THIRD AMENDMENT TO DEBTOR IN POSSESSION CREDIT AGREEMENT

This Third Amendment to Debtor in Possession Credit Agreement, dated as of June 20, 2011 (this "Amendment"), is made by and between GENERAL ELECTRIC CAPITAL **CORPORATION**, a Delaware corporation, in its capacity as agent under the Credit Agreement referred to below (in such capacity, "Agent"), the "Lenders" under and as defined in such Credit Agreement, and SAINT VINCENTS CATHOLIC MEDICAL CENTERS OF NEW YORK, a New York not-for-profit corporation, as debtor in possession, ST. JEROME'S HEALTH **SERVICES CORPORATION**, a New York not-for-profit corporation, as debtor in possession, PAX CHRISTI HOSPICE, INC., a New York not-for-profit corporation, as debtor in possession, SISTERS OF CHARITY HEALTH CARE SYSTEM NURSING HOME, INC., a New York not-for-profit corporation, as debtor in possession, SVCMC PROFESSIONAL REGISTRY, INC., a New York corporation, as debtor in possession, CHAIT HOUSING **DEVELOPMENT CORPORATION**, a New York not-for-profit corporation, as debtor in possession, FORT PLACE HOUSING CORPORATION, a New York not-for-profit corporation, as debtor in possession, 555 6TH AVENUE APARTMENT OPERATING CORPORATION, a New York corporation, as debtor in possession, and BISHOP FRANCIS J. MUGAVERO CENTER FOR GERIATRIC CARE, INC., a New York not-for-profit corporation, as debtor in possession (collectively, "Borrowers" and each, individually, a "Borrower"), with reference to the following:

RECITALS

- A. Agent, Lenders and Borrowers are parties to that certain Debtor in Possession Credit Agreement dated as of April 16, 2010, as amended by a First Amendment to Debtor in Possession Credit Agreement and Waiver dated as of December 29, 2010 and a Second Amendment to Debtor in Possession Credit Agreement dated as of January 28, 2011 (as amended, the "Credit Agreement"). Capitalized terms used in this Amendment but not defined shall have the meaning given to them in the Credit Agreement.
- B. Borrowers have requested that Agent and Lenders agree to amend the terms of the Credit Agreement.
- C. Agent and Lenders are willing to do so on the terms and conditions set forth in this Amendment.
- **NOW, THEREFORE**, in consideration of the premises, the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE I ACKNOWLEDGMENTS AND AGREEMENTS

1.1. <u>Affirmation of Recitals</u>. Each Borrower acknowledges and confirms that each of the recitals set forth above is true and correct.

- 1.2. <u>Outstanding Indebtedness</u>. Each Borrower acknowledges and confirms that all amounts owed by Borrowers to Lenders under the Credit Agreement are duly and validly owing and such amounts are not subject to any defense, counterclaim, recoupment or offset of any kind.
- 1.3. Approved Budget. The Approved Budget for the period between July 1, 2011 and December 31, 2011 shall be the budget contained in the Excel spreadsheet delivered by Borrower to Agent and approved by Agent on June 14, 2011. Attached hereto are the first four pages of such budget. The following amount under the line item "record retention" was included in the Approved Budget as a "placeholder" in case Agent hereafter approves the payment of such item -- \$2,000,000 during the week ending 09/23/11. Borrowers agree that such payments shall not be made unless Agent subsequently consents in writing to the payment of such amounts.
- 1.4. <u>Third Amendment Approval Order</u>. Borrowers have filed a motion with the Bankruptcy Court seeking the Bankruptcy Court's approval of this Amendment (the "<u>Third Amendment Approval Order</u>"). The Third Amendment Approval Order shall be satisfactory to Agent in Agent's sole discretion. Borrowers will use reasonable efforts to cause the Third Amendment Approval Order to be entered on or before June 30, 2011.
- 1.5. <u>Amendment Fee</u>. In consideration of Agent and Lenders entering into this Amendment, Borrowers shall pay to Agent for the benefit of Lenders a fee (the "<u>Third Amendment Fee</u>") in the amount of One Hundred Eighty One Thousand Two Hundred Fifty Dollars (\$181,250). The Third Amendment Fee shall be non-refundable and shall be fully earned on the Third Amendment Effective Date. Agent may disburse the Third Amendment Fee by making an advance under the Loan.
- 1.6. Consent of Pre-Petition Agent and Application of Deposit. The Pre-Petition Agent consents to use of its cash collateral (other than the Net Proceeds from the sale of the Main Hospital Facility) for payment of the Loans to the extent set forth in the Approved Budget (but not any amendment to the Approved Budget unless such amendment has been approved by the Pre-Petition Agent). The Net Proceeds from sale of the Main Hospital Facility shall be used to pay in full all amounts owed with respect to the Pre-Petition Credit Agreement. If the pending sale of the Main Hospital Facility does not close, and Borrowers receive the Main Hospital Sale Deposit, the Main Hospital Sale Deposit shall be remitted to the Pre-Petition Agent for application to amounts owed with respect to the Pre-Petition Credit Agreement.

ARTICLE II AMENDMENTS TO CREDIT AGREEMENT

Effective as of the Third Amendment Effective Date (as defined herein), the Credit Agreement is amended as follows:

- 2.1. <u>Amendment to Section 1.1(c) (Disposition of Assets)</u>. Section 1.1(c) is amended in its entirety as follows:
 - (c) The initial amount of the Aggregate Commitments shall be Seventy Eight Million Dollars (\$78,000,000). As of July 1, 2011, the Aggregate Commitments

shall be reduced to Fifty Million Dollars (\$50,000,000). If the Main Hospital Sale shall occur, and the Termination Date does not concurrently occur, the Aggregate Commitments shall at such time be reduced to Twenty-Two Million Five Hundred Thousand Dollars (\$22,500,000).

- 2.2. <u>Amendment to Section 1.6 (Last Day for Advances)</u>. Section 1.6 is amended in its entirety as follows:
 - 1.6 <u>Last Day for Advances</u>. Notwithstanding anything to the contrary in this Agreement, the last day on which a Borrowing may be made is December 23, 2011.
- 2.3. <u>Amendment to Section 1.8(b) (Maximum Permitted Loan Balance)</u>. Section 1.8(b) is amended in its entirety as follows:
 - (b) <u>Loan Exceeding Maximum Permitted Loan Balance</u>. If, during any calendar week, the aggregate outstanding principal balance of the Loans shall at any time exceed the Maximum Permitted Loan Balance, Borrowers shall immediately make a payment of principal equal to the amount of such excess.
- 2.4. <u>Amendment to Section 1.8(c) (Disposition of Assets)</u>. Section 1.8(c) is amended in its entirety as follows:
 - (c) Receipt of Net Proceeds from Unbudgeted Source of Funds or a Real Estate Disposition. If required by Agent, and if consented to by the Pre-Petition Agent, Borrowers shall, immediately upon receipt of any Unbudgeted Funds or any funds from a Real Estate Disposition (other than the Net Proceeds from sale of the Main Hospital Facility), remit to Agent all such Net Proceeds to Agent (any such funds remitted being a "Special Prepayment").
- 2.5. New Section 1.8(d) (Prepayment in Connection with Main Hospital Sale Closing); Renumbering of Remaining Sections. A new Section 1.8(d) is added to the Agreement as set forth below and the remaining sections of 1.8 are renumbered to reflect such addition:
 - (d) <u>Prepayment in Connection with Main Hospital Sale Closing</u>. Upon the Main Hospital Sale Closing, Borrowers shall pay to Agent the amount of all Net Proceeds from the Main Hospital Sale Closing, but in no event less than Forty Million Dollars (\$40,000,000). The amount paid by Borrowers to Agent pursuant to this Section 1.8(d) is the "<u>Main Hospital Sale Prepayment</u>."
- 2.6. <u>Amendment to Section 1.18 (Special Terms Related to Aptium Receivables)</u>. Section 1.18 is amended in its entirety as follows:
 - 1.18 Reserved.

