the Purchased Interests or a bill of sale transferring good and marketable title of the Purchased Interests to Purchaser. This Sale Order is and shall be effective as a determination that, on the Closing Date, all Interests of any kind or nature whatsoever existing as to the Purchased Interests prior to the Closing Date, other than Permitted Exceptions, shall have been unconditionally released, discharged, and terminated, and that the conveyances described herein have been affected. This Sale Order is and shall be binding upon and govern the acts of all persons, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds,

registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal and local officials, and all other persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease; and each of the foregoing persons is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement. A certified copy of this Sale Order may be: (a) filed with the appropriate clerk; (b) recorded with the recorder; and/or (c) filed or recorded with any other governmental agency to act to cancel any Interests against the Purchased Interests, other than the Permitted Exceptions expressly set forth in the Purchase Agreement.

13. Cancellation of Third-Party Interests. If any person or entity that has filed statements or other documents or agreements evidencing Interests on or in all or any portion of the Purchased Interests (other than with respect to Permitted Exceptions) has not delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Interests which such person or entity has or may assert with respect to all or a portion of the Purchased Interests, the Seller and Purchaser are each independently authorized to execute and file such statements, instruments, releases and other documents on behalf of such person or entity with respect to the Purchased Interests; *provided that*, notwithstanding the foregoing, the provisions

of this Sale Order authorizing the transfer of the Purchased Interests free and clear of all Interests shall be self-executing, and it shall not be, or be deemed, necessary for any person or entity to execute or file releases, termination statements, assignments, consents, or other instruments in order for the provisions of this Sale Order to be implemented.

14. Taxes. The Purchaser has no tax liability as a result of this Sale Order, except as provided for in the Purchase Agreement.

No Successor or Transferee Liability

15. No Successor Liability. Upon the Closing Date, Purchaser shall not have any liability or other obligation of Seller or any of the Debtors arising under or related to any of the Purchased Interests. Without limiting the generality of the foregoing, and except as otherwise expressly provided herein or in the Purchase Agreement, Purchaser shall not be liable for any Claims against the Debtors or any of their predecessors or affiliates, and Purchaser shall have no successor or vicarious liabilities of any kind or character, including, without limitation, under any theory of antitrust, environmental, successor, or transfer reliability, labor law, de facto merger, mere continuation, or substantial continuity, whether known or unknown as of the Closing Date, now existing, or hereafter arising, whether fixed or contingent, whether asserted or unasserted, whether legal or equitable, whether liquidated or unliquidated, including, without limitation, liabilities on account of warranties, intercompany loans, receivables among the Debtors and their affiliates, environmental liabilities, and any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of any of the Purchased Interests prior to the Closing.

16. Actions Against Purchaser Enjoined. Except as otherwise permitted by the Purchase Agreement or this Sale Order, all persons and entities, including, without limitation,

all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade creditors, litigation claimants, and other creditors, holding Interests of any kind or nature whatsoever against, or in, all or any portion of the Purchased Interests, arising under, out of, in connection with, or in any way relating to, the Debtors, the Purchased Interests, the operation of the Debtors' business prior to the Closing Date, or the transfer of the Purchased Interests to Purchaser, are hereby forever barred, estopped, and permanently enjoined from asserting against Purchaser, or any of its affiliates, successors, or assigns, or their property or the Purchased Interests, such persons' or entities' Interests in and to the Purchased Interests, including, without limitation, the following actions against Purchaser or its affiliates, or their successors, assets, or properties: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or other order; (c) creating, perfecting, or enforcing any Lien or other Claim; (d) asserting any set off, right of subrogation, or recoupment of any kind; (e) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Sale Order or any other order of this Court, or the Purchase Agreement or actions contemplated or taken in respect thereof; or (f) revoking, terminating, or failing or refusing to transfer or renew any license, permit, or authorization relating to the Purchased Interests.

Other Provisions

17. Effective Immediately. This order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding any provision in the Bankruptcy Rules to the contrary, including Bankruptcy Rule 6004(h), for cause shown, this Sale Order shall not be stayed and shall be effective immediately upon entry, and the Debtors and Purchaser are authorized to

close the Sale immediately upon entry of this Sale Order. The Debtors and Purchaser may consummate the Purchase Agreement at any time after entry of this Sale Order by waiving any and all closing conditions set forth in the Purchase Agreement that have not been satisfied and by proceeding to close the Sale without any notice to this Court, any pre-petition or post-petition creditor of the Debtors and/or any other party in interest.

18. Bulk Sales Law. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

19. Agreement Approved in Entirety. The failure to specifically include or reference any particular provision of the Purchase Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Purchase Agreement be authorized and approved in its entirety.

20. Modifications to Agreement. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, in a writing signed by such parties, without further order of this Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates.

21. Standing. The transactions authorized herein shall be of full force and effect, regardless of any Debtor's lack of good standing in any jurisdiction in which such Debtor is formed or authorized to transact business.

22. Authorization to Effect Order. The Debtors are authorized to take all actions necessary to effect the relief granted pursuant to this Sale Order in accordance with the Sale Motion.

23. Automatic Stay. The automatic stay pursuant to Bankruptcy Code section 362 is hereby modified, lifted, and annulled with respect to the Debtors and Purchaser to the extent necessary, without further order of this Court, to (a) allow Purchaser to deliver any notice provided for in the Purchase Agreement, and (b) allow Purchaser to take any and all actions permitted under the Purchase Agreement or this Order.

24. No Other Bids. No further bids or offers for the Purchased Interests shall be considered or accepted by the Debtors after the date hereof unless the Sale to Purchaser is not consummated or otherwise does not occur in accordance with the Purchase Agreement or its related documents.

25. Order to Govern. To the extent that this Sale Order is inconsistent with any prior order entered or pleading filed in the Chapter 11 Cases, the terms of this Sale Order shall govern. To the extent there are any inconsistencies between the terms of this Sale Order and the Purchase Agreement (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall govern.

26. Retention of Jurisdiction. The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the Purchase Agreement, including its related documents, all amendments thereto and any waivers and consents thereunder and each of the Purchase Agreements executed in connection therewith to which the Debtors are a party, and to adjudicate, if necessary, any and all disputes involving the Debtors concerning or relating in any way to, or affecting, or the transactions contemplated in the Purchase Agreement, and related documents.

Dated: _____, 2018
Wilmington, Delaware

THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Purchase Agreement

EXECUTION VERSION

PURCHASE AGREEMENT

BY AND AMONG

SUCCESS HEALTHCARE, LLC

AND

AMERICORE HOLDINGS, LLC

November 13, 2018

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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "**Agreement**") is made and entered into as of November 13, 2018, by and among **SUCCESS HEALTHCARE, LLC**, a California limited liability company ("**Seller**"), and **AMERICORE HOLDINGS, LLC,** a Delaware limited liability company ("**Buyer**").

RECITALS:

A. Seller owns all of the equity interests (the "**Purchased Interests**") of Success Healthcare 2, LLC, a California limited liability company ("**Holdco**");

B. Holdco owns limited liability company membership interests (collectively, the "**Interests**") and common stock (collectively, the "**Shares**") in each of the entities identified on Exhibit A attached hereto (each such entity shall be referred to herein as a "**Company**" and collectively, as the "**Companies**").

C. The Companies own and operate an acute care hospital known as St. Alexius Medical Center located in St. Louis, Missouri (the "**Hospital**"), together with certain related businesses, including medical office buildings, outpatient care facilities, physician clinics, and the Lutheran School of Nursing (collectively with the Hospital, the "**Facilities**").

D. Seller and certain of its Affiliates filed voluntary petitions (collectively, the "**Bankruptcy Case**") pursuant to chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") on or about November 5, 2018.

E. Seller desires to sell and assign to Buyer, and Buyer desires to purchase from Seller, all of the Purchased Interests on the terms and conditions set forth herein, free and clear of all encumbrances (other than Permitted Encumbrances).

F. In the event that the Bankruptcy Court does not approve the consummation of the transactions contemplated hereby as a "private sale", then this Agreement shall, without any further action by the parties, be amended as reflected in Exhibit Z.

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 of which are forever acknowledged and confessed, the parties hereto agree as follows:

1. SALE OF INTERESTS AND CERTAIN RELATED MATTERS.

1.1 Sale and Transfer of the Purchased Interests. Seller agrees that at the Closing (as defined in Section 2.1 hereof), Seller will sell, assign, transfer, convey and deliver good and marketable title to the Purchased Interests to Buyer, free and clear of any adverse claims, liens, security interests, pledges, rights of first refusal, options, restrictions, liabilities, encumbrances or defects in title which in the aggregate represent one hundred percent (100%) of the issued and outstanding equity interests of Holdco.

1.2 Assets. As of the Closing, a Company shall own all of the assets used in connection with the operation of the Facilities, other than the Excluded Assets (hereinafter defined), which assets shall include, without limitation, the following (the "**Assets**"):

(a) fee simple title to the real property described on Schedule 0(a)(i) hereto, together with all improvements, any construction in progress, any other buildings and fixtures thereon, and all rights, privileges and easements appurtenant thereto (collectively, the "**Owned Real Property**"), and leasehold title to the real property that is leased by a Company pursuant to the leases described on Schedule 0(a)(ii) hereto (collectively, the "**Leased Real Property**"; the Owned Real Property and the Leased Real Property being referred to herein as the "**Real Property**");

(b) all tangible personal property, including, without limitation, all equipment, vehicles, furniture and furnishings;

(c) all supplies and inventory located at the Facilities;

(d) all accounts receivable arising from the sale of products and the rendering of services at the Facilities (or the right to receive funds attributable to any such accounts receivable to the extent such accounts receivable are not assignable), billed and unbilled, recorded or unrecorded, with collection agencies or otherwise, accrued and existing in respect of services rendered prior to the Effective Time;

(e) all deposits, prepaid expenses and claims for refunds to the extent included in the calculation of Net Working Capital (as defined below);

(f) all claims, causes of action, and judgments in favor of Holdco or either Company relating to the condition of the Assets and all warranties (express or implied) and rights and claims assertable by (but not against) Holdco or either Company related to the Assets;

(g) all financial, patient, medical staff and personnel records relating to the Facilities (including, without limitation, all equipment records, medical administrative libraries, medical records, documents, catalogs, books, records, files, operating manuals and current personnel records);

(h) all rights and interests of each Company in the contracts, commitments, leases and agreements to which a Company is a party with respect to the Facilities, other than the Excluded Contracts (the "**Assumed Contracts**");

(i) each Company's Medicare and Medicaid provider numbers, if any, and all rights under the corresponding Medicare and Medicaid provider agreements;

(j) all licenses and permits held by each Company relating to the ownership, development, and operation of the Facilities (including, without limitation, any pending or approved Government Entity approvals);

(k) all names, trade names, trademarks and service marks (or variations thereof) associated with the Facilities other than the Excluded Marks, all goodwill associated therewith, and all applications and registrations associated therewith;

(l) all amounts payable to the Companies in respect of third party payors pursuant to retrospective settlements (including with limitation pursuant to Medicare,

Medicaid and TriCare/CHAMPUS cost reports filed or to be filed by the Companies for periods prior to the Effective Time (hereinafter defined) and retrospective payment of claims that are subject to CMS Recovery Audit Contractor appeals) and all appeals and appeal rights of the Companies relating to such settlements, including cost report settlements for periods ending prior to the Effective Time;

(m) all goodwill associated with the Facilities and the Assets;

(n) to the extent permitted by the terms thereof, all of the Seller's or the Companies" rights in, and assets of, the Benefit Plans; and

(o) the interest of the Companies in all property of the foregoing types, arising or acquired in the ordinary course of the business of the Companies in respect of the Facilities between the date hereof and the Closing Date.

1.3 Excluded Assets. Those assets of Holdco and the Companies described below, shall be excluded from the assets of Holdco and the Companies being indirectly acquired by Buyer as of the Closing through Buyer's acquisition of the Purchased Interests (collectively, the "**Excluded Assets**"):

(a) cash and cash equivalents not included in the calculation of Net Working Capital;

(b) all records relating to the Excluded Assets and the Excluded Liabilities (as defined below), as well as records which by law Seller or its Affiliates are required to maintain in their possession;

(c) all deposits, prepaid expenses and claims for refunds not included in the calculation of Net Working Capital;

(d) any reserves or prepaid expenses related to Excluded Assets and Excluded Liabilities (such as prepaid legal expenses or insurance premiums);

(e) any and all names, symbols, trademarks, logos or other symbols listed on Schedule 1.3((e), or any other names which are proprietary to Seller or its Affiliates (other than Holdco or a Company) (the "**Excluded Marks**");

(f) all insurance policies and insurance proceeds arising in connection with the Excluded Assets and the Excluded Liabilities;

(g) reserved;

(h) any computer software, systems and other programs which are proprietary to Seller or its Affiliates (other than Holdco or a Company);

(i) any contracts, commitments or agreements set forth on Schedule 1.3(i), including contracts, commitments or agreements that are available to the Companies by reason of their being Affiliates of Seller (the "**Excluded Contracts**");

(j) all documents, records, and operating manuals pertaining to the Facilities which are proprietary to Seller or its Affiliates (other than Holdco or a Company) or

which by law Seller or its respective Affiliates (other than Holdco or a Company) are required to retain;

(k) any and all rights in connection with, related to, or communications which would invoke attorney-client privilege of Holdco or the Companies arising prior to the Closing;

(l) the real property described on Schedule 1.3(l) (the "**Hampton Property**"); and

(m) all rights of Seller under this Agreement and its related documents.