- 2.7. <u>Amendment to Section 4.20 (Disposition of Assets)</u>. Section 4.20 is amended in its entirety as follows:
 - 4.20 <u>Disposition of Assets</u>. SVCMC shall use reasonable commercial efforts to ensure that the pending sale of the Main Hospital Facility is closed on a timely basis in accordance with the Main Hospital Approval Order and the existing transaction purchase documents. St. Jerome's and SVCMC shall use reasonable commercial efforts to ensure that the pending sale of the nursing home operated by St. Jerome's is closed on a timely basis in accordance with the St. Jerome's Sale Order and the existing transaction purchase documents. St. Elizabeth Ann's and SVCMC shall use reasonable commercial efforts to sell the nursing home operated by St. Elizabeth Ann's. Once the St. Elizabeth Ann's Sale Order has been entered, St. Elizabeth Ann's and SVCMC shall use reasonable commercial efforts to ensure that the sale of the nursing home operated by St. Elizabeth Ann's is closed on a timely basis in accordance with the St. Elizabeth Ann's Sale Order and the transaction purchase documents approved in such order. SVCMC shall use reasonable commercial efforts to liquidate all of its other remaining assets.
- 2.8. <u>Amendment to Section 5.2 (Material Contracts)</u>. Section 5.2 is amended in its entirety as follows:
 - 5.2 Disposition of Assets. No Credit Party shall, and no Credit Party shall suffer or permit any of its Subsidiaries to, directly or indirectly, undertake any Disposition of (whether in one or a series of transactions) any Property or enter into any agreement to do any of the foregoing, except (a) sale of inventory in the ordinary course of business; (b) Disposition of equipment at the Main Hospital Facility that is no longer needed as a result of the Closure Plan, (c) Disposition of worn-out or surplus equipment having a book value not exceeding \$50,000 in the aggregate after the Petition Date; (d) conversion of Cash Equivalents into different Cash Equivalents; (e) licenses, sublicenses, leases or subleases granted to third Persons in the Ordinary Course of Business not interfering in any material respect with the business of any Borrower or any of its Subsidiaries; (f) any sale approved by an order of the Bankruptcy Court entered on or before June 7, 2011 so long as such sale is consummated in accordance with the sale documents in place as of June 7, 2011 or as modified with the consent of Agent, and (g) sale of the nursing home owned by St. Elizabeth Ann's substantially in accordance with the motion filed by Borrowers on or about June 9, 2011 or as modified with the consent of Agent.
- 2.9. <u>Amendment to Section 5.15 (Material Contracts)</u>. Section 5.15 is amended in its entirety as follows:
 - 5.15 <u>Material Contracts</u>. The Credit Parties (a) shall not change or amend any material term or provision of the contracts and agreements pursuant to which the Chief Restructuring Officer, the Investment Banker and the Financial Advisor have been retained, and (b) shall not change or amend any material term or provision of any material contracts.

- 2.10. <u>Amendment to Section 7.1(c) (Specific Defaults)</u>. Section 7.1(c) is amended in its entirety as follows:
 - (c) <u>Specific Defaults</u>. Any Credit Party fails to perform or observe any term, covenant or agreement contained in any of <u>Sections 4.1</u>, <u>4.3(a)</u> or <u>9.10(d)</u>, <u>4.9</u>, <u>4.10</u>, <u>4.11</u> or <u>4.15</u> or <u>Article V</u> or <u>VI</u>;
- 2.11. <u>Addition of New Section 7.1(k) (Asset Dispositions)</u>. A new Section 7.1(k) is added to the Agreement as follows:
 - (k) <u>Asset Dispositions</u>. Any of the following events shall occur: (i) the Main Hospital Approval Order shall be modified without the consent of Agent or shall have been stayed or reversed, (ii) the Main Hospital Sale Closing shall not have occurred on or before September 30, 2011, (iii) the St. Jerome's Sale Order shall be modified without the consent of Agent (which shall not be unreasonably withheld) or shall have been stayed or reversed, or (iv) the St. Elizabeth Ann's Sale Order, once entered, shall be modified without the consent of Agent (which shall not be unreasonably withheld) or shall have been stayed or reversed.
- 2.12. <u>Amendment to Section 12.1</u>. The chart at the beginning of Section 12.1 is hereby amended to delete and add the definitions set forth below:

Definitions to be Deleted from the Chart

"Aptium Excess Amount"	1.18(c)
"Aptium Shortfall Amount"	1.18(c)
"Asset Sale Prepayment"	1.8(c)

Definitions to be Added to the Chart

"Main Hospital Sale Prepayment"	1.8(d)
"Special Prepayment"	1.8(c)
"St. Elizabeth Ann's"	Preamble

- 2.13. <u>Amendment to Definitions</u>. The following definitions set forth in Section 21.1 are hereby amended and restated to read as follows:
 - "Aggregate Commitment" means the combined Commitments of Lenders, which were \$78,000,000 between the Closing Date and June 30, 2011 and which became \$50,000,000 as of July 1, 2011, and which may be further reduced as set forth in this Agreement.
 - "Maximum Permitted Loan Balance" means, as of any date, the lesser of (a) the then applicable amount of the Aggregate Commitments, and (b) in any week, 105% of the Projected Budget Amount for such week; in each case minus any Reserves established by Agent.
 - "Net Proceeds" means proceeds in cash, checks or other cash equivalent financial instruments (including Cash Equivalents) as and when received by Borrowers or any of their Subsidiaries from any Disposition, net of: (a) payment of investment

banker fees to the extent such fees have been approved by the Court and consented to by Agent, (b) customary escrow pro-rations, (c) to the extent approved by the Bankruptcy Court, amounts required to be applied to repay any Indebtedness or other obligation secured by a Permitted Encumbrance on the asset which is the subject of such Disposition that is senior to the Lien of Agent (which shall, for the avoidance of doubt, include the Permitted Encumbrance of the Pre-Petition Agent); provided that in the case of a Disposition involving sale of the business or real property of a Nursing Home Borrower, the Net Proceeds received from such Disposition and any other property owned by such Nursing Home Borrower shall, at the option of Agent, be applied on account of the Obligations rather than on account of the Pre-Petition Obligations.

"Scheduled Maturity Date" means December 31, 2011.

"Termination Date" means the earliest to occur of: (a) the Scheduled Maturity Date; (b) if a Plan of Reorganization has been confirmed by the Bankruptcy Court, the earlier of (i) the effective date of such Plan of Reorganization or (ii) the thirtieth (30th) day after the date of entry of the confirmation order; (c) the occurrence of the Second Closing; (d) the date of indefeasible payment in cash in full by Borrowers of all Obligations in accordance with the terms hereof; or (e) the acceleration of the Obligations.

2.14. New Definitions. The following definitions are hereby added to Section 21.1:

"Main Hospital Approval Order" means the order of the Bankruptcy Court entered on or about April 11, 2011 approving SVCMC's sale of the Main Hospital Facility.

"Main Hospital Sale Closing" means the closing of a sale of all or substantially all of the Main Hospital Facility.

"Main Hospital Sale Deposit" means the deposit held by SVCMC in connection with the purchase transaction approved by the Main Hospital Approval Order.

"Projected Budget Amount" means, in any week, (i) if neither a Special Prepayment nor the Main Hospital Sale Prepayment has been made, the amount shown in the Approved Budget as the "Total DIP Borrowings" for such week, (ii) if a Special Prepayment has been made, the amount shown in the Approved Budget as the "Total DIP Borrowings" for such week minus the aggregate amount of all Special Prepayments that have been made, and (iii) if the Main Hospital Sale Prepayment has been made, the amount shown in the Approved Budget as the "Total DIP Borrowings" for such week (it being understood that, pursuant to Section 6.1, the Approved Budget will have been revised to reflect sale of the Main Hospital).

"Real Estate Disposition" means a Main Hospital Sale Closing, a St. Elizabeth Ann's Sale Closing, or a St. Jerome's Sale Closing.

"Second Closing" means the second to occur of the following events: (a) the Main Hospital Sale Closing, and (b) either (i) the St. Jerome's Sale Closing, or (ii) the St. Elizabeth Ann's Sale Closing.

- "St. Elizabeth Ann's Sale Closing" means a closing of the sale of the nursing home owned by St. Elizabeth Ann's.
- "St. Elizabeth Ann's Sale Order" means an order of the Bankruptcy Court approving St. Elizabeth Ann's sale of the nursing home that it operates.
- "St. Jerome's Sale Closing" means a closing of the sale of the nursing home owned by St. Jerome's (which nursing home is generally known as Holy Family Home)
- "St. Jerome's Sale Order" means the order of the Bankruptcy Court entered on or about October 12, 2010 approving St. Jerome's sale of the nursing home that it operates.
- "Unbudgeted Funds" means (a) all funds received by Borrowers from an Unbudgeted Source of Funds if the amount received from the relevant transaction was equal to or greater than One Million Dollars (\$1,000,000), and (b) funds received by Borrowers from any Unbudgeted Source of Funds (other than those transactions referred to in clause (a) of this definition) in excess of One Million Dollars (\$1,000,000) in the aggregate.
- "Unbudgeted Source of Funds" means receipt by Borrowers of funds from a source not contemplated by the Approved Budget (e.g., funds from the bank accounts of a Nursing Home Borrower, receipt of funds currently held in escrow as a result of sale of the behavioral health business of SVCMC, receipt of the Main Hospital Sale Deposit) that are not required to be paid to the holder of a Senior Permitted Lien.
- 2.15. <u>Deleted Definitions</u>. The following definitions are hereby deleted from Section 21.1:
 - "Aptium"
 - "Aptium Control Account"
 - "Aptium Daily Estimation Distribution"
 - "Aptium Estimation Amount"
 - "Aptium Estimation Report"
 - "Aptium Intercreditor Agreement"
 - "Aptium Receivables"
 - "Aptium Services Agreement"
- 2.16. <u>Amendment of Schedule 1.1</u>. Schedule 1.1 is hereby amended to delete the current version and to replace it with the version attached to this Amendment.
- 2.17. <u>Amendment to Section 1 of Schedule 6.2</u>. Section 1 of Schedule 6.2 is hereby amended to add the following at the end thereof:
 - 1.7. Borrower Representative shall deliver bi-weekly reports to Agent summarizing the status of Borrowers' progress toward formulating and obtaining confirmation of a chapter 11 plan.

2.18. <u>Amendment to Section 4 of Schedule 6.2</u>. Section 4 of Schedule 6.2 is hereby amended to read as follows:

4. <u>Financial Performance.</u>

- 4.1. At the close of any week, the outstanding principal amount of the Loan shall not exceed 105% of the amount projected to be outstanding for such week in the Approved Budget.
- 4.2. As of the close of each week commencing with the week ending 07/01/11, the aggregate cash receipts of SVCMC for the period commencing with the week ending 05/27/11 and ending on the last day of such week shall not be less than 95% of the cumulative amount forecast to be received for such period of time in the Approved Budget.
- 4.3. SVCMC shall not incur postpetition trade credit in excess of \$1,000,000 outstanding at any one time.
- 4.4. As of Friday of any particular week, SVCMC shall not have cash on hand in excess of \$5,000,000 in the aggregate. The foregoing shall be exclusive of cash from the proceeds of asset dispositions or settlement that is being held in escrow while the rights of lienholders are being determined (e.g., proceeds of sale of the behavioral health division, the settlement proceeds from the dispute with Richmond University Medical Center, amounts received with respect to the Bayley Seton settlement related to East Nineteenth Street, LLC).

ARTICLE III CONDITIONS TO EFFECTIVENESS

- 3.1. <u>Conditions Precedent</u>. This Amendment shall become effective as of the date (the "<u>Third Amendment Effective Date</u>") upon satisfaction of each of the following conditions (unless waived by Agent in its sole discretion);
- (a) Agent shall have received duly executed counterparts of this Amendment from Borrowers and Lenders;
- (b) Agent shall have received duly executed counterparts of this Amendment from counsel to the Committee in the form attached hereto;
 - (c) Agent shall have received payment of the Third Amendment Fee;
- (d) The Third Amendment Approval Order shall have been entered by the Bankruptcy Court and the Third Amendment Approval Order shall be satisfactory to Agent in all respects, in the sole discretion of Agent; and
- (e) Prepetition Agent shall have received an agreement from counsel to the Committee to the effect that the Challenge Deadline (as defined in the Final Order) will

immediately and automatically expire upon repayment of the Prepetition Obligations and that no Challenge (as defined in the Final Order) may be brought with respect to any Prepetition Lien and Claim Matters (as defined in the Final Order); provided that, at the time of repayment of the Prepetition Obligations, Borrowers have not used proceeds of sale of the nursing home operated by St. Jerome's or the Nursing Home operated by SEA to repay the Prepetition Obligations.

ARTICLE IV MISCELLANEOUS

- 4.1. Representations and Warranties. To induce Agent and Lenders to enter into this Amendment, each Borrower represents and warrants to Agent and Lenders that (a) each Borrower has the legal power and authority to execute and deliver this Amendment; (b) the officers of each Borrower executing this Amendment have been duly authorized to execute and deliver the same and bind each Borrower with respect to the provisions hereof; (c) the execution and delivery hereof by each Borrower and the performance and observance by each Borrower of the provisions hereof do not violate or conflict with any organizational document of any Person party hereto or any law applicable to any Borrower or result in a breach of any provision of or constitute a default under any other agreement, instrument or document binding upon or enforceable against any Borrower; (d) no Default or Event of Default exists under the Credit Agreement, nor will any occur immediately after the execution and delivery of this Amendment or by the performance or observance of any provision hereof; provided that the foregoing representation and warranty does not apply to "Group 4" of Section 2.1 of Schedule 6.2; (e) no Borrower is aware of any claim or offset against, or defense or counterclaim to, any of their obligations or liabilities under the Credit Agreement or any other Loan Document; and (f) this Amendment and each document executed by any Borrower in connection herewith constitute valid and binding obligations of the applicable Person in every respect, enforceable in accordance with their terms.
- 4.2. <u>Loan Documents Unaffected</u>. Except as otherwise specifically provided herein, all provisions of the Credit Agreement and the other Loan Documents shall remain in full force and effect and be unaffected hereby. The parties hereto acknowledge and agree that this Amendment constitutes a "<u>Loan Document</u>" under the terms of the Credit Agreement.
- 4.3. No Other Promises or Inducements. There are no promises or inducements that have been made to any party hereto to cause such party to enter into this Amendment other than those that are set forth in this Amendment. This Amendment has been entered into by each Borrower freely, voluntarily, with full knowledge, and without duress, and, in executing this Amendment, no Borrower is relying on any other representations, either written or oral, express or implied, made to any Borrower by Agent or any Lender. Each Borrower agrees that the consideration received by each Borrower under this Amendment has been actual and adequate.
- 4.4. <u>No Course of Dealing</u>. Each Borrower acknowledges and agrees that, (a) this Amendment is not intended to, nor shall it, establish any course of dealing between the Borrowers, Agent and Lenders that is inconsistent with the express terms of the Credit Agreement or any other Loan Document, and (b) notwithstanding any course of dealing between the Borrowers, Agent and Lenders prior to the date hereof, except as set forth herein, Lenders shall not be obligated to make any Loan, except in accordance with the terms and conditions of

this Amendment and the Credit Agreement. Nothing herein modifies the agreements among Agent and Lenders with respect to the exercise of their respective rights and remedies under the terms of the Credit Agreement.