On or before the Closing Date, to the extent permitted by law and not restricted by contract or otherwise, Seller shall cause the Excluded Assets to be transferred from the Companies to Holdco and from Holdco to Seller by means of one or more dividends and/or distributions or otherwise in accordance with the Assignment, Assumption and Distribution Agreement attached hereto as Exhibit B (the "**Assignment, Assumption and Distribution Agreement**").

1.4 Retained Liabilities.

(a) As of the Closing, except for the Excluded Liabilities (as defined in Section 1.5), the Companies shall retain all of their existing liabilities, whether fixed or contingent, known or unknown, recorded or unrecorded, including the following liabilities (the "**Retained Liabilities**"):

(i) all obligations accruing after the Effective Time with respect to the Assumed Contracts;

(ii) the capital lease obligations set forth on Schedule 1.4(a)(ii) hereto;

(iii) accounts payable, accrued expenses, and accrued salaries and wages of employees and independent contractors of Holdco or a Company as of the Effective Time arising out of the operation of the Facilities prior to the Effective Time and payable in the ordinary course of business; provided that Seller shall continue to cause the Companies to pay the accrued salaries and wages of its employees and independent contractors in the ordinary course of business prior to the Closing;

(iv) liabilities and obligations of the Companies in respect of periods ending prior to the Effective Time arising under the terms of the Medicare, Medicaid, TriCare/CHAMPUS, Blue Cross, or other third party payor programs, and any liability arising pursuant to the Medicare, Medicaid, TriCare/CHAMPUS, Blue Cross, or any other third party payor programs;

(v) federal, state or local tax liabilities or obligations of Seller and the Companies in respect of periods (or portions thereof) prior to the Effective Time including, without limitation, any income tax, any franchise tax, any tax recapture, any sales and/or use tax, and any FICA, FUTA, workers' compensation, and any and all other taxes or amounts due and payable as a result of the exercise by the employees at the

Facilities of such employee's right to vacation, sick leave, and holiday benefits accrued while in the employ of the Companies;

(vi) liability for any and all claims by or on behalf of employees of the Companies relating to periods ending prior to the Effective Time including, without limitation, liability for (or with respect to) any Benefit Plan and any other pension, profit sharing, deferred compensation, health and welfare benefit, and other employee benefit plans, programs, policies, practices, agreements and arrangements, liability for any EEOC claim, ADA claim, FMLA claim, wage and hour claim, unemployment compensation claim, harassment or discrimination claim, wrongful termination claim, employee or independent contractor misclassification claim or workers' compensation claim, and any liabilities or obligations to former employees of the Companies (who ceased to be employees of the Companies prior to the Effective Time) under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**");

(vii) reserved;

(viii) any obligation or liability accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, the Companies or their Affiliates or any of their employees, medical staff, agents, vendors or representatives with respect to acts or omissions prior to the Effective Time;

(ix) any civil or criminal obligation or liability accruing, arising out of, or relating to any acts or omissions of the Companies, their Affiliates or their directors, officers, employees and agents claimed to violate any constitutional provision, statute, ordinance or other law, rule, regulation, interpretation or order of any Government Entity, with respect to acts or omissions prior to the Effective Time; and

(x) all other obligations and liabilities related to the Facilities and the Assets.

(b) Schedule 1.4(b) to be attached on or before December 3, 2018 (or such other date as agreed by the parties) will set forth Seller's good faith estimate of the Cure Amount for each Assumed Contract. Prior to the Sale Hearing (as defined in the Sale Procedures Order), Seller, Holdco or a Company, as applicable, shall commence appropriate proceedings before the Bankruptcy Court and otherwise take all reasonably necessary actions to determine the actual amount of the Cure Amounts, including resolving any disputes as to Cure Amounts prior to or at the Sale Hearing, such that all Assumed Contracts may be assumed by Seller, Holdco or a Company, as applicable, and assigned to Buyer or the applicable Company, in accordance with Section 365 of the Bankruptcy Code; provided that Buyer shall be solely responsible for the payment of any Cure Amount (or shall delivery into escrow amounts sufficient to pay any claim for Cure Amounts that remain disputed as of the Closing as the Bankruptcy Court shall determine).

(c) To the extent that the assignment to Buyer or a Company of any Assumed Contract is not permitted by law or is not permitted without the consent of another Person, and such restriction cannot be effectively overridden or canceled

by the Sale Order or other related Order of the Bankruptcy Court prior to the Closing, then, at Buyer's option, Buyer may designate any such Assumed Contract as an Excluded Contract and, in such event, Seller shall use its commercially reasonable efforts to obtain any such consents to assign any such Assumed Contract. This Section 1.4(c) does not (A) require Seller to provide any financial accommodation to any applicable counterparty to any Assumed Contract in order to obtain its consent or (B) prohibit Seller from ceasing operations or winding up its affairs following the Closing. Notwithstanding the foregoing, the Buyer shall have the right to designate any Assumed Contract as an Excluded Contract by written notice to Seller no later than five (5) business days prior to the Sale Hearing.

1.5 Excluded Liabilities. The following liabilities are to be excluded from the liabilities of Holdco and the Companies being assumed by Buyer or retained by the applicable Company as of the Effective Time through Buyer's acquisition of the Purchased Interests (the "**Excluded Liabilities**"):

(a) any liabilities associated with or arising out of any of the Excluded Assets;

(b) liabilities and obligations of Holdco or the Companies to Seller or its Affiliates (other than the Companies);

(c) the liabilities set forth on Schedule 1.5(c); and

(d) any liabilities associated with medical malpractice lawsuits for events occurring prior to the Effective Time.

On or before the Closing Date, to the extent permitted by law and not restricted by contract or otherwise, Seller shall cause the Excluded Liabilities to be transferred from the Companies to Holdco and from Holdco to Seller pursuant to the Assignment, Assumption and Distribution Agreement.

1.6 Purchase Price. The aggregate purchase price (the "**Purchase Price**") for the Purchased Interests shall be Ten Million Dollars ($10,000,000) plus the amount of all Retained Liabilities, plus the Cure Amounts subject to adjustment pursuant to Section 1.7. The Closing Date Payment shall be payable to Seller at the Closing by wire transfer of immediately available funds to an account designated by Seller.

1.7 Purchase Price Adjustment.

(a) Closing Adjustment.

(i) At the Closing, the Purchase Price shall be adjusted by either (1) an increase by the amount, if any, by which the Estimated Closing Working Capital (as determined in accordance with Section 1.7(a)(ii)) is greater than the Target Working Capital and such difference is greater than the Collar, or (2) a decrease by the amount, if any, by which the Estimated Closing Working Capital is less than the Target Working Capital and such difference is greater than the Collar. The "**Target Working Capital**" is negative $5,000,000. The net amount after giving effect to the adjustments described above shall be the "**Closing Date Payment**." As used herein, "**Net Working Capital**" means, with respect to a

particular date, (i) the current assets of a Company as of such date that are not Excluded Assets, minus (ii) the current liabilities of such Company that are not Excluded Liabilities as of such date, including tax and cost report current liabilities, calculated in accordance with GAAP. As used herein, "**Collar**" means $750,000.

(ii) At the Closing, Seller shall prepare and deliver to Buyer a statement setting forth its good faith estimate ("**Estimated Closing Working Capital**") of the Net Working Capital as of immediately prior to the Effective Time ("**Closing Working Capital**"), which statement shall contain an estimated balance sheet of each Company as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of Estimated Closing Working Capital (the "**Estimated Closing Working Capital Statement**"), and a certificate of the Chief Financial Officer of Seller that the Estimated Closing Working Capital Statement was prepared using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements for the most recent fiscal year.

(b) Post-Closing Adjustment. Within 60 days after the Closing Date, Buyer shall prepare and deliver to Seller a statement setting forth its calculation of Closing Working Capital, which statement shall contain a balance sheet of each Company as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of Closing Working Capital (the "**Closing Working Capital Statement**") and a certificate of the Chief Financial Officer of Buyer that the Closing Working Capital Statement was prepared using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements. The post-closing adjustment shall be an amount equal to the amount by which Closing Working Capital exceeds the Estimated Closing Working Capital and such excess is greater than the Collar or an amount equal to the amount by which Closing Working Capital is less than the Estimated Closing Working Capital and such deficiency is greater than the Collar (the "**Post-Closing Adjustment**").

(c) Examination and Review.

(i) Examination. After receipt of the Closing Working Capital Statement, Seller shall have 30 days (the "**Review Period**") to review the Closing Working Capital Statement. During the Review Period, Seller and Seller's accountants shall have full access to the books and records of the Companies, the personnel of, and work papers prepared by, Buyer and/or Buyer's accountants to the extent that they relate to the Closing Working Capital Statement and to such historical financial information (to the extent in Buyer's possession) relating to the Closing Working Capital Statement as Seller may reasonably request for the purpose of reviewing the Closing Working Capital Statement and to prepare a Statement of Objections (defined below), provided, that such access shall be in a

manner that does not interfere with the normal business operations of Buyer or the Companies.

(ii) Objection. On or prior to the last day of the Review Period, Seller may object to the Closing Working Capital Statement by delivering to Buyer a written statement setting forth Seller's objections in reasonable detail, indicating each disputed item or amount and the basis for Seller's disagreement therewith (the "**Statement of Objections**"). If Seller fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Working Capital Statement and the Post-Closing Adjustment, as the case may be, reflected in the Closing Working Capital Statement shall be deemed to have been accepted by Seller. If Seller delivers the Statement of Objections before the expiration of the Review Period, Buyer and Seller shall negotiate in good faith to resolve such objections (all of such discussions relating thereto shall, unless otherwise agreed by Seller and Buyer, be governed by Rule 408 of the Federal Rules of Evidence and any similar state rule) within 30 days after the delivery of the Statement of Objections (the "**Resolution Period**"), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Working Capital Statement with such changes as may have been previously agreed in writing by Buyer and Seller, shall be final and binding.

(iii) Resolution of Disputes. If Seller and Buyer fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute ("**Disputed Amounts**" and any amounts not so disputed, the "**Undisputed Amounts**") shall be submitted for resolution to Pershing Yoakley or such other impartial nationally recognized firm of independent certified public accountants (the "**Independent Accountant**") mutually agreed on by Buyer and Seller who, acting as experts and not arbitrators, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment, as the case may be, and the Closing Working Capital Statement. The parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute by the parties and their decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Working Capital Statement and the Statement of Objections, respectively. Seller and Buyer agree to execute, if requested by the Independent Accountant, a reasonable engagement letter. The Independent Accountant shall be instructed to use every reasonable effort to perform its services within 15 days after submission of the Statement of Objections and the description of the unresolved objections to it and, in any case, as soon as practicable after such submission. The parties will cooperate fully with the Independent Accountant.

(iv) Fees of the Independent Accountant. The fees and expenses of the Independent Accountant shall be paid by Seller, on the one hand, and by Buyer, on the other hand, based upon the percentage that the amount

actually contested but not awarded to Seller or Buyer, respectively, bears to the aggregate amount actually contested by Seller and Buyer.

(v) Determination by Independent Accountant. The Independent Accountant shall make a determination as soon as practicable within 30 days (or such other time as the parties hereto shall agree in writing) after their engagement, and their resolution of the Disputed Amounts and their adjustments to the Closing Working Capital Statement and/or the Post-Closing Adjustment shall be conclusive and binding upon the parties hereto; provided, however, that if, for whatever reason, the determination of the Disputed Amounts is not finalized within 150 days after Closing, then the remaining items in dispute may be submitted for resolution, by either party, to the Bankruptcy Court.

(d) Payments of Post-Closing Adjustment. Except as otherwise provided herein, any payment of the Post-Closing Adjustment, together with interest calculated as set forth below, shall (A) be due (x) within five business days of acceptance of the applicable Closing Working Capital Statement or (y) if there are Disputed Amounts, then within five business days of the resolution described in clause 1.7(c)(v) above; and (B) be paid by wire transfer of immediately available funds to such account as is directed by Buyer or Seller, as the case may be. The amount of any Post-Closing Adjustment shall bear interest from and including the Closing Date to and including the date of payment at a rate per annum equal to ten percent (10%) per annum. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding.

(e) Adjustments for Tax Purposes. Any payments made pursuant to Section 1.7 shall be treated as an adjustment to the Purchase Price by the parties for tax purposes, unless otherwise required by applicable law.

2. CLOSING.

2.1 Closing. The consummation of the transactions contemplated by and described in this Agreement (the "**Closing**") shall take following the satisfaction of the conditions to Closing set forth in Articles 8 and 9 hereof (other than such conditions that are to be satisfied at Closing), on such date as the parties may mutually designate in writing (the date of such consummation is referred to herein as the "**Closing Date**"). The Closing shall be effective as of 11:59:59 p.m., local time, on the Closing Date, or such other time as the parties may mutually designate in writing (such time, the "**Effective Time**"). The Closing will take place remotely by electronic mail or other electronic exchange of documents, among and between the parties and/or their respective counsel.

2.2 Actions of Seller at Closing. At the Closing and unless otherwise waived in writing by Buyer, Seller, Holdco and each of the Companies as required shall deliver to Buyer the following:

(a) Assignment of Membership Interest substantially in the form attached hereto as Exhibit C, duly executed by Seller;

(b) Evidence of the extinguishment, termination and/or cancellation of all Liabilities between Holdco and/or the Companies, on the one hand, and Seller and/or any of its Affiliates (other than Holdco and the Companies), on the other hand;

(c) An Assignment Assumption and Distribution Agreement duly executed by Seller and each of the other parties thereto;

(d) Reserved;

(e) Approval of the consummation of the transactions contemplated hereby by Wells Fargo Bank National Association and the commitment to release any and all liens in connection with the Assets or Purchased Interests held thereby;

(f) Certificate of an officer of Seller certifying the satisfaction of the conditions set forth in Section 8.1;

(g) Certificates of incumbency for the respective officers of Seller executing this Agreement or making certifications for the Closing dated as of the Closing Date;

(h) Certificates of existence and good standing of Seller, Holdco and the Companies, from the state in which each is organized, dated the most recent practical date prior to the Closing;

(i) The resignations of the officers and directors of Holdco and each Company;

(j) The books and records of the Companies;

(k) Such other instruments and documents as Buyer reasonably deems necessary to effect the transactions contemplated hereby; and

(l) A copy of the Sale Order.

2.3 Actions of Buyer at Closing. At the Closing and unless otherwise waived in writing by Seller, Buyer shall deliver to Seller the following:

(a) An amount equal to the Closing Date Payment in immediately available funds to an account designated by Seller prior to Closing;

(b) Copies of resolutions duly adopted by the Board of Directors or other governing body of Buyer authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force as of the Closing, by the appropriate officers of Buyer;

(c) Certificate of an officer of Buyer certifying the satisfaction of the condition to set forth in Section 9.1;

(d) Certificates of incumbency for the respective officers of Buyer executing this Agreement or making certifications for the Closing dated as of the Closing Date;

(e) Certificates of existence and good standing of Buyer from the state in which it is organized, dated the most recent practical date prior to Closing; and

(f) Such other instruments and documents as Seller reasonably deems necessary to effect the transactions contemplated hereby.

3. REPRESENTATIONS AND WARRANTIES OF SELLER. As of the date hereof, and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 15.1 hereof, as of the Closing Date (except to the extent such representation or warranty specifically speaks as of another date), Seller represents and warrants to Buyer the following:

3.1 Existence and Capacity. Each of Seller and Holdco is a limited liability company, duly organized and validly existing in good standing under the laws of the state of its organization. Seller has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder. Seller has the requisite power and authority to conduct its business as it is now being conducted.

3.2 Powers; Consents; Absence of Conflicts With Other Agreements, Etc. The execution, delivery, and performance of this Agreement by Seller and all other agreements referenced herein, or ancillary hereto, to which Seller, Holdco or a Company is a party, and the consummation of the transactions contemplated herein by Seller:

(a) are within Seller's limited liability company powers, are not in contravention of law or of the terms of its organizational documents or the organizational documents of Holdco or any Company, and have been duly authorized by all appropriate limited liability company action;

(b) except as contemplated by Section 5.4 below and except for the entry of the Sale Order, do not require any approval or consent of, or filing with, any Government Entity bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) except as set forth on Schedule 3.2(c), will neither conflict with, nor result in any breach or contravention of, or the creation of any lien, charge, or encumbrance under, any indenture, agreement, lease, instrument or understanding to which Seller or any of the Companies is a party or by which it or they are bound;

(d) will not violate any statute, law, rule, or regulation of any Government Entity to which it or any Company or the Assets may be subject; and

(e) will not violate any judgment, decree, writ or injunction of any Government Entity to which it or any Company or the Assets may be subject.

3.3 Binding Agreement. Subject to the entry of the Sale Order, this Agreement and all agreements to which Seller will become a party pursuant hereto are and, when executed and delivered by Seller, will constitute the valid and legally binding obligations of Seller assuming the execution and delivery thereof by the other party thereto and are and, when executed and delivered by Seller, will be enforceable against Seller in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

3.4 Financial Statements. Seller has delivered to Buyer true and complete copies of the following financial statements of or pertaining to Holdco and each Company and their respective operations ("**Financial Statements**"), which Financial Statements are maintained on an accrual basis:

(a) Unaudited balance sheet dated as of September 30, 2018 (the "**Balance Sheet Date**");

(b) Unaudited income statement for the nine (9) month period ended on the Balance Sheet Date; and

(c) Unaudited balance sheets and income statements for the fiscal years ended December 31, 2016 and 2017.

The Financial Statements have been prepared from the books and records of Holdco and each Company and conform to generally accepted accounting principles ("**GAAP**") consistently applied, except as set forth in Schedule 3.4. Such balance sheets present fairly, in all material respects, the financial condition of Holdco and the Companies as of the dates indicated thereon, and such income statements present fairly, in all material respects, the results of operations of Holdco and the Companies for the periods indicated thereon. Holdco and the Companies have no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise ("**Liabilities**") that are required to be reflected on a balance sheet, except (a) those which are adequately reflected or reserved against in the applicable balance sheet as of the Balance Sheet Date, and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

3.5 Certain Post-Balance Sheet Results. Except as set forth in Schedule 3.5 hereto, since the Balance Sheet Date there has not been any:

(a) event, change or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on the business, financial condition or results of operations of the Facilities;

(b) material damage, destruction, or loss (whether or not covered by insurance) affecting the Facilities or the Assets;

(c) threatened employee strike, work stoppage, or labor dispute pertaining to the Facilities;

(d) sale, assignment, transfer, or disposition of any item of property, plant or equipment included in the Assets having a value in excess of Ten Thousand Dollars ($10,000) (other than supplies), except in the ordinary course of business consistent with past practices;

(e) general increases in the compensation payable by Holdco and the Companies to any of their employees or independent contractors outside of the ordinary course of business, or any increase in, or institution of, any bonus, insurance, pension, profit-sharing or other employee benefit plan, remuneration or arrangements made to, for or with such employees;

(f) material changes in the accounting methods or practices employed by Holdco and the Companies or changes in depreciation or amortization policies; or

(g) material transaction pertaining to the Facilities by the Companies outside the ordinary course of business.

3.6 The Companies and the Interests. Each of Holdco and each Company is either a limited liability company or a corporation duly organized, validly existing and in good standing under the laws of

the state of its organization or incorporation, as applicable, and has the power to own its property and carry on its business as now being conducted. Except as set forth on Schedule 3.6 hereto, Seller holds of record and owns beneficially, either directly or indirectly, all of the Purchased Interests and Holdco owns all of the Interests and Shares free and clear of any restrictions on transfer (other than any restrictions under the Securities Act of 1933, as amended ("**Securities Act**"), state securities laws or each Company's organizational documents), taxes, security interests, options, warrants, purchase rights, contracts, commitments, claims and demands. None of Holdco or the Companies are a party to any option, warrant, purchase right or other contract or commitment that could require Seller or Holdco to sell, transfer or otherwise dispose of the Purchased Interests, Interests and Shares (other than this Agreement). None of Holdco or the Companies are a party to any voting trust, proxy or other agreement or understanding with respect to the voting of the Purchased Interests, Interests or Shares. Seller has delivered to Buyer true and correct copies of the certificate of formation and the limited liability company agreement or certificate of incorporation and bylaws, as applicable, of Holdco and each Company, as amended where applicable.

3.7 Licenses. The Hospital is duly licensed as a general acute care hospital pursuant to the applicable laws of the State of Missouri. The Companies have all other licenses, registrations, permits, and approvals which are needed or required by law to operate the business related to or affecting the Facilities or any ancillary services related thereto. Schedule 3.7 sets forth an accurate list of all such licenses, registrations and permits and approvals owned or held by the Companies relating to the ownership, development, or operation of the Facilities, and, except as otherwise set forth on Schedule 3.7, all of which are now and as of the Closing shall be in good standing.

3.8 Medicare Participation/Accreditation/Compliance. The Hospital is qualified for participation in the Medicare, Medicaid and TriCare/CHAMPUS programs; has a current and valid provider contract with such programs; is in compliance in all material respects with the conditions of participation in such programs; and has received all approvals or qualifications necessary for capital reimbursement for the Hospital. The Hospital is duly accredited by The Joint Commission. All billing practices of the Companies with respect to the Facilities' billing of third party payors, including the Medicare, Medicaid and TriCare/CHAMPUS programs and private insurance companies, have been in all material respects in compliance with all applicable laws, regulations and policies of such third party payors and the Medicare, Medicaid and TriCare/CHAMPUS programs, and the Companies have not billed or received any payment or reimbursement in excess of amounts allowed by law, other than such amounts that were repaid in the ordinary course of business. None of the Companies has been excluded from participation in the Medicare, Medicaid or TriCare/CHAMPUS programs, nor, to Seller's Knowledge, is any such exclusion threatened in writing. Except as set forth in a writing delivered by Seller to Buyer which specifically makes reference to this Section 3.8 or as set forth on Schedule 3.8, within the past five (5) years, the Companies have not received any written notice from any of the Medicare, Medicaid or TriCare/CHAMPUS programs, or any other third party payor programs of any pending or threatened investigations or surveys. Seller (i) is not a party to a Corporate Integrity Agreement with the Office of Inspector General of the United States Department of Health and Human Services, (ii) has no reporting obligations pursuant to any settlement agreement entered into with any Government Entity, (iii) has not been, within the past five (5) years the subject of any governmental payer program investigation conducted by any federal or state enforcement agency, (iv) is not or has not been, to Seller's Knowledge, within the past five (5) years a defendant in any qui tam/False Claims Act litigation, (v) during the past five (5) years has not been served with or received any search warrant, subpoena, civil investigative demand, or, to Seller's Knowledge, contact letter or telephone or personal contact by or from any federal or state enforcement agency, and (vi) has not during the past five (5) years received any written complaints from any employee, independent contractor, vendor, physician or other Person that would indicate that Seller has violated any law applicable to the Facilities. As used herein, "**Person**" means an individual, association, hospital authority, corporation, limited liability company, partnership, limited partnership, trust, Government Entity or any other entity or organization.

3.9 Regulatory Compliance. Except as set forth in a writing delivered by Seller to Buyer which specifically makes reference to this Section 3.9 or as set forth on Schedule 3.9, the Facilities are in compliance in all material respects with all material statutes, rules, regulations, and requirements of the Government Entities having jurisdiction over the Facilities and the operations of the Facilities or their respective related ancillary services. As used herein, "**Government Entity**" means any government or any agency, bureau, board, directorate, court, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local. The Companies have timely filed all material reports, data, and other information required to be filed with the Government Entities. Neither the Companies, nor, to Seller's Knowledge, any of the Companies' employees or employees of an Affiliate of any of the Companies providing services at the Facilities, have violated any federal or state laws, rules or regulations relating to health care fraud, waste or abuse, including, but not limited to, the federal Anti-Kickback Law, 42 U.S.C. § 1320a-7b, as amended, the Stark laws and regulations, 42 U.S.C. § 1395nn, as amended, and 42 C.F.R. §§411.350 – 389, as amended, and the False Claims Act, 31 U.S.C. § 3729, et seq., as amended. The Companies are in compliance in all material respects with the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") and all rules and regulations promulgated pursuant to HIPAA.

3.10 Equipment. Schedule 3.10 sets forth a depreciation schedule as of the Balance Sheet Date which takes into consideration all of the equipment associated with, or constituting any part of, the Facilities and the Assets.

3.11 Real Property. As of the Closing, the Companies shall own fee simple title to the real property described on Schedule 3.11 hereto, together with all improvements, any construction in progress, any other buildings and fixtures thereon, and all rights, privileges and easements appurtenant thereto (collectively, the "**Owned Real Property**"), and leasehold title to the real property that is leased by a Company pursuant to the leases described on Schedule 3.11 hereto (collectively, the "**Leased Real Property**"; the Owned Real Property and the Leased Real Property being referred to herein as the "**Real Property**"). As of the Closing, the Owned Real Property shall be owned by the Companies free and clear of any and all liens, encumbrances or other restrictions except (i) any lien for taxes not yet due and payable, (ii) liens securing any indebtedness assumed by Buyer, (iii) any lease obligations assumed by Buyer, (iv) easements, restrictions and other matters of record, (v) zoning regulations and other governmental laws, rules, regulations, codes, orders and directives affecting the Owned Real Property, (vi) unrecorded easements, discrepancies, boundary line disputes, overlaps, encroachments and other matters that would be revealed by an accurate survey or inspection of the Owned Real Property, (vii) any encumbrances or defects that do not materially interfere with the operations of the Facilities in a manner consistent with the current use by the Companies, (viii) with respect to the Leased Real Property, any encumbrances which encumber the fee interest in such property and (ix) the matters set forth on Schedule 3.11 (collectively, the "**Permitted Encumbrances**"). To Seller's Knowledge, the Owned Real Property is in compliance in all material respects with all applicable ordinances and regulations (including zoning) permitting the operation of the property for a hospital, professional offices, a nursing school and related purposes. The Companies have not received, during the past three (3) years, written notice from any Government Entity of a violation of any applicable ordinance or other law, order or regulation with respect to the Real Property, or written notice of any lien, assessment or the like relating to any part of the Real Property or the operation thereof. The Companies have not received, during the past three (3) years, written notice from any Government Entity of any existing, proposed or contemplated plans to modify or realign any street or highway, or any existing, proposed or contemplated eminent domain proceeding that would result in the taking of any part of the Real Property. The Real Property comprises all of the real property owned or leased by the Companies and solely used in the operation of the Facilities. Notwithstanding anything to the contrary, Seller makes no representation or warranty and shall have no liability whatsoever regarding compliance with the Rehabilitation Act of 1973, Title III of the Americans

with Disabilities Act, and the provisions of any comparable state statute relative to accessibility with respect to any Real Property.

3.12 Personal Property. As of the Closing, the Companies shall own and hold good and valid title to all tangible personal property assets and valid title to all intangible assets included in the Assets, free and clear of all mortgages, liens, restrictions, claims or other encumbrances, except the Permitted Encumbrances and the Retained Liabilities.