- 4.5. <u>No Waiver</u>. Each Borrower acknowledges and agrees that (a) this Amendment shall not operate as a waiver of any right, power or remedy of Agent or Lenders under the Credit Agreement or any other Loan Document, nor shall it constitute a continuing waiver at any time, and (b) nothing herein shall in any way prejudice the rights and remedies of Agent or Lenders under the Credit Agreement, any Loan Document or applicable law. In addition, Agent and Lenders shall have the right to waive any condition or conditions set forth in this Amendment, the Credit Agreement or any other Loan Document, in their sole discretion, and any such waiver shall not prejudice, waive or reduce any other right or remedy that Agent or Lenders may have against any Borrower.
- Reaffirmation. Each Borrower, as debtor, grantor, pledgor, guarantor, assignor, 4.6. or in other any other similar capacity in which such Borrower grants liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Loan Documents to which it is a party (after giving effect hereto) and (ii) to the extent such Person granted liens on or security interests in any of its property pursuant to any such Loan Document as security for the Obligations under or with respect to the Loan Documents, ratifies and reaffirms such grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. Each Borrower hereby acknowledges that each of the Loan Documents remains in full force and effect and is hereby ratified and reaffirmed. The execution of this Amendment shall not operate as a or serve to effect a novation of the Obligations. Each Borrower acknowledges that all references in the Credit Agreement to the "Agreement" or the "Loan Agreement" shall mean the Credit Agreement, as amended hereby, and all references in the Loan Documents to the "Credit Agreement" shall mean the Credit Agreement, as amended hereby.
- 4.7. <u>Survival</u>. Any representations, warranties, covenants, agreements, releases and waivers made by or on behalf of any Borrower under this Amendment shall survive and continue.
- 4.8. <u>Modification; Waiver</u>. This Amendment may not be modified orally, but only by an agreement in writing signed by the parties hereto. Any provision of this Amendment can be waived, amended, supplemented or modified by written agreement of the parties hereto.
- 4.9. <u>Entire Agreement</u>. This Amendment sets forth the entire agreement and understanding among the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements, and undertakings of every kind and nature among them with respect to the subject matter hereof.
- 4.10. <u>Counterparts</u>; <u>Facsimile or Electronic Transmission of Signature</u>. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute

one and the same instrument. The manual signature of any party hereto that is transmitted to any other party or its counsel by facsimile or electronic transmission shall be deemed for all purposes to be an original signature.

4.11. Severability Of Provisions; Captions; Attachments; Interpretation. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The captions to Sections and subsections herein are inserted for convenience only and shall be ignored in interpreting the provisions of this Amendment. Each schedule or exhibit attached to this Amendment shall be incorporated herein and shall be deemed to be a part hereof. Words in the singular include the plural and words in the plural include the singular. Use of the term "includes" or "including," shall mean "including, but not limited to."

[Remainder of page intentionally left blank; the following page is Schedule 1.1.]

Schedule 1.1

Loan Commitments

Loan Commitments through June 30, 2011

General Electric Capital Corporation \$62,400,000 TD Bank, N.A. \$15,600,000

Aggregate Commitments: \$78,000,000

Loan Commitments commencing July 1, 2011

General Electric Capital Corporation \$40,000,000 TD Bank, N.A. \$10,000,000

Aggregate Commitments: \$50,000,000

[Remainder of page intentionally left blank; signatures begin on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Third Amendment Effective Date.

BORROWERS:

SAINT VINCENTS CATHOLIC MEDICAL **CENTERS OF NEW YORK** By: _____ Name: _____ Title: ST. JEROME'S HEALTH SERVICES CORPORATION By:_____ Name: Title: PAX CHRISTI HOSPICE, INC. By: _____ Name: _____ Title: BISHOP FRANCIS J. MUGAVERO CENTER FOR GERIATRIC CARE, INC. By: _____ Name: Title: SISTERS OF CHARITY HEALTH CARE SYSTEM NURSING HOME, INC.

SVCMC PROFESSIONAL REGISTRY INC.	7,
By:	
Name:	
Title:	
CHAIT HOUSING DEVELOPMENT CORPORATION	
By:	
Name:	
Title:	
FORT PLACE HOUSING CORPORATION	
By:	
Name:	
Title:	
555 6TH AVENUE APARTMENT	
OPERATING CORPORATION	
By:	
Name:	
Title:	

GENERAL ELECTRIC CAPITAL CORPORATION, as Agent and as a Lender

By:	
Name:	
Title: Duly Authorized Signatory	

TD BANK, N.A.,
as a Lender
By:
Name:
Title:

CONSENT OF THE PRE-PETITION AGENT

General Electric Capital Corporation, in its capacity as the Pre-Petition Agent, hereby consents to the Amendment and in particular to those provisions in the Amendment that reference the Pre-Petition Agent.

GENERAL ELECTRIC CAPITAL
CORPORATION, as Agent and as a Lender
By:
Name:
Title: Duly Authorized Signatory
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ACKNOWLEDGMENT BY THE COMMITTEE:

The Committee has reviewed the Amendment and notifies Borrowers, Agent, and Lenders that the Committee has no objection to the Amendment.