3.13 Employee Benefit Plans.

(a) Schedule 3.13 sets forth a true, complete and correct list of all "employee benefit plans," as defined in section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), all specified fringe benefit plans as defined in section 6039D of the Internal Revenue Code of 1986, as amended (the "**Code**"), and all other bonus, incentive compensation, deferred compensation, profit sharing, stock option, severance, supplemental unemployment, layoff, salary continuation, retirement, pension, health, life insurance, disability, group insurance, vacation, holiday, sick leave, welfare plan or employment, change in control, or any other similar plan, agreement, policy or understanding (whether oral or written, qualified or non-qualified) and any trust, escrow or other funding arrangement related thereto (collectively, the "**Benefit Plans**"), which is currently sponsored, maintained or contributed to for or on behalf of the employees, former employees, or directors (or any of their dependents) of the Companies or pursuant to which the Companies have any liability or obligation.

(b) Each of the Benefit Plans is and has been maintained and administered in all material respects in compliance with its terms and applicable legal requirements (including ERISA). There have been no prohibited transactions, breaches of fiduciary duty or other material breaches or violations of any law applicable to the Benefit Plans. Each Benefit Plan intended to be qualified under section 401(a) of the Code has a current favorable determination letter (or, in the case of a master and prototype or regional prototype plan, a favorable opinion or notification letter, as applicable) or an application therefore is pending with the Internal Revenue Service. To Seller's Knowledge, no event has occurred which could cause any of the Benefit Plans to become disqualified or fail to comply with the applicable requirements of sections 401(a) of the Code.

(c) Except as set forth on Schedule 3.13(c), for the past six (6) years, neither the Companies nor any ERISA Affiliate of the Companies has sponsored, maintained, contributed to, or been required to contribute to an employee benefit plan that is (i) a "multiemployer plan", as such term is defined in Section 3(37) of ERISA, (ii) subject to Title IV of ERISA, Sections 302 or 303 of ERISA or Sections 412 or 436 of the Code, or (iii) a multiple employer plan as defined in Section 413(c) of the Code. "**ERISA Affiliate**" shall mean any entity that would be treated as a single employer with the Companies or any of their subsidiaries under the provisions of the Code and ERISA.

3.14 Litigation or Proceedings. Schedule 3.14 sets forth an accurate list of all current litigation or proceedings with respect to the Facilities and the Assets. The Companies are not in default under any order of any Government Entity. Except as set forth in a writing delivered by Seller to Buyer which specifically makes reference to this Section 3.14 or as set forth on Schedule 3.14, there are no

claims, actions, suits, or proceedings, or to Seller's Knowledge, investigations pending, threatened against or related to the Companies or the Facilities or the Assets, at law or in equity, or before or by any Government Entity.

3.15 Environmental Laws. To Seller's Knowledge, (i) the Real Property is not subject to any material environmental hazards, risks, or liabilities, (ii) the Real Property is not in violation of any federal, state or local statutes, regulations, laws or orders pertaining to the protection of human health and safety or the environment (collectively, "**Environmental Laws**"), including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, as amended ("**CERCLA**"), and the Resource Conservation and Recovery Act, as amended ("**RCRA**") and (iii) the Companies have not received any notice alleging or asserting either a violation of any Environmental Law or an obligation to investigate, assess, remove, or remediate any property, including but not limited to the Real Property, under or pursuant to any Environmental Law. Except as set forth on Schedule 3.15, there are no underground tanks and related pipes, pumps and other facilities regardless of their use or purpose whether active or abandoned at the Owned Real Property. No Hazardous Substances (which for purposes of this Section 3.15 shall mean and include polychlorinated biphenyls, asbestos, and any substances, materials, constituents, wastes, or other elements which are included under or regulated by any Environmental Law, including, without limitation, CERCLA and RCRA) have been disposed of on or released or discharged from or onto, or threatened to be released from or onto, the Real Property (including groundwater) by the Companies, or to Seller's Knowledge, any third party, in violation of any applicable Environmental Law. Neither the Companies, nor to Seller's Knowledge, any prior owners, operators or occupants of the Owned Real Property, have allowed any Hazardous Substances to be discharged, possessed, managed, processed, released, or otherwise handled on the Real Property in a manner which is in violation of any Environmental Law, and the Companies have complied in all material respects with all Environmental Laws applicable to any part of the Real Property. There currently are effective all permits, licenses, approvals, authorization registrations, certificates, variances and other similar rights obtained, or required to be obtained from Government Entities ("**Permits**") required under any Environmental Laws that are necessary for the Companies' activities and operations at the Real Property and for their business operations. Any applications for renewals of such Permits have been submitted on a timely basis and the companies have been at all times in compliance with the terms and conditions of such Permits.

3.16 Taxes. Except as set forth on Schedule 3.16, each of Holdco and the Companies have filed all income and other material federal, state and local tax returns required to be filed by them (all of which are true and correct in all material respects) and have duly paid or made provision for the payment of all taxes (including any interest or penalties and amounts due state unemployment authorities) which are due and payable to the appropriate tax authorities. Except as set forth on Schedule 3.16, no deficiencies for any of such taxes have been asserted or threatened in writing, and no audit on any such returns is currently under way or, to the Knowledge of Seller, threatened in writing. Except as set forth on Schedule 3.16, there are no outstanding agreements by Holdco or the Companies for the extension of time for the assessment of any such taxes or any settlement agreements entered into by Holdco or the Companies for payment of taxes. There are no tax liens on any of the Assets and, to the Knowledge of Seller, no basis exists for the imposition of any such liens.

3.17 Employee Relations. To Seller's Knowledge, there is no threatened employee strike, work stoppage, or labor dispute pertaining to the Facilities. No union representation question exists respecting any employees of the Companies. No collective bargaining agreement exists or is currently being negotiated by the Companies; no demand has been made for recognition by a labor organization by or with respect to any employees of the Companies; no union organizing activities by or with respect to any employees of the Companies are, to the Knowledge of Seller, taking place; and none of the employees of the Companies is represented by any labor union or organization. There is no unfair practice claim against any Company before the National Labor Relations Board, nor any strike, dispute,

slowdown, or stoppage pending or, to the Knowledge of Seller, threatened in writing, against or involving the Facilities, and none has occurred within the last five (5) years. The Companies are in compliance in all material respects with all federal and state laws respecting employment and employment practices, terms and conditions of employment, and wages and hours. The Companies are not engaged in any unfair labor practices. The Companies have complied in all material respects with the requirements of the Immigration and Reform and Control Act of 1986. Except as set forth on Schedule 3.17, there are no pending or, to the Knowledge of Seller, threatened in writing EEOC claims, OSHA complaints, union grievances, wage and hour claims, unemployment compensation claims or workers' compensation claims with respect to the Companies.

3.18 Contracts. Set forth on Schedule 3.18 is an accurate, complete and current list of all contracts which materially affect the Facilities, the Assets or the operation thereof, to which any Company is party, other than the Immaterial Contracts. For purposes herein, "**Immaterial Contracts**" are commitments, contracts, leases and agreements which individually involve future payments, performance of services or delivery of goods or material, to or by the Companies of any amount or value less than Ten Thousand Dollars ($10,000) on an annual basis, and that (i) are not with physicians or other referral sources and (ii) do not involve the sale or lease of real property. Seller represents and warrants with respect to the Assumed Contracts that:

(a) The Assumed Contracts constitute valid and legally binding obligations of the applicable Company and are enforceable against the applicable Company in accordance with their terms;

(b) Each Assumed Contract constitutes the entire agreement by and between the respective parties thereto with respect to the subject matter thereof;

(c) Except as otherwise set forth on Schedule 3.18 or as contemplated in Section 1.4, all obligations required to be performed by the applicable Company under the terms of the Assumed Contracts have been performed in all material respects, to the extent such obligations to perform have accrued and no act or omission by the appropriate Company has occurred or failed to occur which, with the giving of notice, the lapse of time or both would constitute a default under the Assumed Contracts; and

(d) Except as expressly set forth on Schedule 3.18, the Assumed Contracts do not require consent of the counter party thereto as a result of the transactions contemplated by this Agreement.

3.19 Supplies. All the inventory and supplies constituting any part of the Assets are substantially of a quality and quantity usable and salable in the ordinary course of business of the Facilities. The inventory levels are based on past practices of the Companies at the Facilities.

3.20 Insurance. Schedule 3.20 sets forth a description of the insurance policies maintained by or on behalf of the Companies covering the ownership and operations of the Facilities and the Assets, which Schedule reflects the policies' numbers, terms, identity of insurers, amounts, and coverage. All of such policies are in full force and effect with no premium arrearage. The Companies have given in a timely manner to their insurers all notices required to be given under its insurance policies with respect to all of the claims and actions covered by insurance, and no insurer has denied coverage of any such claims or actions. The Companies have not, within the past three (3) years, (a) received any written notice or other communication from any such insurance company canceling or materially amending any of such insurance policies, and no such cancellation or amendment is threatened in writing or (b) failed to give

any required notice or present any claim which is still outstanding under any of such policies with respect to the Facilities or any of the Assets.

3.21 Third Party Payor Cost Reports. The Companies have duly filed all required cost reports for all of the fiscal years set forth on Schedule 3.21. All such cost reports accurately reflect in all material respects the information required to be included thereon and such cost reports do not claim, and neither the Facilities nor the Companies have received, reimbursement in any amount in excess of the amounts provided by law or any applicable agreement other than in the ordinary course of business. Schedule 3.21 indicates which such cost reports have not been audited and finally settled and a brief description of any and all notices of program reimbursement, proposed or pending audit adjustments, disallowances, appeals of disallowances, and any and all other unresolved claims or disputes in respect of such cost reports.

3.22 Medical Staff Matters. Seller has provided to Buyer true, correct, and complete copies of the bylaws and rules and regulations of the medical staff of the Facilities (the "**Medical Staff**"), as well as a list of all current members of the Medical Staff. Except as set forth in a writing delivered by Seller to Buyer which specifically makes reference to this Section 3.22 or as set forth on Schedule 3.22 hereto, there are no adverse actions with respect to any Medical Staff members of the Facilities or any applicant thereto for which a Medical Staff member or applicant has requested a judicial review hearing which has not been scheduled or has been scheduled but has not been completed, and there are no pending or, to Seller's Knowledge, threatened in writing disputes with applicants, Medical Staff members, or health professional affiliates, and Seller knows of no basis therefore, and all appeal periods in respect of any Medical Staff member or applicant against whom an adverse action has been taken have expired.

3.23 Condition of Assets. Other than with respect to the representations and warranties herein provided, the Assets and Purchased Interests are AS IS WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, WITH RESPECT TO THE REAL PROPERTY, BUILDINGS AND IMPROVEMENTS, AND WITH NO WARRANTIES, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE EQUIPMENT, INVENTORY, AND SUPPLIES, AND ANY AND ALL OF WHICH WARRANTIES SELLER HEREBY DISCLAIMS. All of the Assets shall be further subject to normal wear and tear on the land, buildings, improvements and equipment and normal and customary use and disposal of inventory and supplies in the ordinary course of business up to the Effective Time.

3.24 Experimental Procedures. During the past three (3) years, the Companies have not performed or permitted the performance of any experimental or research procedures or studies involving patients in the Facilities not authorized and conducted in accordance with the procedures of the Institutional Review Board of the Facilities and set forth on Schedule 3.24 hereto.

3.25 Certificates of Need. Except as set forth on Schedule 3.25 hereto, no application for any Certificate of Need, or exemption thereto (each as defined below) or declaratory ruling has been made by any Company with the Missouri Health Facilities Review Committee or other applicable agency which is currently pending or open before such agency, and no such application (collectively, the "**Applications**") filed by any Company within the past three (3) years has been ultimately denied by any commission, board or agency or withdrawn by such Company. Except as set forth on Schedule 3.25 hereto, the Companies have neither any Applications pending nor any approved Applications which relate to projects not yet completed. The term Certificate of Need shall be as defined in Mo.Rev.Stat.§ 197.305.

3.26 Bank Accounts. Schedule 3.26 sets forth a true, correct and complete list of the name and address of (a) each bank or financial institution with which the Companies have an account or safe deposit box and the name of each Person authorized to draw thereon or have access thereto and (b) the

name of each Person holding a power of attorney on behalf of the Companies. Each account is either identified as an "**AR Bank Account**" or a "**Non-AR Bank Account**".

4. REPRESENTATIONS AND WARRANTIES OF BUYER. As of the date hereof, and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 15.1 hereof, as of the Closing Date, Buyer represents and warrants to Seller the following:

4.1 Existence and Capacity. Buyer is a limited liability company, duly organized and validly existing in good standing under the laws of the State of Delaware. Buyer has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder, and to conduct its business as now being conducted.

4.2 Powers; Consents; Absence of Conflicts With Other Agreements, Etc. The execution, delivery, and performance of this Agreement by Buyer and all other agreements referenced herein, or ancillary hereto, to which Buyer is a party, and the consummation of the transactions contemplated herein by Buyer:

(a) are within its limited liability company powers, are not in contravention of law or of the terms of its organizational documents, and have been duly authorized by all appropriate limited liability company action;

(b) except as contemplated by Section 6.1 below and except for the entry of the Sale Order, do not require any approval or consent of, or filing with, any Government Entity bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) will neither conflict with, nor result in any breach or contravention of, or the creation of any lien, charge or encumbrance under, any indenture, agreement, lease, instrument or understanding to which it is a party or by which it is bound;

(d) will not violate any statute, law, rule, or regulation of any Government Entity to which it may be subject; and

(e) will not violate any judgment, decree, writ, or injunction of any court or Government Entity to which it may be subject.