AKIN GUMP STRAUSS HAUER & FELD LLP

By:		
Name:		
Counse	l to the Committee	

*** PREPARED BY SVCMC ***	2011 Budget by Week												
2011 Cash Flow Forecast	Actual	Actual	Actual	Actual	Actual	Actual	Actual						
SVCMC DIP Scenario	1	2	3	4	5	6	7	8	9	10	11	12	13
LIDDATED, 06/44/44													
UPDATED: 06/14/11	01/07/11	01/14/11	01/21/11	01/28/11	02/04/11	02/11/11	02/18/11	02/25/11	03/04/11	03/11/11	03/18/11	03/25/11	04/01/11
Cash Receipts													
DOD Receipts	40,295	9,365,771	113,572	12,242	32,986	9,352,487	406	47	47,085	9,421,496	1,429,208	15,257	31,910
Manhattan	650,263	331,945	868,869	323,496	419,401	83,455	618,446	214,684	451,510	134,067	765,469	152,783	952,698
Westchester	71,661	71,661	71,661	71,661	135,299	135,299	135,299	135,299	69,047	69,047	69,047	69,047	69,047
Home Health	10,862	10,862	3,018	183	-			-		-	-	-	
Nursing Homes Other Receipts	21,877	-	3,695,203	275,054	760,096	568,110	824,603	872,314	680,598	912		21,301,787	5,976,991
Other Receipts	21,077		3,093,203	273,034	700,090	300,110	024,003	072,314	000,590	912		21,501,707	3,970,991
Total Cash Receipts:	794,958	9,780,239	4,752,323	682,636	1,347,782	10,139,351	1,578,754	1,222,344	1,248,240	9,625,522	2,263,724	21,538,875	7,030,646
Adjustments													
DIP Draw Greater (Less) Than Receipts Aptium Funds Received (Disbursed)	5,492,839	(4,780,239)	3,949,514	4,592,418	5,524,310	(6,571,241)	2,245,849	2,649,970	526,414	(4,624,610)	1,736,276	2,762,912	4,312,314
Total Adj. Cash Receipts:	6,287,798	5,000,000	8,701,837	5,275,054	6,872,092	3,568,110	3,824,603	3,872,314	1,774,653	5,000,912	4,000,000	24,301,787	11,342,960
Operating Disbursements					KEIP								
Payroll & Benefits	419,198	494,710	469,984	1,095,390	1,173,702	155,941	458,113	143,126	470,719	156,511	328,032	171,985	435,129
Payroll Taxes	203,225	106,557	270,714	73,832	683,242	69,827	220,059	58,419	175,586	4,462	161,028	57,707	147,425
Unemployment Insurance			-		-	-	-	-					
Insurance	175,152 120,000	2,885	-	275,070	120,000	-	-	-	51,700	175,152	63,500	6,800	514,155
Building and Equipment Rentals Moving Cost	120,000	-			120,000			10,979	153,828	-	-	-	
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Catering/Janitorial Services	-	-	-	-	32,990	-	-	-	34,214	39,811	-	-	30,992
Utilities	147,285	641,115	250,322	271,534	37,621	16,936	21,104	643,701	620,701	64,504	151,152	10,561	322,152
Utility Deposits IT	- 55,127	- 47,840	73,159	45,840	64,470	44,992	3,133	291,099	79,958	54,738	(233,011) 43,312	- 184,780	43,865
Record Retention	-		72,649		-	12,885	3,133	291,099	79,930	34,730	12,885	-	-
Homecare Vendors	3,039	1,057,216	219,748	18,687	(33,895)	-	7,979	-	49,285	-	-	-	-
Ordinary Course Professional Fees	120,517	79,388	78,581	103,033	78,620	99,177	113,174	107,094	32,895	77,212	64,514	115,634	21,699
All Other Expenses	213,262	256,264	118,536	109,414	148,048	292,374	162,439	155,233	224,819	104,118	119,816	16,622	139,069
Capitation Payments	1,182,413	1,205,363	1,082,489	2,409,226	839,066	1,143,432	1,042,000	2,577,956	1,290,000	1,202,364	1,014,000	2,508,967	1,109,000
Total Cash Disbursements:	2,639,218	3,891,338	2,636,182	4,402,026	3,143,863	1,835,564	2,028,002	3,987,607	3,183,706	1,878,872	1,725,227	3,073,055	2,763,487
Ops Net Cash Flow	3,648,580	1,108,662	6,065,654	873,028	3,728,228	1,732,546	1,796,601	(115,293)	(1,409,052)	3,122,039	2,274,773	21,228,732	8,579,474
Other Disbursements													
Bankruptcy Professional Fees	790,681	_	3,218,994	280,000		435,032	1,779,648	_	748,739	1,454,001	729,451	853,813	
Term Loan Repayment	7 90,001	-	3,297,490	520,917	513,494	567,596	1,779,040	206,629	994,601	-	729,451	-	-
Term Loan Interest	994,523	-	-,,	-	860,898	-	-	,	807,711	-	-	-	899,829
DIP Interest & Fees	271,398	-	-	-	251,098	-	-	-	286,345		-	-	292,572
Total Other Costs	2,056,602	-	6,516,484	800,917	1,625,490	1,002,628	1,779,648	206,629	2,837,396	1,454,001	729,451	853,813	1,192,401
Net Cash Flow	1,591,978	1,108,662	(450,829)	72,111	2,102,739	729,918	16,954	(321,922)	(4,246,448)	1,668,038	1,545,322	20,374,919	7,387,073
Cumulative Net Cash Flow	1,591,978	2,700,640	2,249,811	2,321,922	4,424,661	5,154,579	5,171,533	4,849,610	603,162	2,271,200	3,816,523	24,191,442	31,578,515
DIP Drawdown / Repayment Schedule													
Beg. Cash Balance (Book)	(627,801)	964,178	2,072,839	1,544,380	1,616,491	3,719,230	4,449,148	4,466,102	4,144,180	(102,268)	1,565,770	3,111,092	2,184,224
(+/-) Period Cash Flow	1,591,978	1,108,662	(450,829)	72,111	2,102,739	729,918	16,954	(321,922)	(4,246,448)	1,668,038	1,545,322	20,374,919	7,387,073
(+) Forecast DIP Draw													
Cash Balance Before 2011 DIP Repayments 2011 DIP Loan Draw (Repayment)	964,178	2,072,839	1,622,010 (77,630)	1,616,491	3,719,230	4,449,148	4,466,102	4,144,180	(102,268)	1,565,770	3,111,092	23,486,011 (21,301,787)	9,571,297 (5,976,188)
Cash Balance Before 2010 DIP Repayments	964,178	2,072,839	1,544,380	1,616,491	3,719,230	4,449,148	4,466,102	4,144,180	(102,268)	1,565,770	3,111,092	2,184,224	3,595,109
(-) 2010 DIP Repayment													
End. Cash Balance (Book)	964,178	2,072,839	1,544,380	1,616,491	3,719,230	4,449,148	4,466,102	4,144,180	(102,268)	1,565,770	3,111,092	2,184,224	3,595,109
(+) Outstanding Checks End. Bank Cash Balance	3,829,649 4,793,826	4,426,982 6,499,822	4,022,194 5,566,574	5,200,659 6,817,150	3,586,720 7,305,950	3,397,653 7,846,801	3,214,014 7,680,116	5,710,011 9,854,191	5,759,518 5,657,249	4,031,582 5,597,352	3,186,800 6,297,893	4,790,774 6,974,997	3,825,662 7,420,770
	.,,,,,,,,,	J, .JJ,OLL	0,000,014	0,011,100	.,000,000	. ,0 10,001	.,000,110	0,007,107	0,001,240	0,001,00 <u>L</u>	0,201,000	0,017,001	.,.20,,,,
<u>DIP Balances - End of Period</u> 2010 DIP Balance	41 0E2 647	41,953,617	41,953,617	41 052 647	41 0E2 647	41 OE2 647	41 OE2 647	41 OE2 617	41 052 617	41,953,617	41 OE2 647	34,078,610	22 414 726
2010 DIP Balance 2011 DIP Balance	41,953,617 5,492,839	712,601	41,953,617	41,953,617 9,176,903	41,953,617 14,701,213	41,953,617 8,129,971	41,953,617 10,375,820	41,953,617 13,025,790	41,953,617 13,552,203	8,927,593	41,953,617 10,663,869	34,U/0,DIU -	32,414,736
Total DIP Borrowings	47,446,456	42,666,217	46,538,101	51,130,519	56,654,829	50,083,588	52,329,437	54,979,406	55,505,820	50,881,210	52,617,486	34,078,610	32,414,736
Min. of Wkly Appr. Bud. x 105% or \$69.4m Cap	49,818,779	44,799,528	48,865,006	53,588,536	60,200,159	55,864,956	59,180,950	63,044,697	61,688,873	55,009,464	56,291,175	56,141,438	61,626,129
(-) BM Proceeds (26.7m), SEA Back Rent (\$1.3m)	<u> </u>	-		-			-	-	-		-	-	(24,277,975)
Revised Max DIP Balance Permitted Per Week	49,818,779	44,799,528	48,865,006	53,588,536	60,200,159	55,864,956	59,180,950	63,044,697	61,688,873	55,009,464	56,291,175	56,141,438	37,348,153

Excludes: \$4.2m of bankruptcy prof. fees (Nov/Dec 2011 invoices, Q2/Q3 2010 holdbacks and Q4 2011 holdbacks) and \$2.15m of records costs to be paid in 2012 and \$2m of excess cash from Bishop Mugavero.