4.3 Binding Agreement. This Agreement and all agreements to which Buyer will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Buyer and are and will be enforceable against Buyer, respectively in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

4.4 Litigation. Except as set forth on Schedule 4.4, there are no claims, actions, suits, or proceedings, related to the Buyer or its Affiliates, at law or in equity, before or by any Government Entity (a) that, if adversely determined, would have a material adverse effect on the results of operations, financial condition or business of Buyer and its Affiliates (taken as a whole); or (b) that that challenges or may otherwise have the effect of preventing, rendering illegal or otherwise delaying the Buyer's ability to consummate the transactions contemplated hereby.

4.5 Buyer Financial Statements. Schedule 4.5 includes true and complete copies of the unaudited balance sheet of Buyer dated as of June 30, 2018 ("**Buyer Financial Statements**"), which Buyer Financial Statements are maintained on an accrual basis. The Buyer Financial Statements have been prepared from the books and records of Buyer and conform to GAAP consistently applied, except as set forth in Schedule 4.5. Such balance sheets present fairly, in all material respects, the financial condition of Buyer as of the dates indicated thereon, and such income statements present fairly, in all material respects, the results of operations of Buyer for the periods indicated thereon. Buyer has no Liabilities that are required to be reflected on a balance sheet, except (a) those which are adequately reflected or reserved against in the applicable balance sheet as of the Buyer Balance Sheet Date, and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

4.6 Certain Post-Balance Sheet Results. Except as set forth in Schedule 4.6 hereto, since June 30, 2018 ("**Buyer Balance Sheet Date**"), there has not been any event, change or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on the business, financial condition or results of operations of the Buyer.

4.7 Availability of Funds. Buyer has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

4.8 Investment Intent and Information. Buyer is acquiring the Purchased Interests for investment for Buyer's own account and not with a view to, or intention of, a sale in connection with, any distribution of any part thereof, and acknowledges and agrees that (a) the Purchased Interests may not be sold, transferred, offered for sale, assigned, pledged, hypothecated or otherwise disposed of unless such transfer, sale, assignment, pledge, hypothecation or other disposition is pursuant to the terms of an effective registration statement under the Securities Act or an exemption from registration under the Securities Act and any applicable state or foreign securities laws; and (b) the Purchased Interests and the sale or transfer thereof have not been registered under the Securities Act or the securities laws of any state or jurisdiction. Buyer is an "accredited investor" as defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act, and has been given the opportunity to ask questions of and receive answers from Seller concerning Holdco, the Companies, Facilities, Purchased Interests, Interests and Shares and all other related matters, and has been furnished with and evaluated all of the information Buyer deems necessary, desirable and appropriate to evaluate the merits and risks of the transactions contemplated by this Agreement, and received such legal and financial other advice as deemed by Buyer to be necessary, desirable and appropriate to enable Buyer to make an informed decision with respect to the execution, delivery and performance of this Agreement and the other agreements and documents to be executed and delivered by Buyer in connection herewith and therewith. In evaluating the suitability of the transactions contemplated by this Agreement, Buyer has not relied upon any representations, other than those contained in Article 3, whether oral or written made by or on behalf of Seller and its Affiliates and Buyer is not relying on any implied representations or warranties as to the prospects or the likelihood of success of the business of Holdco and the Companies.

5. COVENANTS OF SELLER PRIOR TO CLOSING. Between the date of this Agreement and the Closing:

5.1 Information. Seller shall afford to the authorized Representatives of Buyer reasonable access to and the right to inspect the Assets and the plants, properties, books, and records of Holdco and the Companies and the Facilities, and will furnish Buyer with such additional financial and operating data and other information as to the business and properties of Seller pertaining to Holdco and the Companies

and the Facilities as Buyer may from time to time reasonably request. Buyer's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of the Facilities. Buyer agrees that no inspections shall take place and no employees or other personnel of the Facilities shall be contacted by Buyer without Buyer first providing reasonable notice to Seller and coordinating such inspection or contact with Seller. As used herein, "**Representatives**" means with respect to any Person, its managers, members, directors, officers, employees, financial advisors, legal counsel, financing sources, accountants or other advisors, agents or any other authorized representatives.

5.2 Operations. Except as otherwise contemplated by this Agreement or as ordered by the Bankruptcy Court or as limited by the Bankruptcy Code, Seller shall cause Holdco and the Companies to:

(a) carry on their businesses pertaining to the Facilities in substantially the same manner as presently conducted and not make any material change in personnel, operations, finance, accounting policies, or real or personal property pertaining to the Facilities;

(b) use commercially reasonable efforts to maintain the Facilities and all parts thereof in good operating condition, ordinary wear and tear excepted;

(c) use commercially reasonable efforts to pay its debts, taxes and other obligations when due;

(d) use commercially reasonable efforts to perform all of their obligations under agreements relating to or affecting the Facilities;

(e) use commercially reasonable efforts to keep in full force and effect present insurance policies or other comparable insurance pertaining to the Facilities;

(f) use commercially reasonable efforts to maintain and preserve their business organizations intact, retain their present employees at the Facilities and maintain their relationships with physicians, suppliers, customers, and others having business relations with the Facilities;

(g) use commercially reasonable efforts to comply in all material respects with all applicable laws; and

(h) use commercially reasonable efforts to preserve and maintain all of its permits.

5.3 Negative Covenants. Except as otherwise contemplated by this Agreement or as ordered by the Bankruptcy Court or as limited by the Bankruptcy Code, Seller shall cause the Companies to not, without the prior written consent of Buyer:

(a) amend or terminate any of the Assumed Contracts, enter into any contract or commitment, or incur or agree to incur any liability, except as provided herein or in the ordinary course of business;

(b) increase compensation payable or to become payable or make any bonus payment to or otherwise enter into one or more bonus agreements with any employee at the Facilities, except in the ordinary course of business in accordance with existing personnel policies;

(c) acquire (whether by purchase or lease) or sell, assign, lease, or otherwise transfer or dispose of any property, plant, or equipment with a value in excess of Twenty-Five Thousand Dollars ($25,000), except in the ordinary course of business with comparable replacement thereof;

(d) purchase capital assets or incur costs in respect of construction-in-progress in excess of Twenty-Five Thousand Dollars ($25,000);

(e) other than Permitted Encumbrances, create, assume, or permit to exist any encumbrance, lien, security interest, mortgage, or options upon any of the Assets that cannot be removed or eliminated prior to the Closing Date;

(f) sell, assign, transfer, distribute, or dispose of any item of property, plant or equipment having a value in excess of Five Thousand Dollars ($5,000), other than the sale or disposition of inventory or supplies in the ordinary course of business; or

(g) take any action outside the ordinary course of business of the Facilities.

5.4 Governmental Approvals. Seller shall (a) use commercially reasonable efforts to obtain all Government Entity approvals (or exemptions therefrom) necessary or required to allow Seller to perform its obligations under this Agreement; and (b) assist and cooperate with Buyer and its representatives and counsel in obtaining all Government Entity consents, approvals, and licenses which Buyer deems necessary or appropriate and in the preparation of any document or other material which may be required by any Government Entity as a predicate to or as a result of the transactions contemplated herein.

5.5 Additional Financial Information. Within thirty (30) days following the end of each calendar month prior to Closing, Seller shall deliver to Buyer true and complete copies of the unaudited balance sheets and the related unaudited statements of income (collectively, the "**Interim Statements**") of, or relating to, the Facilities for each month then ended, together with a year-to-date compilation and the notes, if any, related thereto, which shall have been prepared from and in accordance with the books and records of the Companies, and shall fairly present in all material respects the financial position and results of operations of the Facilities as of the date and for the period indicated.

5.6 Efforts to Close. Seller shall use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Article 9 to the extent that Seller's action or inaction can control or influence the satisfaction of such conditions.

6. COVENANTS OF BUYER PRIOR TO CLOSING. Between the date of this Agreement and the Closing:

6.1 Governmental Approvals. Buyer shall (a) use commercially reasonable efforts to obtain all Government Entity (or exemptions therefrom) necessary or required to allow Buyer to perform its obligations under this Agreement; and (b) assist and cooperate with Seller and its representatives and counsel in obtaining all Government Entity consents, approvals, and licenses which Seller deems necessary or appropriate and in the preparation of any document or other material which may be required by any Government Entity as a predicate to or as a result of the transactions contemplated herein.

6.2 Efforts to Close. Buyer shall use commercially reasonable efforts to all satisfy all of the conditions precedent set forth in Article 10 to the extent that Buyer's action or inaction can control or influence the satisfaction of such conditions.

7. BANKRUPTCY MATTERS.

7.1 Bankruptcy Court Approval; Executory Contracts; Sale Procedures.

(a) Seller shall use its reasonable efforts to gain approval by the Bankruptcy Court of the purchase and sale of the Purchased Interests and the assumption and assignment of all Assumed Contracts contemplated hereby to the extent required by Sections 363 and 365 and all other applicable provisions of the Bankruptcy Code within the terms of the Sale Procedures Order and Sale Order. Seller shall serve on all non-Seller counterparties to all of the Assumed Contracts a notice specifically stating that Seller or a Company may be seeking the assumption and assignment of such Assumed Contracts and shall notify such non-Seller counterparties of the deadline for objecting to the Cure Amounts stated in such notices, if any, which deadline shall not be less than ten (10) business days prior to the Sale Hearing.

(b) From and after the date hereof and until the Closing Date or the termination of this Agreement, Seller shall not take any action which is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Sale Procedures Order or this Agreement.

(c) This Agreement is subject to approval by the Bankruptcy Court.

(d) Reserved.

(e) As used herein, the following terms have the following meanings:

(i) "**Bankruptcy Code**" means Title 11 of the United States Code, Sections 101 *et seq.*

(ii) "**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedures.

(iii) "**Cure Amounts**" means the amounts, if any, determined by the Bankruptcy Court to be necessary to cure all defaults and to pay all actual losses that have resulted from such defaults under the Assumed Contracts.

(iv) "**Final Order**" means an order of the Bankruptcy Court (or any other court of competent jurisdiction) entered by the clerk of the Bankruptcy Court (or such other court) on the docket in the Bankruptcy Case (or the docket of such other court), which has not been modified, amended, reversed, vacated or stayed and as to which (a) the time to appeal, petition for certiorari, or move for a new trial, stay, reargument or rehearing has expired and as to which no appeal, petition for certiorari or motion for new trial, stay, reargument or rehearing shall then be pending or (b) if an appeal, writ of certiorari, new trial, stay, reargument or rehearing thereof has been sought, such order of the Bankruptcy Court (or other court of competent jurisdiction) shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, stay, reargument or

rehearing shall have expired, as a result of which such action or order shall have become final in accordance with Bankruptcy Rule 8002; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed relating to such order, shall not cause an order not to be a Final Order.

(v) "**Sale Order**" means a Final Order of the Bankruptcy Court in form and substance reasonably satisfactory to Buyer and Seller approving, *inter alia*, (a) the sale of the Purchased Interests to Buyer free and clear of any encumbrances (other than Permitted Encumbrances), and (b) the assumption and assignment of the Assumed Contracts by the applicable Company.

(vi) "**Sale Procedures Order**" means a Final Order of the Bankruptcy Court in in form and substance reasonably satisfactory to Seller approving the procedures for the sale of the Purchased Interests.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER. Notwithstanding anything herein to the contrary, the obligations of Buyer to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Buyer at the Closing:

8.1 Representations/Warranties. The representations and warranties of Seller contained in this Agreement shall be true in all material respects when made and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 15.1 hereof, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date, except to the extent that (a) a representation or warranty specifically speaks as of another date and (b) the failure of any such representations and warranties to be true and correct would not, or would not be reasonably likely to, in the aggregate, have a material adverse effect on the results of operations, financial condition or business of the Facilities. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Seller on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

8.2 Governmental Approvals. All material consents, authorizations, orders and approvals of (or filings or registrations with) any Government Entity or other party required in connection with the execution, delivery and performance of this Agreement shall have been obtained or made by Buyer when so required, except as for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date.

8.3 Actions/Proceedings. No action or proceeding before a Government Entity shall have been instituted or threatened in writing to restrain or prohibit the transactions herein contemplated, and no Government Entity shall have taken any other action or made any request of any party hereto as a result of which Seller reasonably and in good faith deems it inadvisable to proceed with the transactions hereunder.

8.4 Reserved.

8.5 Sale Order. The Bankruptcy Court shall have entered the Sale Order.

8.6 Title Insurance Policies. Stewart Title Guaranty Company (the "**Title Company**") shall be prepared (subject to payment of the premiums and title, survey, search and related costs and fees required to be paid by Buyer) to issue title insurance policies dated as of the Closing in accordance with the terms and conditions of that certain ALTA Commitment for Title Insurance dated effective October

29, 2018, as amended or updated (the "**Title Commitment**"), showing fee simple title to the Owned Real Property, in the name of the applicable Company (or its assignee or designee hereunder).

8.7 Closing Deliveries. Seller shall have delivered to Buyer, in accordance with the terms of this Agreement, all Assumed Contracts, agreements, instruments, and documents required to be delivered by Seller to Buyer pursuant to Section 2.2.

8.8 Lutheran School of Nursing. Buyer shall have received evidence reasonably satisfactory to the Buyer that, immediately following the Closing, the Lutheran School of Nursing shall continue to be eligible to participate in the Department of Education funding programs that it participated in immediately prior to the filing of the Bankruptcy Case.

9. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER. Notwithstanding anything herein to the contrary, the obligations of Seller to consummate the transactions described herein are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by Seller at the Closing:

9.1 Representations/Warranties. The representations and warranties of Buyer contained in this Agreement shall be true in all material respects when made and, when read in light of any Schedules which have been updated in accordance with the provisions of Section 15.1 hereof, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Buyer on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

9.2 Governmental Approvals. All material consents, authorizations, orders and approvals of (or filings or registrations with) any Government Entity or other party required in connection with the execution, delivery and performance of this Agreement shall have been obtained or made by Buyer when so required, except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date.

9.3 Actions/Proceedings. No action or proceeding before a Government Entity shall have been instituted or threatened in writing to restrain or prohibit the transactions herein contemplated, and no Government Entity shall have taken any other action or made any request of any party hereto as a result of which Seller reasonably and in good faith deems it inadvisable to proceed with the transactions hereunder.

9.4 Closing Deliveries. Buyer shall have delivered to Seller, in accordance with the terms of this Agreement, all contracts, agreements, instruments and documents required to be delivered by Buyer to Seller pursuant to Section 2.3.

9.5 Sales Order and Cure Amounts. The Bankruptcy Court shall have entered the Sale Order and any and all Cure Amounts shall have been paid by Buyer except for those Cure Amounts to be paid at Closing. .

10. SELLER'S COVENANT NOT TO COMPETE.

10.1 Non-Compete. Seller hereby covenants that at all times from the Closing Date until the second (2nd) anniversary of the Closing Date, Seller and its Affiliates shall not, directly or indirectly, except as a consultant or contractor to Buyer or any Affiliate of Buyer, own, lease, manage, operate or control, or participate in any manner with the ownership, leasing, management, operation or control of

any acute care hospital or ambulatory surgery center within a twenty-five (25) mile radius of the Hospital, without Buyer's prior written consent (which Buyer may withhold in its sole and absolute discretion).

10.2 Enforcement. In the event of a breach of this Article 10, Seller recognizes that monetary damages shall be inadequate to compensate Buyer and Buyer shall be entitled, without the posting of a bond or similar security, to an injunction restraining such breach, with the reasonable costs (including reasonable attorneys' fees) of securing such injunction to be borne by the breaching Seller or its Affiliate. Nothing contained herein shall be construed as prohibiting Buyer from pursuing any other remedy available to it for such breach or threatened breach. All parties hereto hereby acknowledge the necessity of protection against the competition of Seller and its Affiliates and that the nature and scope of such protection has been carefully considered by the parties. Seller further acknowledges and agrees that the covenants and provisions of this Article 10 form part of the consideration under this Agreement and are among the inducements for Buyer entering into and consummating the transactions contemplated herein. The time period provided and the area covered are expressly represented and agreed to be fair, reasonable and necessary. The consideration provided for herein is deemed to be sufficient and adequate to compensate for agreeing to the restrictions contained in this Article 10. If, however, the Bankruptcy Court determines that the foregoing restrictions are not reasonable, such restrictions shall be modified, rewritten or interpreted to include as much of their nature and scope as will render them enforceable.

11. RESERVED.

12. RESERVED.

13. ADDITIONAL AGREEMENTS.

13.1 Termination. Without prejudice to other remedies which may be available to the parties hereto, this Agreement may be terminated and the transactions contemplated herein may be abandoned at any time prior to the Closing as follows:

(a) By mutual written consent of Buyer and Seller;

(b) By either Buyer or Seller upon delivery of written notice to the other if the Closing has not occurred on or before 5:00 p.m., Central Time, on December 31, 2018 (the "**End Date**"); provided, that neither Buyer nor Seller will be entitled to terminate this Agreement pursuant to this Section 13.1(b) (i) if such Person's material breach of, or material failure to fulfill any obligation under, this Agreement or any other document related to the transactions contemplated herein has been the principal cause of the failure of the Closing to occur on or prior to such time on the End Date or (ii) if the Bankruptcy Court has not entered the Sale Order by the End Date other than in connection with the Bankruptcy Court's disapproval of the transactions contemplated hereby;

(c) By Buyer upon delivery of written notice to Seller, if there has been a breach of any representation, warranty, covenant or agreement made by Seller in this Agreement or in any other document related to the transactions contemplated herein, which breach (i) would give rise to the failure of a condition set forth in Section 8.1 to be satisfied and (ii) (A) cannot be cured by the End Date or (B) if capable of being cured, shall not have been cured by the earlier of (1) fifteen (15) calendar days following receipt of written notice from Buyer of such breach or (2) the date that is three (3) calendar days prior to the End Date; and

(d) By Seller upon delivery of written notice to Buyer, if there has been a breach of any representation, warranty, covenant or agreement made by Buyer in this Agreement or in any other document related to the transactions contemplated herein, which breach (i) would give rise to the failure of a condition set forth in Section 9.1 to be satisfied and (ii) (A) cannot be cured prior to the End Date or (B) if capable of being cured, shall not have been cured by the earlier of (1) fifteen (15) calendar days following receipt of written notice from Seller of such breach or (2) the date that is three (3) calendar days prior to the End Date.

13.2 Effect of Termination. Subject to the provisions of this Section 13.2, the rights of termination set forth above are in addition to any other rights a terminating party may have under this Agreement and the other document related to the transactions contemplated herein, and the exercise of a right of termination will not be an election of remedies. Notwithstanding the foregoing sentence, in the event of any termination of this Agreement by either Buyer or Seller as provided in Section 13.1, this Agreement shall forthwith become void, and there shall be no Liability on the part of any party or any of its or their Affiliates to any other Person resulting from, arising out of, relating to, or in connection with this Agreement or any other document related to the transactions contemplated herein, except that (a) nothing in this Agreement or any other document related to the transactions contemplated herein will relieve any party from any material breach of this Agreement or any other document related to the transactions contemplated herein prior to such termination or for fraud, intentional misrepresentation or willful or criminal misconduct, and (b) Article 15 (Miscellaneous) and any pre-termination breaches of such provisions shall survive any termination of this Agreement and each party shall be entitled to all remedies available at law or in equity in connection with any past or future breach of any such provision.

13.3 Reserved.

13.4 Post-Closing Access to Information. Seller and Buyer acknowledge that subsequent to Closing each party may need access to information or documents in the control or possession of the other part(ies) for the purposes of, without limitation, concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, and the prosecution or defense of third party claims. Accordingly, Seller and Buyer agree that for a period of six (6) years after Closing each will make reasonably available to the other's agents, independent auditors, counsel, and/or governmental agencies upon written request and at the expense of the requesting party such documents and information as may be available for periods prior and subsequent to Closing to the extent necessary to facilitate, without limitation, concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, and the prosecution or defense of claims.

13.5 Preservation and Access to Records After the Closing. After the Closing, Buyer shall, in the ordinary course of business and as required by law, cause the Companies to keep and preserve in their original form, all medical and other records of the Facilities, existing as of the Closing, and which constitute a part of the Assets will be delivered to Buyer at the Closing through Buyer's acquisition of the Interests and Shares. For purposes of this Agreement, the term "records" includes all documents, electronic data and other compilations of information in any form. Buyer acknowledges that as a result of entering into this Agreement and operating the Facilities it will gain access to patient and other information which is subject to the rules and regulations regarding confidentiality. Buyer agrees to abide by any such rules and regulations relating to the confidential information it acquires. Buyer agrees to cause the Companies to maintain the patient records held by the Facilities at the Closing at the Facilities after Closing in accordance with applicable law (including, if applicable, Section 1861(v)(1)(I) of the Social Security Act (42 U.S.C. §1395(v)(l)(1)) and requirements of relevant insurance carriers, all in a manner consistent with the maintenance of patient records generated at the Facilities after Closing). Upon reasonable notice, during normal business hours, at the sole cost and expense of Seller, and upon the

Companies' receipt of the appropriate consents and authorizations, the Companies will afford to the representatives of Seller, including its counsel and accountants, full and complete access to, and copies of, the records held by the Facilities at the Closing (including, without limitation, access to patient records in respect of patients treated during the period owned by Seller). Upon reasonable notice, during normal business hours and at the sole cost and expense of Seller, Buyer shall cause the Companies to make their officers and employees available to Seller at reasonable times and places after the Closing. In addition, Seller shall be entitled, at Seller's sole risk, to remove from the Facilities, copies of any such patient records, but only for purposes of pending litigation involving a patient to whom such records refer, as certified in writing prior to removal by counsel retained by Seller in connection with such litigation and only upon Buyer's receipt of appropriate consents and authorizations. Any patient record so removed from the Facilities shall be promptly returned to the applicable Facility following its use by Seller. Any access to the Facilities, their records or Buyer's personnel granted to Seller in this Agreement shall be upon the condition that any such access not materially interfere with the business operations of the Companies.

13.6 Tax and Medicare Effect. None of the parties (nor such parties' counsel or accountants) has made or is making any representations to any other party (nor such party's counsel or accountants) concerning any of the tax or Medicare effects of the transactions provided for in this Agreement as each party hereto represents that each has obtained, or may obtain, independent tax and Medicare advice with respect thereto and upon which it, if so obtained, has solely relied.

13.7 Reproduction of Documents. This Agreement and all documents relating hereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) the documents delivered at the Closing, and (c) financial statements, certificates and other information previously or hereafter furnished to Seller or the Companies or to Buyer, may, subject to the provisions of Section 15.10 hereof, be reproduced by Seller and by Buyer by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and Seller and Buyer may destroy any original documents so reproduced. Seller and Buyer agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial, arbitral or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by Seller or Buyer in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

13.8 Cooperation on Tax Matters. From and after the Closing, the following provisions shall apply:

(a) Buyer shall prepare or cause to be prepared and file or cause to be filed all tax returns of Holdco and the Companies for all taxable periods ending on or following the Closing Date. As between Buyer and Seller, Buyer shall be responsible for the payment of any and all taxes, penalties and interest due in connection therewith.

(b) Notwithstanding anything in this Agreement to the contrary, Buyer will not knowingly take any action after the close of business on the Closing Date which would be reasonably expected to increase Seller's tax liability.

13.9 Cost Report Matters. Buyer, at its expense, shall prepare and timely file all terminating and other cost reports required or permitted by law to be filed under the Medicare and Medicaid or other third party payor programs with respect to the Companies for periods ending on or prior to the Effective Time, or as a result of the consummation of the transactions described herein ("**Company Cost**

Reports") and, as between Seller and Buyer, shall be responsible for payment of any and all amounts due in connection therewith.

13.10 Misdirected Payments, Etc. Seller and Buyer covenant and agree to remit to the other, with reasonable promptness, any payments received, which payments are on or in respect of accounts or notes receivable owned by (or are otherwise payable to) the other.

13.11 Employee Matters. As of the Closing Date, the employees of the Companies shall continue employment with the Companies in the same positions and at the same level of wages and/or salary and without having incurred a termination of employment or separation from service; provided, however, except as may be specifically required herein, by applicable law or by any Assumed Contract, the Companies shall not be obligated to continue any employment relationship with any employee for any specific period of time. To the extent any employee benefit plan, program or policy of Buyer or its Affiliates is made available to the employees of the Companies: (a) service with any Company by any employee prior to the Closing Date shall be credited for eligibility and vesting purposes under such plan, program or policy, but not for benefit accrual purposes, and (b) with respect to any welfare benefit plans to which such employees may become eligible, Buyer shall use its reasonable best efforts (i) to cause such plans to provide credit for any annual deductibles by such employees upon Buyer's receipt of detailed information from Seller; and (ii) to waive, upon Buyer's receipt of detailed information from Seller (including certificates of insurance), all pre-existing conditions, exclusions and waiting periods, other than exclusions, limitations or waiting periods that are specifically addressed in welfare plans maintained by Buyer or that have not been satisfied under any welfare plans maintained by the Companies for their employees prior to the Closing Date.

13.12 WARN Act Compliance. Within the period of ninety (90) days before the Closing, the Companies shall not, and within the ninety (90) days following the Closing, Buyer and the Companies shall not: (i) permanently or temporarily shut down a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss during any thirty (30) day period at the single site of employment for fifty (50) or more employees, excluding any part-time employees; or (ii) have a mass layoff at a single site of employment of at least thirty-three percent (33%) of the active employees and at least fifty (50) employees, excluding part-time employees. The terms "single site of employment," "operating unit," "employment loss" and "mass layoff" shall be defined as in the Workers Adjustment Retraining and Notification Act (the "**WARN Act**"). With respect to terminations of employees following the Closing, Buyer and the Companies shall be responsible for any notification required under the WARN Act.

13.13 Indigent Care Policies. Buyer and the Companies shall adopt and maintain a reasonable policy for the treatment of indigent patients of the Facilities. Buyer shall cause the Facilities to treat any patient presented to the emergency room who has a medical emergency or who, in the judgment of a staff physician, has an immediate emergency need. No such patient will be turned away because of age, race, gender or inability to pay. Buyer shall cause the Facilities to continue to provide services to patients covered by the Medicare and Medicaid programs and those unable to pay for emergent and medically necessary care. This covenant shall be subject in all respects to changes in governmental policy.

13.14 Medical Staff Privileges. As a result of the acquisition of the Interests and Shares by Buyer, without the consent of the Medical Staff, there will be no change or modification to the current staff privileges for physicians on the Medical Staff; provided, however, that the consummation of the transactions contemplated in this Agreement will not limit the ability of the board of trustees or medical executive committee of the Facilities to grant, withhold or suspend Medical Staff appointments or clinical privileges in accordance with the terms and provisions of the Medical Staff bylaws.

13.15 Transition Services Agreement. At the Closing, if requested by Buyer, Buyer and Seller (or one of its Affiliates) shall enter into a Transition Services Agreement substantially in the form attached hereto as Exhibit D, pursuant to which Seller (or its Affiliates) will provide certain services mutually agreed upon by the parties to Buyer and the Companies for a transition period following the Closing.

13.16 Access to Records Including as to Recovery and Audit Information. If any entity, Government Entity or person makes a claim, inquiry or request to Buyer, the Companies or Seller relating to the Companies' operation of the Facilities prior to the Effective Time (including but not limited to a notice to Buyer, the Companies or Seller from a person responsible for retroactive payment denials, including recovery audit contractors) of their intent to review the Companies' claims with respect to the operation of the Facilities prior to the Effective Time, or otherwise seeks information pertaining to Seller, Buyer shall: (i) comply with all requests from such entity or person in a timely manner; (ii) comply with all other applicable laws and regulations; (iii) forward to Seller all communications and/or documents sent to such person or entity or received from such person or entity within five (5) business days of Buyer's or a Company's delivery or receipt of such communications and/or documents, and (iv) provide Seller and its agents and attorneys upon reasonable request with reasonable access to records, information and personnel necessary for any appeal or challenge regarding any such retroactive payment denials (with the understanding that Seller shall be solely responsible for handling any appeals).

14. SURVIVAL.

14.1 Survival. The parties agree and acknowledge that the representations and warranties made by the Seller herein or in any document delivered pursuant hereto shall not survive the Closing.

15. MISCELLANEOUS.

15.1 Schedules and Other Instruments. Each Schedule and Exhibit to this Agreement shall be considered a part hereof as if set forth herein in full. From the date hereof until the Closing Date, Seller or Buyer may update or revise their Schedules to Article 3 or Article 4, as applicable, subject to the other party's approval rights described below. Except as otherwise contemplated herein, all Schedules, Exhibits, or other instruments provided for herein and not delivered at the time of execution of this Agreement or which are incomplete at the time of execution of this Agreement shall be delivered or completed within ten (10) days after the date hereof or prior to the Closing, whichever is sooner. Following the date hereof, each of the parties hereto shall have ten (10) days following the date of receipt of each updated Schedule or related document within which to approve or disapprove such item. If within the ten (10) day period either party gives written notice to the other of disapproval of any such item, the other party shall have five (5) days within which to correct the item disapproved. If the party to whom notice of disapproval is delivered is either unwilling or unable to correct the disapproved item, then the disapproving party shall have five (5) days within which to terminate this Agreement by giving written notice of such termination to the other party.

15.2 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties except as may be herein specifically provided to the contrary; provided, however, at the request of a party, the other party or parties shall execute such additional instruments and take such additional actions as the requesting party may deem necessary to effectuate this agreement. In addition and from time to time after Closing, Seller shall execute and deliver such other instruments of conveyance and transfer, and take such other actions as Buyer reasonably may request, more effectively to convey and transfer full right, title, and interest to, vest in, and place the Companies in legal and actual possession of, any and all of the Facilities and the Assets. Seller shall also furnish Buyer with such information and documents in its possession or under its control,

or which Seller can execute or cause to be executed, as will enable Buyer to prosecute any and all petitions, applications, claims, and demands relating to or constituting a part of the Facilities or the Assets. Additionally, Seller shall cooperate and use its reasonable best efforts to have its present directors, officers, and employees cooperate with Buyer on and after Closing in furnishing information, evidence, testimony, and other assistance in connection with any action, proceeding, arrangement, or dispute of any nature with respect to matters pertaining to all periods prior to Closing in respect of the items subject to this Agreement.

15.3 Third Party Consents. Anything contained herein to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any claim, right, contract, license, lease, commitment, sales order, or purchase order if an attempted assignment thereof without the consent of the other party thereto would constitute a breach thereof or in any material way affect the rights of Seller thereunder, unless such consent is obtained.

15.4 Consents, Approvals and Discretion. Except as herein expressly provided to the contrary, whenever this Agreement requires any consent or approval to be given by a party, or whenever a party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised.

15.5 Legal Fees and Costs. In the event a party elects to incur legal expenses to enforce or interpret any provision of this Agreement by judicial proceedings, the prevailing party will be entitled to recover such legal expenses, including, without limitation, reasonable attorneys' fees, costs, and necessary disbursements at all court levels, in addition to any other relief to which such party shall be entitled.

15.6 Choice of Law. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of laws principles.

15.7 Benefit/Assignment. Subject to provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors, and assigns. No party may assign this Agreement without the prior written consent of the other parties, which consent shall not be unreasonably withheld; provided, however, that any party may, without the prior written consent of the other parties, assign its rights and delegate its duties hereunder to one or more Affiliates.

15.8 No Brokerage. Except as set forth on Schedule 15.8, Buyer and Seller each represent and warrant to the other that it has not engaged a broker in connection with the transactions described herein. Each party agrees to be solely liable for and obligated to satisfy and discharge all loss, cost, damage, or expense arising out of claims for fees or commissions of brokers employed or alleged to have been employed by such party.

15.9 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, and except to the extent the Expense Reimbursement is due to Buyer, 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; (ii) Buyer shall pay the fees, expenses, and disbursements of Buyer and its agents, representatives, accountants and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; and (iii) Buyer shall pay the cost of any surveys, title policies, environmental and other inspections, documentary stamps, transfer taxes, recording fees and similar costs relating to the transactions described herein.

15.10 Confidentiality. It is understood by the parties hereto that the information, documents, and instruments delivered to Buyer by Seller and its agents and the information, documents, and instruments delivered to Seller by Buyer and its agents are of a confidential and proprietary nature. Each of the parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such confidential information, documents, or instruments delivered to it by each of the other parties hereto or their agents in connection with the negotiation of this Agreement or in compliance with the terms, conditions, and covenants hereof and will only disclose such information, documents, and instruments to its duly authorized officers, members, directors, representatives, and agents (including consultants, attorneys, and accountants of each party) and applicable Government Entity authorities in connection with any required notification or application for approval or exemption therefrom. Each of the parties hereto further agrees that if the transactions contemplated hereby are not consummated, it will return all such documents and instruments and all copies thereof in its possession to the other parties to this Agreement. Each of the parties hereto recognizes that any breach of this Section 15.10 would result in irreparable harm to the other party to this Agreement and its Affiliates and that therefore either Seller or Buyer shall be entitled to an injunction to prohibit any such breach or anticipated breach, without the necessity of posting a bond, cash, or otherwise, in addition to all of its other legal and equitable remedies. Nothing in this Section 15.10, however, shall prohibit the use of such confidential information, documents, or information for such governmental filings as in the opinion of Seller's counsel or Buyer's counsel are required by law or governmental regulations or are otherwise required to be disclosed pursuant to applicable Law.

15.11 Public Announcements. Seller and Buyer mutually agree that no party hereto shall release, publish, or otherwise make available to the public in any manner whatsoever any information or announcement regarding the transactions herein contemplated without the prior written consent of Seller and Buyer, except for information and filings reasonably necessary to be directed to Government Entities to fully and lawfully effect the transactions herein contemplated or required in connection with securities and other laws and except in connection with the Bankruptcy Case or as otherwise Ordered by the Bankruptcy Court.

15.12 Waiver of Breach. The waiver by any party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or any other provision hereof.

15.13 Notice. Any notice, demand, or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by receipted overnight delivery, or five (5) days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Seller:	Success Healthcare, LLC 999 Yamato Road, 3rd Floor Boca Raton, Florida 33431 Attention: Chief Executive Officer
with a copy to: (which shall not constitute notice)	Waller Nashville City Center 511 Union Street, STE. 2700 Nashville, Tennessee 37219 Attention: John Tishler, Esq. and Brian Browder, Esq.
If to Buyer:	Americore Holdings, LLC 4337 Seagrape Drive Lauderdale by the Sea, Florida 33308

Attention: Grant R. White

with a copy to:
(which shall not constitute notice)

Jones Day
77 West Wacker Drive, STE 3700
Chicago, Illinois 60601
Attention: Christopher B. Anderson, Esq.

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

15.14 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice, or disturb the validity of the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

15.15 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine, and neuter, and the number of all words herein shall include the singular and plural.

15.16 Divisions and Headings. The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

15.17 Reserved.

15.18 Affiliates. As used in this Agreement, the term "**Affiliate**" means, as to the entity in question, any person or entity that directly or indirectly controls, is controlled by or is under common control with, the entity in question and the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through ownership of voting securities, by contract or otherwise.

15.19 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO DEMAND THAT ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE RELATIONSHIPS OF THE PARTIES HERETO BE TRIED BY JURY. THIS WAIVER EXTENDS TO ANY AND ALL RIGHTS TO DEMAND A TRIAL BY JURY ARISING FROM ANY SOURCE INCLUDING, BUT NOT LIMITED TO, THE CONSTITUTION OF THE UNITED STATES OR ANY STATE THEREIN, COMMON LAW OR ANY APPLICABLE STATUTE OR REGULATIONS. EACH PARTY HERETO ACKNOWLEDGES THAT IT IS KNOWINGLY AND VOLUNTARILY WAIVING ITS RIGHT TO DEMAND TRIAL BY JURY.

15.20 No Inferences. Inasmuch as this Agreement is the result of negotiations between sophisticated parties of equal bargaining power represented by counsel, no inference in favor of, or against, either party shall be drawn from the fact that any portion of this Agreement has been drafted by or on behalf of such party.

15.21 No Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of Buyer and Seller 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.

15.22 Entire Agreement/Amendment. With the exception of the Confidentiality Agreement, this Agreement supersedes all previous contracts or understandings, including any offers, letters of intent, proposals or letters of understanding, and constitutes the entire agreement of whatsoever kind or nature existing between or among the parties respecting the within subject matter, and no party shall be entitled to benefits other than those specified herein. As between or among the parties, no oral statements or prior written material not specifically incorporated herein shall be of any force and effect. The parties specifically acknowledge that in entering into and executing this Agreement, the parties rely solely upon the representations and agreements contained in this Agreement and no others. All prior representations or agreements, whether written or verbal, not expressly incorporated herein are superseded, and no changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all parties hereto. This Agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

15.23 Risk of Loss. Notwithstanding any other provision hereof to the contrary, the risk of loss in respect of casualty to the Assets shall be borne by Seller prior to the Effective Time and by Buyer thereafter.

15.24 Seller's Knowledge. As used herein, the terms "**Seller's Knowledge**", "**Knowledge of Seller**" or words of similar import shall mean the actual knowledge of any of the Chief Executive Officer, Chief Financial Officer, Chief Nursing Officer or the Director of Plant Operations of the Hospital.

15.25 SilverLake TSA. In connection with the consummation of the transactions contemplated by that certain Asset Purchase Agreement between L.A. Downtown Medical Center LLC, a California limited liability company, Promise Healthcare, Inc., a Florida corporation, Seller, Success Healthcare 1, LLC, a California limited liability company and HLP of Los Angeles, LLC, a California limited liability company, Seller shall execute and deliver and either Seller or Buyer, as applicable, shall cause St. Alexius Hospital Corporation #1 to execute and deliver the transition services agreement in substantially the form attached hereto as Exhibit E.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their authorized officers, all as of the date first above written.

SELLER:

SUCCESS HEALTHCARE, LLC

By: 
Name: Andrew Hinkelman
Title: Chief Restructuring Officer

BUYER:

AMERICORE HOLDINGS, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their authorized officers, all as of the date first above written.

SELLER:

SUCCESS HEALTHCARE, LLC

By: _____
Name: _____
Title: _____

BUYER:

AMERICORE HOLDINGS, LLC

By: _____
Name: Grant White
Title: President

EXHIBIT A

THE COMPANIES

1. St. Alexius Hospital Corporation #1, d/b/a St. Alexius Hospital

2. St. Alexius Properties, LLC

EXHIBIT B

ASSIGNMENT, ASSUMPTION AND DISTRIBUTION AGREEMENT

See attached.

EXHIBIT C

ASSIGNMENT OF MEMBERSHIP INTERESTS

See attached.

EXHIBIT D

TRANSITION SERVICES AGREEMENT

See attached.

EXHIBIT E

SILVERLAKE TSA

See attached.

EXHIBIT Z

STALKING HORSE PROVISIONS

1. Section 7.1(b) is deleted in its entirety and replaced with the following:

(b) From and after the date hereof and until the Closing Date or the termination of this Agreement, Seller shall not take any action which is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Sale Procedures Order or this Agreement. If Buyer is the Successful Bidder (as defined in the Sale Procedures Order) at the Auction (as defined in the Sale Procedures Order), Seller shall not take any action which is intended to, or fail to take any action the intent of which failure to act is to, result in the reversal, voiding, modification or staying of the Sale Order or this Agreement.

2. Section 7.1(d) is deleted in its entirety and replaced with the following:

(d) The Sale Procedures Order shall provide, inter alia, that in the event the Bankruptcy Court approves a sale of the Purchased Interests with a buyer other than Buyer, Seller shall be required to pay Buyer the Break-Up Fee and Expense Reimbursement (collectively, the "Bid **Protections**"). The Bid Protections shall be allowed superpriority administrative expense claims of Seller under Section 364(c)(1) of the Bankruptcy Code with priority over any and all administrative expenses of any kind, including those specified in Sections 503(b) or 507(b) of the Bankruptcy Code, and, if it is earned shall be paid at Closing from the sale proceeds prior to the payment of any other amounts. The Sale Procedures Order shall provide, in the event of an Auction, for an initial overbid protection in an amount equal to the Expense Reimbursement plus the Break -Up Fee plus $200,000 and minimum bid increments thereafter of $200,000. The Sale Procedures Order shall provide that any Qualified Bid (as defined in the Sale Procedures Order) shall be a bid for all of the Purchased Interests and shall contemplate the same transaction form and structure as contemplated by this Agreement and the transactions contemplated herein.