Note:

Timing Variances Highlighted in Green
Unaudited

*** PREPARED BY SVCMC ***	2011 Budget by Week											Green	
2011 Cash Flow Forecast	Actual	week Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Intra-week	Forecast	Forecast
SVCMC DIP Scenario	14	15	16	17	18	19	20	21	22	23	24	25	26
UPDATED: 06/14/11	04/08/11	04/15/11	04/22/11	04/29/11	05/06/11	05/13/11	05/20/11	05/27/11	06/03/11	06/10/11	06/17/11	06/24/11	07/01/11
Cash Receipts	04/00/11	0-4/13/11	04/22/11	04/23/11	03/00/11	03/13/11	03/20/11	03/2//11	00/03/11	00/10/11	00/1//11	00/24/11	07/01/11
DOD Receipts	17,818	9,375,058	8,809	5,137	79,004	9,321,666	7,675	130,528	29,214	9,343,002		-	
Manhattan	837,077	323,824	2,856,083	305,702	718,469	167,986	31,167	312,295	36,028	667,440	150,437	-	-
Westchester Home Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Nursing Homes		_		1,669,921	-	-	-	-	-	-	-	-	-
Other Receipts	2,033,833	-	524,416	2,445,150	448,490	1,231,432	-	58,083	826,446	-	-	356,136	912,457
Total Cash Receipts:	2,888,727	9,698,882	3,389,308	4,425,910	1,245,963	10,721,084	38,842	500,906	891,688	10,010,442	150,437	356,136	912,457
<u>Adjustments</u>													QIL Payroll
DIP Draw Greater (Less) Than Receipts Aptium Funds Received (Disbursed)	(854,895)	(5,698,882)	2,034,919	3,792,612	242,801	(4,489,652)	(38,842)	5,557,177	950,771	(5,010,442)	(150,437)		Reimbursemen
Total Adj. Cash Receipts:	2,033,833	4,000,000	5,424,227	8,218,522	1,488,764	6,231,432	-	6,058,083	1,842,459	5,000,000	-	356,136	912,457
Operating Disbursements													
Payroll & Benefits	136,337	358,097	136,296	449,704	138,205	485,605	270,235	399,739	112,444	253,859	174,903	286,558	215,528
Payroll Taxes	53,950	139,850	57,051	154,962	55,044	153,464	57,173	127,824	54,949	144,664	60,000	80,089	50,400
Unemployment Insurance		-	-	-	-	-	-	-	-	-	-	-	-
Insurance Building and Equipment Rentals	6,700 120,000	33,500	268,064				- :	322,337 120,000	354,701	-		1,457,333 230,193	289,017 50,000
Moving Cost	-	-	-	-	-	-	-	-	-	-		200,100	-
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	55,000	-
Catering/Janitorial Services	636	- F2 004	- 7 000	-	-	-	-	-	-	-	-	467.022	- 175 174
Utilities Utility Deposits	112,467	53,804	7,822	323,040	-	440,596	-	297,858	36,795	-		467,932	175,474
IT	42,169	50,100	128,749	42,710	-	-	12,650	145,376	9,060	3,700	40,000	884,521	874,000
Record Retention	79,293	65,531	67,510	-	-	-	-	468,224	15,926	15,072	25,000	25,000	1,065,000
Homecare Vendors Ordinary Course Professional Fees	- 47,684	93,700	- 178,248	- 69,796	(5,563)	- 10,754	10,021	31,290 225,645	19,937	35,850	40,000	137,551	137,551
All Other Expenses	123,632	110,945	1,997,713	142,186	(5,505)	1,486	-	395,763	113,321	189,076	100,000	209,130	569,130
Capitation Payments	1,246,633	1,273,240	2,714,234	1,202,750	1,812,319	1,180,000	1,232,945	2,703,108	1,195,110	824,000	1,150,000	1,476,000	2,750,000
Total Cash Disbursements:	1,969,499	2,178,766	5,555,687	2,385,148	2,000,004	2,271,905	1,583,024	5,237,162	1,912,242	1,466,220	1,589,903	5,309,307	6,176,099
Ops Net Cash Flow	64,333	1,821,234	(131,460)	5,833,375	(511,240)	3,959,527	(1,583,024)	820,920	(69,783)	3,533,780	(1,589,903)	(4,953,171)	(5,263,642)
Other Disbursements													
Bankruptcy Professional Fees	752,976	1,035,830	-	-	1,152,555	921,901	1,087,997	595,971	-	1,317,167	-	2,063,300	3,317,508
Term Loan Repayment	-	-	-	200,000	-	-	-	-	-	-	-	-	-
Term Loan Interest DIP Interest & Fees	-	-			882,966 182,603		- :		850,306 165,708	-	- :	1	969,474 335,018
Total Other Costs	752,976	1,035,830	-	200,000	2,218,125	921,901	1,087,997	595,971	1,016,014	1,317,167	-	2,063,300	4,622,000
Net Cash Flow	(688,643)	785,403	(131,460)	5,633,375	(2,729,365)	3,037,626	(2,671,021)	224,949	(1,085,797)	2,216,613	(1,589,903)	(7,016,471)	(9,885,642)
Cumulative Net Cash Flow	30,889,872	31,675,275	31,543,816	37,177,190	34,447,825	37,485,451	34,814,430	35,039,379	33,953,583	36,170,196	34,580,292	27,563,821	17,678,180
DIP Drawdown / Repayment Schedule													
Beg. Cash Balance (Book)	3,595,109	1,612,534	2,397,938	2,266,478	3,789,668	1,060,303	4,097,929	1,426,908	1,651,857	566,061	2,782,673	1,192,770	(0.005.010)
(+/-) Period Cash Flow (+) Forecast DIP Draw	(688,643)	785,403	(131,460)	5,633,375	(2,729,365)	3,037,626	(2,671,021)	224,949	(1,085,797)	2,216,613	(1,589,903)	(7,016,471) 5,823,701	(9,885,642) 9,885,642
Cash Balance Before 2011 DIP Repayments	2,906,466	2,397,938	2,266,478	7,899,853	1,060,303	4,097,929	1,426,908	1,651,857	566,061	2,782,673	1,192,770	-	-
2011 DIP Loan Draw (Repayment) Cash Balance Before 2010 DIP Repayments	(1,293,932) 1,612,534	2,397,938	2,266,478	(4,110,185) 3,789,668	1,060,303	4,097,929	1,426,908	1,651,857	566,061	2,782,673	1,192,770	- -	- -
(-) 2010 DIP Repayment												-	-
End. Cash Balance (Book) (+) Outstanding Checks	1,612,534 4,020,385	2,397,938 3,598,763	2,266,478 4,344,637	3,789,668 2,936,803	1,060,303 2,680,016	4,097,929 3,143,928	1,426,908 3,237,283	1,651,857 6,497,867	566,061 4,391,038	2,782,673 3,822,915	1,192,770 2,682,161	-	
End. Bank Cash Balance	5,632,919	5,996,701	6,611,115	6,726,471	3,740,319	7,241,857	4,664,191	8,149,724	4,957,098	6,605,588	3,874,931	-	-
DIP Balances - End of Period													
2010 DIP Balance	30,265,910	24,567,027	24,567,027	24,567,027	24,567,027	22,062,819	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977
2011 DIP Balance Total DIP Borrowings	30,265,910	24,567,027	2,034,919 26,601,947	1,717,347 26,284,374	1,985,443 26,552,471	22,062,819	22,023,977	5,557,177 27,581,153	6,507,948 28,531,925	1,497,506 23,521,482	1,347,069 23,371,045	7,170,769 29,194,746	17,056,411 39,080,387
<u>-</u>													
Min. of Wkly Appr. Bud. x 105% or \$69.4m Cap	63,112,427	63,920,152	63,420,936	65,288,956	68,643,438	67,532,122	66,950,344	66,707,595	69,402,679	69,418,408	69,418,408	69,418,408	69,418,408
(-) BM Proceeds (26.7m), SEA Back Rent (\$1.3m) Revised Max DIP Balance Permitted Per Week	(25,571,907)	(25,571,907)	(25,571,907)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)	(28,012,171)
Neviseu Max DIP Dalance Permitted Per Week	37,540,520	38,348,245	37,849,029	37,276,785	40,631,268	39,519,952	38,938,173	38,695,425	41,390,508	41,406,238	41,406,238	41,406,238	41,406,238