3. The following provisions shall be added to Section 7.1(e):

(vii) "**Alternative Transaction Agreement**" means, with respect to an Alternative Transaction Proposal, any acquisition agreement or other similar agreement.

(viii) "**Break Up Fee**" means an amount equal to 2% of the cash purchase price received by Seller at the consummation of the transaction contemplated by an Alternative Transaction Agreement.

(ix) "**Expense Reimbursement**" means the out-of-pocket expenses reasonably incurred by Buyer in connection with the transactions contemplated hereby; provided that such amount shall not exceed $100,000.

(x) "**Sale Procedures Order**" means a Final Order of the Bankruptcy Court in in form and substance reasonably satisfactory to Buyer and Seller approving the procedures for the sale of the Purchased Interests.

(xi) "**Stalking Horse Bidder**" means Buyer.

4. The following provisions shall be added to Section 13.1:

(e) By Seller if (i) the Seller concurrently with the termination of this Agreement enters into, an Alternative Transaction Agreement and (ii) Seller pays Buyer the Break-Up Fee and the Expense Reimbursement pursuant to the terms of Section 13.3 concurrently with the consummation of the transaction contemplated by the Alternative Transaction Agreement;

(f) By Seller if (i) the Seller concurrently with the termination of this Agreement fails to enter into, an Alternative Transaction Agreement and (ii) Seller pays Buyer the Break-Up Fee and the Expense Reimbursement pursuant to the terms of Section 13.3 concurrently with the consummation of the transaction contemplated by the Alternative Transaction Agreement; or

(g) By Buyer upon delivery of written notice to Seller if:

(i) Seller enters into a definitive agreement with respect to an Alternative Transaction; or

(ii) Seller seeks or supports approval of an Alternative Transaction.

5. Section 13.2 is deleted in its entirety and replaced with the following:

13.2 Effect of Termination. Subject to the provisions of this Section 13.2, the rights of termination set forth above are in addition to any other rights a terminating party may have under this Agreement and the other document related to the transactions contemplated herein, and the exercise of a right of termination will not be an election of remedies. Notwithstanding the foregoing sentence, in the event of any termination of this Agreement by either Buyer or Seller as provided in Section 13.1, this Agreement shall forthwith become void, and there shall be no Liability on the part of any party or any of its or their Affiliates to any other Person resulting from, arising out of, relating to, or in connection with this Agreement or any other document related to the transactions contemplated herein, except that (a) nothing in this Agreement or any other document related to the transactions contemplated herein will relieve any party from any material breach of this Agreement or any other document related to the transactions contemplated herein prior to such termination or for fraud, intentional misrepresentation or willful or criminal misconduct, (b) Article 15 (Miscellaneous) and any pre-termination breaches of such provisions shall survive any termination of this Agreement and each party shall be entitled to all remedies available at law or in equity in connection with any past or future breach of any such provision and (c) Seller's obligations to pay Buyer the Break-Up Fee and the Expense Reimbursement in accordance with Section 13.3.

6. Section 13.3 is deleted in its entirety and replaced with the following:

13.3 Fees and Expenses. In the event that this Agreement is terminated by Seller pursuant to Section **Error! Reference source not found.** and (i) Seller subsequently consummates an Alternative Transaction, then Seller shall pay to Buyer the Break-Up Fee and Expense Reimbursement or (ii) Seller does not consummate an Alternative Transaction by the ATA Date then the Seller shall be required to pay to Buyer $200,000 plus Expense Reimbursement; provided, however, that the Break-Up Fee and Expense Reimbursement shall be subject to the approval of or modification by the applicable bankruptcy court in the event that the Alternative Transaction is consummated pursuant to a sale in accordance with Section 363 of the Bankruptcy Code.

7. Section 15.10 is deleted in its entirety and replaced with the following:

15.10 Confidentiality. It is understood by the parties hereto that the information, documents, and instruments delivered to Buyer by Seller and its agents and the information, documents, and instruments delivered to Seller by Buyer and its agents are of a confidential and proprietary nature. Each of the parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such confidential information, documents, or instruments delivered to it by each of the other parties hereto or their agents in connection with the negotiation of this Agreement or in compliance with the terms, conditions, and covenants hereof and will only disclose such information, documents, and instruments to its duly authorized officers, members, directors, representatives, and agents (including consultants, attorneys, and accountants of each party) and applicable Government Entity authorities in connection with any required notification or application for approval or exemption therefrom. Each of the parties hereto further agrees that if the transactions contemplated hereby are not consummated, it will return all such documents and instruments and all copies thereof in its possession to the other parties to this Agreement. Each of the parties hereto recognizes that any breach of this Section 15.10 would result in irreparable harm to the other party to this Agreement and its Affiliates and that therefore either Seller or Buyer shall be entitled to an injunction to prohibit any such breach or anticipated breach, without the necessity of posting a bond, cash, or otherwise, in addition to all of its other legal and equitable remedies. Nothing in this Section 15.10, however, (a) shall prohibit the use of such confidential information, documents, or information for such governmental filings as in the opinion of Seller's counsel or Buyer's counsel are required by law or governmental regulations or are otherwise required to be disclosed pursuant to applicable Law, (b) shall prohibit or limit Seller's right to pursue an Alternative Transaction in accordance with the terms of this Agreement or (c) shall prohibit the use of such confidential information in connection with the Bankruptcy Case or as otherwise Ordered by the Bankruptcy Court.

8. Section 15.11 is deleted in its entirety and replaced with the following:

15.11 Public Announcements. Seller and Buyer mutually agree that no party hereto shall release, publish, or otherwise make available to the public in any manner whatsoever any information or announcement regarding the transactions herein contemplated without the prior written consent of Seller and Buyer, except for information and filings reasonably necessary to be directed to Government Entities to fully and lawfully effect the transactions herein contemplated or required in connection with securities and other laws and except in connection with pursuing an Alternative Transaction in accordance with the terms of this Agreement and except in connection with the Bankruptcy Case or as otherwise Ordered by the Bankruptcy Court.

AMENDMENT NO. 1
TO
PURCHASE AGREEMENT

This AMENDMENT NO. 1 TO PURCHASE AGREEMENT, dated as of December 3, 2018 ("Amendment"), by and among **SUCCESS HEALTHCARE, LLC**, a California limited liability company ("Seller"), and **AMERICORE HOLDINGS, LLC,** a Delaware limited liability company ("Buyer"). Buyer and Seller are referred to collectively herein as the "Parties."

RECITALS

WHEREAS, the Parties have entered into that certain Purchase Agreement, dated as of November 14, 2018 (the "Purchase Agreement");

WHEREAS, pursuant to Section 15.22 of the Purchase Agreement, no changes in or additions to the Purchase Agreement shall be recognized unless and until made in a writing and signed by the Parties; and

NOW, THEREFORE, in consideration of these premises and the agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Defined Terms. Capitalized terms used herein, including in the preamble and recitals hereto, and not otherwise defined herein or otherwise amended hereby, shall have the meanings ascribed to such terms in the Purchase Agreement.

2. Amendment.

(a) The introductory paragraph to Section 1.2 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "1.2 Assets. As of the Closing, Seller or a Company shall own all of the assets used in connection with the operation of the Facilities, other than the Excluded Assets (hereinafter defined), which assets shall include, without limitation, the following (the "**Assets**"):"

(b) Section 1.2(h) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "(h) (i) all rights and interests of each Company in the contracts, commitments, leases and agreements to which such a Company is a party with respect to the Facilities, other than the Excluded Contracts and (ii) all rights and interests of Seller in the contracts, commitments, leases and agreements to which Seller is a party solely with respect to the Facilities, other than the Excluded Contracts (the items described in (ii) being referred to herein as the "**Assumed Contracts**");

(c) Section 1.3(i) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "(i) any contracts, commitments or agreements that are available to the Companies by reason of their being Affiliates of Seller (the "**Excluded Contracts**");"

(d) Schedule 1.3(i) of the Purchase Agreement is hereby deleted in its entirety.

(e) Section 1.4(b) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "(b) Schedule 1.4(b) to be attached on or before December 21, 2018 (or such other date as agreed by the parties) will set forth Seller's good faith estimate of the Cure Amount for each Assumed Contract. Prior to the Sale Hearing (as defined in the Sale Procedures Order), Seller shall commence appropriate proceedings before the Bankruptcy Court and otherwise take all reasonably necessary actions to determine the actual amount of the Cure Amounts, including resolving any disputes as to Cure Amounts prior to or at the Sale Hearing, such that all Assumed Contracts may be assumed by Seller and assigned to Buyer or the applicable Company, in accordance with Section 365 of the Bankruptcy Code; provided that Buyer shall be solely responsible for the payment of any Cure Amount (or shall delivery into escrow amounts sufficient to pay any claim for Cure Amounts that remain disputed as of the Closing as the Bankruptcy Court shall determine)."

(f) Section 1.5(e) is hereby added to the Purchase Agreement to read in its entirety as follows:

> "(e) any liabilities associated with Terminated Contracts."

(g) Section 2.2(b) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "(b) Reserved;"

(h) Section 5.6 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "5.6 Efforts to Close. Seller shall use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Article 8 to the extent that Seller's action or inaction can control or influence the satisfaction of such conditions. In addition, Seller shall use commercially reasonable efforts to assist Buyer in obtaining evidence that the Lutheran School of Nursing shall continue to be eligible to participate in the Department of Education funding programs that it participated in immediately prior to the filing of the Bankruptcy Case."

(i) Section 6.2 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

> "6.2 Efforts to Close. Buyer shall use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Article 9 to the extent that Buyer's action or inaction can control or influence the satisfaction of such conditions. In addition, Buyer shall use commercially reasonable efforts to obtain evidence that the Lutheran School of Nursing shall continue to be eligible to participate in the Department of Education funding programs that it participated in immediately prior to the filing of the Bankruptcy Case."

(j) A new Section 6.3 is hereby added to the Purchase Agreement to read in its entirety as follows:

"6.3 Buyer shall permit Seller to terminate those contracts set forth on Schedule 6.3 hereto (each, a "Terminated Contract"), which terminations Buyer expressly agrees and acknowledges shall not be considered a breach of this Agreement. To the extent any of the Terminated Contracts are also Excluded Contracts, such Terminated Contracts shall no longer be considered Excluded Contracts."

(k) Schedule 6.3 attached hereto as Exhibit A is hereby added to the Purchase Agreement.

(l) Section 7.1(e)(v) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"(v) "**Sale Order**" means a one or more Final Order(s) of the Bankruptcy Court in form and substance reasonably satisfactory to Buyer and Seller approving, inter alia, (a) the sale of the Purchased Interests to Buyer free and clear of any encumbrances (other than Permitted Encumbrances); (b) the assumption and assignment of the Assumed Contracts; (c) the extinguishment and cancellation of all Liabilities arising prior to the Closing between Holdco and/or the Companies, on the one hand, and Seller and/or any of its Affiliates (other than Holdco and the Companies), on the other hand; and (d) dismissal of Holdco, St. Alexius Hospital Corporation #1 dba St. Alexius Hospital, and St. Alexius Properties, LLC from the Bankruptcy Case.

(m) Section 13.1(b) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"(b) By either Buyer or Seller upon delivery of written notice to the other if the Closing has not occurred on or before 5:00 p.m., Central Time, on January 31, 2019 (the "End Date"); provided, that neither Buyer nor Seller will be entitled to terminate this Agreement pursuant to this Section 13.1(b) (i) if such Person's material breach of, or material failure to fulfill any obligation under, this Agreement or any other document related to the transactions contemplated herein has been the principal cause of the failure of the Closing to occur on or prior to such time on the End Date or (ii) if the Bankruptcy Court has not entered the Sale Order by the End Date other than in connection with the Bankruptcy Court's disapproval of the transactions contemplated hereby;

3. Effective Date of this Amendment. This Amendment shall, upon execution and delivery hereof by the Parties hereto, be deemed in full force and effect as of December 3, 2018, to the fullest extent permitted by applicable law.

4. Miscellaneous. Except as expressly amended hereby, the Purchase Agreement and all other documents, agreements and instruments relating thereto are and shall remain unmodified and in full force and effect and are hereby ratified and confirmed. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any party under the Purchase Agreement, nor, except as expressly provided herein, constitute a waiver or amendment of any other provision of the Purchase Agreement. This Amendment may be executed by facsimile and in counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute

one and the same agreement. The headings contained in this Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Amendment.

[Remainder of page intentionally left blank. Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 as of the date set forth above.

SELLER:

SUCCESS HEALTHCARE, LLC

By: _____
Name: Andrew Hinkelman
Title: Interim CFO

BUYER:

AMERICORE HOLDINGS, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 as of the date set forth above.

SELLER:

SUCCESS HEALTHCARE, LLC

By: _____
Name: _____
Title: _____

BUYER:

AMERICORE HOLDINGS, LLC

By: _____
Name: Grant R. White
Title: President

EXHIBIT A

Schedule 6.3

Terminated Contracts

1. Staffing Agreement by and between Success Healthcare, LLC and CHG Medical Staffing, Inc., dated May 11, 2018

2. Supply Agreement, as amended, by and between Doctors Community Healthcare Corporation and Medline Industries, Inc., dated April 20, 2004