Excludes: \$4.2m of bankruptcy prof. fees (Nov/Dec 2011 invoices, Q2/Q3 2010 holdbacks and Q4 2011 holdbacks) and \$2.15m of records costs to be paid in 2012 and \$2m of excess cash from Bishop Mugavero.

Note:

Timing Variances Highlighted in Green
Unaudited
Unaudited

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*** PREPARED BY SVCMC ***	2011 Budget by												
2011 Cash Flow Forecast	Forecast 27	Forecast 28	Forecast	Forecast	Forecast	Forecast	Forecast 33	Forecast 34	Forecast	Forecast	Forecast	Forecast	Forecast 39
SVCMC DIP Scenario	21	28	29	30	31	32	33	34	35	36	37	38	39
UPDATED: 06/14/11													
OPDATED: 00/14/11	07/08/11	07/15/11	07/22/11	07/29/11	08/05/11	08/12/11	08/19/11	08/26/11	09/02/11	09/09/11	09/16/11	09/23/11	09/30/11
Cash Receipts													
DOD Descripto		0.000.000				0.000.000				0.000.000			
DOD Receipts Manhattan	-	9,336,000	-	-	-	9,336,000	-	-	-	9,336,000	-	-	-
Westchester	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Health			-			-	-		-			-	
Nursing Homes		-	_		-	-	_		-	-	-	-	-
Other Receipts	997,033		77,101	_	455,352	262,646	77,101	_	55,352	662,646	77,101	-	260,055,352
	,		,		,		,		,	,	,		
Total Cash Receipts:	997,033	9,336,000	77,101	-	455,352	9,598,646	77,101	-	55,352	9,998,646	77,101	-	260,055,352
<u>Adjustments</u>													
DIP Draw Greater (Less) Than Receipts													
Aptium Funds Received (Disbursed)													
Total Adj. Cash Receipts:	997,033	9,336,000	77,101	-	455,352	9,598,646	77,101	-	55,352	9,998,646	77,101	-	260,055,352
- 4 4													
Operating Disbursements			IBNR/2010 Sev										
Payroll & Benefits	264,500	258,180	2,932,296	179,600	177,127	163,214	199,149	89,600	258,476	89,600	272,763	89,600	258,476
Payroll Taxes	80,089	52,622	43,728	52,622	43,728	52,622	43,728	52,622	43,728	52,622	43,728	52,622	43,728
Unemployment Insurance	-	-	-0,720	-	-0,720	-	-0,720	-		-		-	
Insurance	55,352		77,101	-	172,103		77,101	-	64,019		77,101		55,352
Building and Equipment Rentals	-		-	-	50,000	_	-	-	50,000		-		-
Moving Cost	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	
Catering/Janitorial Services	20,000	-	-	-	-	20,000	-	-	-	20,000	-	-	-
Utilities	-	-	-	-	175,474	-	-	-	175,474	-	-	-	75,000
Utility Deposits		-	-	-	-	-	-	-	-	-	-	-	-
IT	40,000	40,000	40,000	40,000	90,000	40,000	40,000	40,000	70,000	20,000	20,000	20,000	20,000
Record Retention	25,000	25,000	25,000	25,000	65,000	25,000	25,000	25,000	65,000	25,000	25,000	2,050,000	65,000
Homecare Vendors	-	-	-	-	-	-	-	-	-	-	-	-	-
Ordinary Course Professional Fees	127,551	127,551	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
All Other Expenses	209,130	209,130	100,000	100,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	21,585,011
Capitation Payments	1,150,000	1,150,000	1,150,000	2,750,000	1,150,000	1,150,000	1,150,000	1,150,000	2,750,000	1,150,000	1,150,000	1,150,000	2,750,000
Total Cash Disbursements:	1,971,621	1,862,483	4,398,125	3,177,222	2,023,432	1,550,836	1,634,978	1,457,222	3,576,697	1,457,222	1,688,592	3,462,222	24,982,566
Ops Net Cash Flow	(974,589)	7,473,517	(4,321,024)	(3,177,222)	(1,568,079)	8,047,810	(1,557,877)	(1,457,222)	(3,521,344)	8,541,424	(1,611,490)	(3,462,222)	235,072,786
Other Disbursements													
												_	
Bankruptcy Professional Fees	-	-	-	-	2,185,000	-	-	-	2,228,850	-	-	-	5,076,850
Term Loan Repayment	-	-	-	-		-	-	-		-	-	-	193,894,817
Term Loan Interest	-	-	-	-	969,474 187,618	-	-	-	969,474 216,767	-	-	-	969,474
DIP Interest & Fees Total Other Costs					3,342,092				3,415,091				225,829 200.166.971
Total Other Costs					3,342,032				3,413,031				200,100,371
Net Cash Flow	(974,589)	7,473,517	(4,321,024)	(3,177,222)	(4,910,172)	8,047,810	(1,557,877)	(1,457,222)	(6,936,435)	8,541,424	(1,611,490)	(3,462,222)	34,905,815
Cumulative Net Cash Flow	16,703,591	24,177,109	19,856,085	16,678,863	11,768,691	19,816,501	18,258,624	16,801,402	9,864,967	18,406,391	16,794,900	13,332,678	48,238,493
DIP Drawdown / Repayment Schedule													
Beg. Cash Balance (Book)	-	-	-	-	-	-	-	-	-	-	-	-	-
(+/-) Period Cash Flow	(974,589)	7,473,517	(4,321,024)	(3,177,222)	(4,910,172)	8,047,810	(1,557,877)	(1,457,222)	(6,936,435)	8,541,424	(1,611,490)	(3,462,222)	34,905,815
(+) Forecast DIP Draw	974,589	<u>-</u>	4,321,024	3,177,222	4,910,172	<u>-</u>	1,557,877	1,457,222	6,936,435	-	1,611,490	3,462,222	-
Cash Balance Before 2011 DIP Repayments	-	7,473,517	-	-	-	8,047,810	-	-	-	8,541,424	-	-	34,905,815
2011 DIP Loan Draw (Repayment)	-	(7,473,517)	-	-	-	(8,047,810)	-	-	-	(8,541,424)	-	-	(21,401,913)
Cash Balance Before 2010 DIP Repayments	-	-	-	-	-	-	-	-		-	-	-	13,503,903
(-) 2010 DIP Repayment				-		-	-			-	-	-	(13,503,903)
End. Cash Balance (Book)	-	-	-	-	-	-	-	-	-	-	-	-	-
(+) Outstanding Checks End. Bank Cash Balance	-		-	-	-		-	-	-	-			
EIIU. Dafik Casti Dalance	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Balances - End of Period													
2010 DIP Balance	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	22,023,977	8,520,074
2011 DIP Balance	18,030,999	10,557,482	14,878,506	18,055,728	22,965,900	14,918,090	16,475,966	17,933,189	24,869,624	16,328,200	17,939,690	21,401,913	
Total DIP Borrowings	40,054,976	32,581,459	36,902,482	40,079,704	44,989,876	36,942,066	38,499,943	39,957,165	46,893,600	38,352,176	39,963,667	43,425,889	8,520,074

Min. of Wkly Appr. Bud. x 105% or \$69.4m Cap (-) BM Proceeds (26.7m), SEA Back Rent (\$1.3m)

Revised Max DIP Balance Permitted Per Week

Note:

Excludes: \$4.2m of bankruptcy prof. fees (Nov/Dec 2011 invoices, Q2/Q3 2010 holdbacks and Q4 2011 holdbacks) and \$2.15m of records costs to be paid in 2012 and \$2m of excess cash from Bishop Mugavero.

*** PREPARED BY SVCMC ***	2011 Budget by \	Week												Unaudited
2011 Cash Flow Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
SVCMC DIP Scenario	40	41	42	43	44	45	46	47	48	49	50	51	52	
UPDATED: 06/14/11	40/07/44	40/44/44	40/04/44	40/00/44	44/04/44	44/44/44	444044	44/05/44	40/00/44	40/00/44	40/40/44	40/00/44	40/00/44	Total
Cash Receipts	10/07/11	10/14/11	10/21/11	10/28/11	11/04/11	11/11/11	11/18/11	11/25/11	12/02/11	12/09/11	12/16/11	12/23/11	12/30/11	(12m/e 12/30/11)
									0.405.000					00.000.070
DOD Receipts Manhattan	-			-	1,625,000	-	-		2,125,000	-			2,125,000	92,063,673 12,373,598
Westchester	-	-	-	-	-	-	-	-	-	-	-	-	-	1,173,077
Home Health	-	-	-	-	-	-	-	-	-	-	-	-	-	24,924
Nursing Homes Other Receipts	662,646	- 77,101	-	55,352	400,000	339,747	-	55,352	400,000	- 77,101	-	55,352	400,000	1,669,921 309,056,322
Total Cash Receipts:	662,646	77,101	_	55,352	2,025,000	339,747		55,352	2,525,000	77,101	_	55,352	2,525,000	416,361,515
<u>Adjustments</u>		, -		,	,,			,	,,	,			,,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
DID Draw Creater (Less) They Descirts														44 454 955
DIP Draw Greater (Less) Than Receipts Aptium Funds Received (Disbursed)														14,151,855
Total Adj. Cash Receipts:	662,646	77,101	-	55,352	2,025,000	339,747	-	55,352	2,525,000	77,101	-	55,352	2,525,000	430,513,369
Operating Disbursements														
Payroll & Benefits	89,600	272,763	89,600	24,818	206,546	24,818	133,344	24,818	188,582	24,818	133,344	24,818	167,145	16,027,645
Payroll Taxes	52,622	43,728	52,622	14,576	52,622	14,576	52,622	14,576	52,622	14,576	52,622	14,576	67,198	4,579,228
Unemployment Insurance Insurance		- 77,101	- :	55,352	8,667	- 77,101	- :	55,352	16,674	- 77,101		55,352	1,111,144	1,111,144 5,385,656
Building and Equipment Rentals	50,000	-	-	-	50,000	-	-	-	50,000	-	-	-	-	1,175,000
Moving Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Capital Expenditures Catering/Janitorial Services	-	20,000	-	-	-		20,000	-	-	-	-	20,000	-	55,000 258,643
Utilities	-	20,000	-	-	75,000	-	20,000	-	75,000	-	-	20,000	75,000	5,765,422
Utility Deposits		-	-	-	-	-	-	-	-	-	-	-	(1,169,989)	(1,403,000)
IT	70,000	20,000	20,000	20,000	70,000	20,000	20,000	20,000	70,000	20,000	20,000	20,000	20,000	4,195,347
Record Retention Homecare Vendors	25,000	25,000	25,000	25,000	65,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	4,759,974 1,353,350
Ordinary Course Professional Fees	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	900,000	3,937,812
All Other Expenses	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	29,685,666
Capitation Payments	-	-	500,000	-	-	-	-	-	-	-	-			59,616,615
Total Cash Disbursements:	775,982	558,592	787,222	239,747	627,835	261,496	350,966	239,747	577,878	261,496	330,966	259,747	1,265,498	136,603,503
Ops Net Cash Flow	(113,336)	(481,490)	(787,222)	(184,394)	1,397,165	78,251	(350,966)	(184,394)	1,947,122	(184,394)	(330,966)	(204,394)	1,259,502	293,909,867
Other Disbursements														
Bankruptcy Professional Fees	-	-	-	-	2,176,850	-	-	-	1,402,050	-	-	-	3,017,890	38,623,054
Term Loan Repayment Term Loan Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	200,195,543 9,174,130
DIP Interest & Fees	-	-		-	50,393		-	-	- 58,121	-	-	-	62,238	9,174,130 2,585,708
Total Other Costs	-	-	-	-	2,227,243	-	-	-	1,460,171	-	-	-	3,080,128	250,578,435
Net Cash Flow	(113,336)	(481,490)	(787,222)	(184,394)	(830,078)	78,251	(350,966)	(184,394)	486,951	(184,394)	(330,966)	(204,394)	(1,820,627)	43,331,432
Cumulative Net Cash Flow	48,125,157	47,643,667	46,856,445	46,672,050	45,841,973	45,920,224	45,569,258	45,384,863	45,871,814	45,687,420	45,356,453	45,152,059	43,331,432	17,678,180
DIP Drawdown / Repayment Schedule														
Beg. Cash Balance (Book)	(442.222)	(404 400)	(707.000)	(404.204)	(020.070)	70.054	(250,000)	(404.204)	400.054	(404.204)	(220,000)	(204.204)	- (4.820.627)	(627,801)
(+/-) Period Cash Flow (+) Forecast DIP Draw	(113,336) 113,336	(481,490) 481,490	(787,222) 787,222	(184,394) 184,394	(830,078) 830,078	78,251	(350,966) 350,966	(184,394) 184,394	486,951	(184,394) 184,394	(330,966) 330,966	(204,394) 204,394	(1,820,627) 1,820,627	43,331,432 49,589,859
Cash Balance Before 2011 DIP Repayments	-	51,750		-		78,251	- 330,900		486,951	5-,55-	-		-	92,293,490
2011 DIP Loan Draw (Repayment)						(78,251)			(486,951)					(78,789,587)
Cash Balance Before 2010 DIP Repayments (-) 2010 DIP Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	13,503,903 (13,503,903)
End. Cash Balance (Book)	-							-		-	-		-	(13,303,303)
(+) Outstanding Checks End. Bank Cash Balance	-	-	-	-	-	-	-	-	-		-	-		-
DIP Balances - End of Period														
2010 DIP Balance	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074	8,520,074
2011 DIP Balance	113,336	594,826	1,382,049	1,566,443	2,396,521	2,318,269	2,669,236	2,853,630	2,366,679	2,551,074	2,882,040	3,086,435	4,907,061	4,907,061
Total DIP Borrowings	8,633,410	9,114,900	9,902,122	10,086,517	10,916,594	10,838,343	11,189,309	11,373,704	10,886,753	11,071,147	11,402,114	11,606,508	13,427,135	13,427,135

Min. of Wkly Appr. Bud. x 105% or \$69.4m Cap (-) BM Proceeds (26.7m), SEA Back Rent (\$1.3m)

Revised Max DIP Balance Permitted Per Week

Note: