ORIGINAL SIGNATURES

ORIGINAL

E-016-14

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION FOR THE
CHANGE OF OWNERSHIP FOR AN EXISTING HEALTH CARE FACILITY

RECEIVED
JUL 11 2014
HEALTH FACILITIES & SERVICES REVIEW BOARD

1. **INFORMATION FOR EXISTING FACILITY**

Current Facility Name **Maryville Behavioral Health Hospital**
Address **555 Wilson Lane**
City **Des Plaines** Zip Code **60016** County **Cook**
Name of current licensed entity for the facility **Maryville Academy**
Does the current licensee: own this facility **XX** OR lease this facility _____ (if leased, check if sublease □)
Type of ownership of the current licensed entity (check one of the following:)____Sole Proprietorship
XX Not-for-Profit Corporation_____For Profit Corporation_____Partnership_____Governmental
_____Limited Liability Company_____Other, specify _____
Illinois State Senator for the district where the facility is located: **Sen. Dan Kotowski (D)**
State Senate District Number **27th** Mailing address of the State Senator: **M118 Capitol Building, Springfield, IL 62706**

Illinois State Representative for the district where the facility is located: **Rep. Martin J. Moylan (D)**
State Representative District Number **#55** Mailing address of the State Representative **242-W Stratton Office Building, Springfield, IL 62706**

2. **OUTSTANDING PERMITS**. Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes □ No **XX**. If yes, refer to Section 1130.520(f), and indicate the projects by Project # **N/A**

3. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Applicant **2014 Health, LLC d/b/a Chicago Behavioral Hospital**
Address **32 E. 57th Street, 17th Floor**
City, State & Zip Code **New York, New York 10022**
Type of ownership of the current licensed entity (check one of the following:)_____Sole Proprietorship
_____Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
XX Limited Liability Company_____Other, specify _____

4. **NAME OF LEGAL ENTITY THAT WILL BE THE LICENSEE/OPERATING ENTITY OF THE FACILITY NAMED IN THE APPLICATION AS A RESULT OF THIS TRANSACTION.**

Exact Legal Name of Entity to be Licensed **2014 Health, LLC**
Address **32 E. 57th Street, 17th Floor**
City, State & Zip Code **New York, New York 10022**
Type of ownership of the current licensed entity (check one of the following:)_____Sole Proprietorship
_____Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
XX Limited Liability Company_____Other, specify _____

5. **BUILDING/SITE OWNERSHIP. NAME OF LEGAL ENTITY THAT WILL OWN THE "BRICKS AND** MORTAR" (BUILDING) OF THE FACILITY NAMED IN THIS APPLICATION IF DIFFERENT FROM THE OPERATING/LICENSED ENTITY

Exact Legal Name of Entity That Will Own the Site **2014 Health, LLC**
Address **32 E. 57th Street, 17th Floor**
City, State & Zip Code **New York, New York 10022**
Type of ownership of the current licensed entity (check one of the following:)_____Sole Proprietorship
_____Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
XX Limited Liability Company_____Other, specify _____

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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_____Limited Liability Company_____Other, specify _____
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State Senate District Number **27th** Mailing address of the State Senator: **M118 Capitol Building, Springfield, IL 62706**

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2. **OUTSTANDING PERMITS.** Does the facility have any projects for which the State Board issued a permit that will not be completed (refer to 1130.140 "Completion or Project Completion" for a definition of project completion) by the time of the proposed ownership change? Yes □ No **XX**. If yes, refer to Section 1130.520(f), and indicate the projects by Project # **N/A**

3. **NAME OF APPLICANT** (complete this information for each co-applicant and insert after this page).
Exact Legal Name of Applicant **Maryville Academy d/b/a Maryville Behavioral Health Hospital**
Address **555 Wilson Lane**
City, State & Zip Code **Des Plaines, Illinois 60016**
Type of ownership of the current licensed entity (check one of the following:)_____Sole Proprietorship
XX Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
_____Limited Liability Company_____Other, specify _____

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_____Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
XX Limited Liability Company_____Other, specify _____

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City, State & Zip Code **New York, New York 10022**
Type of ownership of the current licensed entity (check one of the following:)_____Sole Proprietorship
_____Not-for-Profit Corporation_____For Profit Corporation_____Partnership _____ Governmental
XX Limited Liability Company_____Other, specify _____

6. **TRANSACTION TYPE. CHECK THE FOLLOWING THAT APPLY TO THE TRANSACTION:**
   (X) Purchase resulting in the issuance of a license to an entity different from current licensee;
   - o Lease resulting in the issuance of a license to an entity different from current licensee;
   - o Stock transfer resulting in the issuance of a license to a different entity from current licensee;
   - o Stock transfer resulting in no change from current licensee;
   - o Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee;
   - o Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee;
   - o Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity;
   - o Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets;
   - o Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility;
   - o Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee;
   - o Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets, and explain in "Attachment 3 Narrative Description"

7. **APPLICATION FEE.** Submit the application fee in the form of a check or money order for $2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1.**

8. **FUNDING.** Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2.**

9. **ANTICIPATED ACQUISITION PRICE: $ 23,000,000.00**

10. **FAIR MARKET VALUE OF THE FACILITY: $ 4,200,000 to $6,700,000**
    (to determine fair market value, refer to 77 IAC 1130.140)

11. **DATE OF PROPOSED TRANSACTION: October 07, 2015**

12. **NARRATIVE DESCRIPTION.** Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3.**

13. **BACKGROUND OF APPLICANT** (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Limited Liability Companies and Partnerships must provide the name and address of each partner/ member and specify the percentage of ownership of each. Append this information to the application as **ATTACHMENT #4.**

14. **TRANSACTION DOCUMENTS.** Provide a copy of the complete transaction document(s) including schedules and exhibits which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities and Services Review Board. Append this document(s) to the application as **ATTACHMENT #5.**

15. **FINANCIAL STATEMENTS.** (Co-applicants must also provide this information) Provide a copy of the applicants latest audited financial statements, and append it to this application as **ATTACHMENT #6.** If the applicant is a newly formed entity and financial statements are not available, please indicate by checking YES **XX** ____, and indicate the date the entity was formed **May 20, 2014**

16. **PRIMARY CONTACT PERSON**. Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: **Martina Sze, Senior Vice President, Finance**
Address: **32 E. 57th Street, 17th Floor**
City, State & Zip Code: **New York, NY 10022**
Telephone **(212) 243-5565** Ext. _____

17. **ADDITIONAL CONTACT PERSON. Consultant, attorney, other individual who is also authorized to discuss this** application and act on behalf of the applicant.
Name: **John P. Kniery, Foley and Associates, Inc.**
Address: **133 South Fourth Street, Suite 200**
City, State & Zip Code: **Springfield, Illinois 62701**
Telephone **(217) 544-1551** Ext. _____

17. **ADDITIONAL CONTACT PERSON. Consultant, attorney, other individual who is also authorized to discuss this** application and act on behalf of the applicant.
Name: **Mark J. Silberman, Duane Morris LLP**
Address: **190 South LaSalle Street, Suite 3700**
City, State & Zip Code: **Chicago, Illinois 60603-3433**
Telephone **(312) 499-6713** Ext. _____

18. **CERTIFICATION**
I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the number of beds within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

2014 Health, LLC
Signature of Authorized Officer _____
Typed or Printed Name of Authorized Officer Richard Kresch
Title of Authorized Officer: President + CEO
Address: 32 E. 57th Street, 17th Floor
City, State & Zip Code: New York, NY 10022
Telephone (212) 243-5565 Date: 6/26/14

NOTE: complete a separate signature page for each co-applicant and insert following this page.

16. **PRIMARY CONTACT PERSON.** Individual representing the applicant to whom all correspondence and inquiries pertaining to this application are to be directed. (Note: other persons representing the applicant not named below will need written authorization from the applicant stating that such persons are also authorized to represent the applicant in relationship to this application).

Name: Sister Catherine M. Ryan, Executive Director of Maryville Behavioral Health Hospital
Address: 1150 N. River Road
City, State & Zip Code: Des Plaines, Illinois 60016
Telephone (847) 294-1999 Ext. _____

17. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: John P. Kniery, Foley and Associates, Inc.
Address: 133 South Fourth Street, Suite 200
City, State & Zip Code: Springfield, Illinois 62701
Telephone (217) 544-1551 Ext. _____

17. **ADDITIONAL CONTACT PERSON.** Consultant, attorney, other individual who is also authorized to discuss this application and act on behalf of the applicant.

Name: Clare Connor Ranalli, Partner, McDermitt Will & Emery (for Maryville)
Address: 227 West Monroe Street
City, State & Zip Code: Chicago, Illinois 60606
Telephone (312) 984-3365 Ext. _____

18. **CERTIFICATION**

I certify that the above information and all attached information are true and correct to the best of my knowledge and belief. I certify that the number of beds within the facility will not change as part of this transaction. I certify that no adverse action has been taken against the applicant(s) by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois. I certify that I am fully aware that a change in ownership will void any permits for projects that have not been completed unless such projects will be completed or altered pursuant to the requirements in 77 IAC 1130.520(f) prior to the effective date of the proposed ownership change. I also certify that the applicant has not already acquired the facility named in this application or entered into an agreement to acquire the facility named in the application unless the contract contains a clause that the transaction is contingent upon approval by the State Board.

Maryville Academy d/b/a Maryville Behavioral Health Hospital

Signature of Authorized Officer Sister Catherine M. Ryan

Typed or Printed Name of Authorized Officer SISTER CATHERINE M. RYAN

Title of Authorized Officer: EXECUTIVE DIRECTOR, MARYVILLE ACADEMY

Address: 1150 NORTH RIVER ROAD

City, State & Zip Code: DES PLAINES, ILLINOIS 60016

Telephone (847) 294-1893 Date: July 10, 2014

NOTE: complete a separate signature page for each co-applicant and insert following this page.

7. **APPLICATION FEE.** Submit the application fee in the form of a check or money order for $2,500 payable to the Illinois Department of Public Health and append as **ATTACHMENT #1**.

A check for the application fee in the amount of $2,500.00 is attached and a copy of said check is appended as **ATTACHMENT-1A**.

ATTACHMENT-1

1594

US HEALTHVEST, LLC

citibank
CITIBANK, N.A. BR. # 944
163 East 43rd Street, 24th Floor
New york,NY 10022

1-8/210

6/24/2014

PAY TO THE ORDER OF Illinois Department of Public Health $**2,500.00

Two Thousand Five Hundred and 00/100********** DOLLARS

Illinois Department of Public Health

MEMO

TRUE WATERMARK PAPER - HOLD TO LIGHT TO VIEW [redacted] HEAT SENSITIVE RED IMAGE DISAPPEARS WITH HEAT

US HEALTHVEST, LLC

1594

Illinois Department of Public Health 6/24/2014

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
6/24/2014	Bill		2,500.00	2,500.00		2,500.00
					Check Amount	2,500.00

Citi Operating 2,500.00

ATTACHMENT-1A

8. **FUNDING.** Indicate the type and source of funds which will be used to acquire the facility (e.g., mortgage through Health Facilities Authority; cash gift from parent company, etc.) and append as **ATTACHMENT #2.**

This project will be funded in cash and securities as the transaction is an asset purchase. Appended as **ATTACHMENT-2A**, is a letter from Christopher A. Fields, Assistant Vice President, Citi Private Bank illustrating all funds for purchase are available. Appended as **ATTACHMENT-2B** are three years of proforma statements illustrating there will be an operations loss in year one of $2,444,226. These costs are provided for with cash and securities held by 2014 Health, LLC (please refer to **ATTACHMENT-2A**). It should also be noted that 2014 Health, LLC has the sole mission of owning and operating Maryville Behavioral Health Hospital to be known as Chicago Behavioral Hospital; as such, all funds identified herein are solely reserved for the purchase and operations of the facility. Appended as **ATTACHMENT-2C**, is a Declaration and Verification by Dr. Richard Kresch, acting in his capacity as President of 2014 Health, LLC, certifying to the fact that the funds are set aside solely for the use of acquiring and operating the facility identified herein.

Appended as **ATTACHMENT-2D**, is affirmation that the Applicant intends to maintain ownership and control of the facility for a minimum of 3 years.

Although the Applicant entity, as a result of this change of ownership, will move from not-for-profit status to for-profit status, the admissions and charity care policies will not become more restrictive. Appended as **ATTACHMENT-2E**, is the existing admission policy which will be adopted as the proposed admission policy and which will remain in effect for at least 2 years following the approval of this project. Appended as **ATTACHMENT-2F**, is the existing charity care policy which will be adopted as the proposed charity care policy and which will remain in effect for at least 2 years following approval of this project. Through the adoption of the existing charity care and admission policies, 2014 Health, LLC d/b/a Chicago Behavioral Hospital will not minimize charity care nor maximize admissions to the peril of the existing population.

Appended as **ATTACHMENT-2G**, is the KaufmanHall valuation summary documenting the Fair Market Value of the existing facility ranges between $4,200,000 and $6,700,000. This KaufmanHall third-party independent valuation was prepared for Maryville Academy April 8, 2014. The Fair Market Value is part of the Illinois Attorney General's review, and as such, an update will accompany their approval to further document this issue. This approval will be submitted upon receipt.

ATTACHMENT-2

July 7, 2014

US HealthVest
Attention: Stephen Brady
32 East 57th Street 17th flr
New York, NY 1002

To Whom It May Concern,

Please accept this letter as confirmation that the 2014 Health LLC account number 4987283464 was funded with $25,800,000.00 on July 2, 2014.

If you have any further questions please feel free to give me a call.

Sincerely,

Christopher A. Fields
Assistant Vice President
CPB/UHNW/Manhattan Region
153 East 53rd Street, 24th Fl
New York, NY 10022
Tel: 212-559-3020
Fax: 347-767-2175

Christopher A. Fields
Assistant Vice President
Citi Private Bank
Citibank, N.A.
MLO# 1089954
153 East 53rd Street, 24th Floor
New York, NY 10022
Phone: 212.559.3020 |Fax: 347.767.2175

ATTACHMENT-2A

2014 Health, LLC
BALANCE SHEET

	PROJECTED		
	Year 1	Year 2	Year 3
Inpatient ADC	23	48	106
Outpatient ADC	-	14	32
Revenues			
Inpatient Net Revenue	$6,016,903	$13,020,345	$29,257,598
Outpatient Net Revenue	-	768,689	1,721,668
Provision for Charity Care	(195,549)	(448,144)	(1,006,826)
Total Net Revenue	5,821,353	13,340,891	29,972,439
Expenses			
Salaries and Benefits	4,154,790	7,414,885	17,751,870
Supplies	596,664	1,212,615	2,658,726
Other Operating Expenses	3,514,125	4,291,635	6,364,789
Total Operating Expenses	8,265,579	12,919,135	26,775,385
Net Income	($2,444,226)	$421,756	$3,197,055

Payor Mix	
Medicaid	60%
Medicare	20%
Other	20%

ATTACHMENT-2B

2014 Health, LLC
BALANCE SHEET

Assets:	PROJECTED		
	Year 1	Year 2	Year 3
Current Assets:			
Cash	$197,701	$1,103,948	$4,554,428
Net Patient Accounts Receivable	903,491	1,705,982	3,630,786
Total Current Assets	1,101,192	2,809,930	8,185,214
Fixed Assets	23,180,000	22,593,214	21,488,718
Less: Accum Depr	586,786	1,104,496	1,839,343
Net Fixed Assets	22,593,214	21,488,718	19,649,375
Total Assets	23,694,406	24,298,648	27,834,590
Liabilities & Equity:			
Current Liabilities:			
Accrued Expenses	243,778	303,456	504,725
Accrued Payroll	150,230	273,038	410,657
Total Liabilities	394,008	576,495	915,381
Equity			
Beginning Equity	25,744,624	23,300,398	23,722,153
Net Income	(2,444,226)	421,756	3,197,055
Ending Equity	23,300,398	23,722,153	26,919,208
Total Liabilities & Equity	$23,694,406	$24,298,648	$27,834,590

ATTACHMENT-2B

2014 Health, LLC
Cash Flow Statement

	PROJECTED		
	Year 1	Year 2	Year 3
Cash Flows From Operating Activities:			
Net Income (Loss)	($2,444,226)	$421,756	$3,197,055
Adjustments To Operating Activities:			
AR	(903,491)	(802,492)	(1,924,804)
Accrued Expenses	243,778	59,678	201,269
Accrued Payroll	150,230	122,808	137,618
Net Cash Used In Operations	(2,953,708)	(198,250)	1,611,138
Cash Flows From Investing Activities:			
Purchase of Fixed Assets	(22,593,214)	1,104,496	1,839,343
Cash Flows From Financing Activities:			
Capital Contribution	25,744,624	-	-
Net Change In Cash & Cash Equivalents	$197,701	$906,247	$3,450,480
Cash Beg of Period	$0	$197,701	$1,103,948
Cash End of Period	$197,701	$1,103,948	$4,554,428

ATTACHMENT-2B

DECLARATION AND VERIFICATION

I, Dr. Richard A. Kresch, M.D., acting in my capacity as President of 2014 Health, LLC, do hereby certify, verify, and affirmatively state that twenty-five million eight hundred thousand dollars ($25,800,000) is currently deposited in an account owned by 2014 Health, LLC, held at Citibank, N.A., numbered [redacted] Those funds are being held for the sole use of 2014 Health, LLC and are set aside for the sole purpose of ***acquisition and operation*** of the facility currently known as Maryville Behavioral Health Hospital, located at 555 Wilson Lane, Des Plaines, Illinois, 60016, if so approved by the Illinois Health Facilities and Services Review Board and once licensed and certified by the relevant and appropriate agencies and entities.

Under penalties as provided by law, pursuant to Section 1-109 of the Illinois Code of Civil Procedure, the undersigned certifies, verifies, and affirmatively states that as the President of 2014 Health, LLC he is authorized to present this Declaration and Verification, and that the statements set forth in this Declaration and Verification are true and correct.

Date: July 9, 2014

Richard A. Kresch, M.D.

US HealthVest

June 26, 2014

Ms. Courtney Avery
Administrator
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Ms. Avery:

Pursuant to our application for a Certificate of Exemption for Change of Ownership of Maryville Behavioral Health Hospital, **2014 Health, LLC** hereby affirm the following:

- that the categories of service and number of beds as reflected in the Inventory of Health Care Facilities will not substantially change for at least 12 months following the project's completion date;
- that **2014 Health, LLC** intends to maintain ownership and control of the facility for a minimum of three years;
- that the categories of service and number of beds as reflected in the Inventory of Health Care Facilities maintained by HFSRB will not substantially change (per the definition in Section 1130.140) for at least 12 months following the exemption's completion date.
- as the Applicant may expand Acute Mental Illness services within its licensed capacity, there will be no reductions in access to care as a result of this transaction. Moreover, the admissions policy of the facility will not become more restrictive.
- the facility will not adopt a more restrictive charity care policy than the policy that was in effect in the year preceding this transaction. This charity care policy to be put in place will remain in effect for at least a 2 year period following the completion of this transaction.

The above is true and accurate to the best of my knowledge.

Sincerely,

Richard Kresch, M.D.
President and CEO

Subscribed and sworn to before me
this 26th day of June, 2014

Notary Public

DAVID LEVER
Notary Public, State of New York
No. 01LE6166345
Qualified in New York County
Commission Expires May 21, 2015

32 East 57th Street
17th Floor
New York, New York 10022
T 212.243.5565 · F 212.243.1099
www.ushealthvest.com

ATTACHMENT-2D

MARYVILLE BEHAVIORAL HEALTH HOSPITAL

Effective Date: _____ 1, 2013

Subject: Emergency Medical Treatment and Active Labor Act ("EMTALA") Compliance

POLICY

Maryville Behavioral Health Hospital ("Hospital") shall operate in compliance with the Emergency Medical Treatment and Labor Act, including Sections 1866 and 1867 of the Social Security Act and 42 U.S.C. Section 1395dd ("EMTALA") and related state law requirements pertaining to emergency medical treatment, consistent with its capabilities as a psychiatric hospital with a Stand By emergency department designation.

In the event of a declared national emergency, the Hospital shall comply with guidance issued by the Centers for Medicare and Medicaid Services and the state department of health related to screening, treating and transferring patients.

PURPOSE

To provide basic information on EMTALA compliance.

GUIDELINES

A. **Generally**. An individual who comes to a Hospital's Emergency Department or elsewhere on Hospital Campus requesting evaluation or treatment of a medical condition will receive an appropriate Medical Screening Examination ("MSE") within the capabilities of the Hospital, conducted by a physician or other Qualified Medical Person ("QMP")as referenced in the Medical Staff Bylaws rules and regulations, to determine if the individual has an Emergency Medical Condition ("EMC"), regardless of that individual's ability to pay. If an EMC is determined to exist, the Hospital shall provide any necessary stabilizing treatment *within its limited capabilities* and, if necessary, effect an appropriate transfer of the individual to a hospital that can provide an appropriate level of care. The MSE and stabilizing treatment will be provided without delay and without consideration of an individual's race, religion, gender, ethnicity, national origin, age, handicap, marital status, sexual orientation, or source of payment for care.

B. **Psychiatric Patients**. Psychiatric patients or those with symptoms of substance abuse may meet the definition of patients with an EMC because the absence of medical treatment may place their physical health in serious jeopardy. Likewise, an individual expressing suicidal or homicidal thoughts or gestures, or who is otherwise determined to be dangerous to self or others, is considered to have an EMC. Patients with psychiatric symptoms will receive a MSE inclusive of psychiatric and general medical evaluation, within the Hospital's capabilities in order to determine whether there is a concomitant emergency medical condition present.

C. **Definitions.**

1. Capacity: means the ability of the Hospital to accommodate the individual requesting examination or treatment of a transferred individual. Capacity includes numbers and availability of qualified staff, bed space and equipment, as well as the Hospital's past practices of accommodating patients in excess of its occupancy limits.

2. Comes to the Emergency Department means, with respect to an individual who is not then a patient of the Hospital, that he or she has:

   a. Come to a Hospital's Dedicated Emergency Department and requested examination or treatment for a medical condition, or has such a request made on his or her behalf (in the absence of such a request by or on behalf of the individual, a request on behalf of the individual will be considered to exist if a prudent layperson observer would believe, based on the individual's appearance or behavior, that the individual needs examination or treatment for a medical condition); or,

   b. Has presented on Hospital Campus other than the Emergency Department, and requested examination or treatment for what may be an EMC, or has such a request made on his or her behalf, or if a prudent layperson observer would believe, based on the individual's appearance or behavior, that the individual needs emergency examination or treatment; or,

   c. Is located in a ground or air ambulance owned and operated by the Hospital for purposes of examination and treatment for a medical condition at a Hospital's Emergency Department, even if the ambulance is not on Hospital grounds; or

   d. Is located in a ground or air non-Hospital-owned ambulance on Hospital Campus for presentation for examination and treatment for a medical condition at a Hospital's Emergency Department.

3. Dedicated Emergency Department ("DED") means any department or facility of the Hospital, regardless of whether it is located on or off the main Hospital Campus, that meets at least one of the following requirements:

   a. is licensed by the State in which it is located under applicable State law as an emergency room or emergency department; or

   b. is held out to the public (by name, posted signs, advertising or other means) as a place that provides care for emergency medical conditions on an urgent basis without requiring a previously scheduled appointment; or

   c. during the calendar year immediately preceding the calendar year in which a determination is being made, based on a representative sample of patient visits that occurred during that calendar year, provided at least one-third of all of its outpatient visits for the treatment of Emergency Medical Conditions on an urgent basis without requiring a previously scheduled appointment. To meet the one-third criteria of being a DED, the Hospital shall include all outpatients, walk-in individuals with unscheduled appointments and individuals with EMCs who received stabilizing treatment in their case count.

4. Emergency Medical Condition: means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain, psychiatric disturbance, and symptoms of substance abuse) that the absence of immediate medical attention could reasonably be expected to result in:

   a. Placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;

   b. Serious impairment to any bodily function;

   c. Serious dysfunction of any bodily organ or part;

   d. With respect to a pregnant woman who is having contractions:

      i. That there is inadequate time to effect a safe transfer to another hospital before delivery; or

      That the transfer may pose a threat to the health or safety of the woman or the unborn child.

5. Hospital Campus: is, for purposes of this policy, the Hospital and Hospital buildings and public areas such as parking lots, sidewalks, driveways that are contiguous to the Hospital structure or are within 250 yards of the Hospital's main building. A Hospital's EMTALA obligation does not extend to individuals who present to non-Hospital properties that may be located within 250 yards of the Hospital but are not part of the Hospital. Examples of separate entities that are not part of the Hospital include independent medical practices and commercial businesses.

6. Medical Screening Examination: is the process required to determine within reasonable clinical confidence, the point at which it can be determined whether an individual has an EMC or not. Individuals who come to the Emergency Department shall be provided with an MSE appropriate to the individual's presenting signs and symptoms as well as the Hospital's capability and capacity. Each MSE shall utilize available personnel, including on-call physicians, and be applied in a non-discriminatory manner. The MSE is an ongoing process, and medical records shall reflect continued monitoring based on the individual's needs and continue until the individual is either stabilized or appropriately transferred. MSE is differentiated from the Triage process in an Emergency Department. Triage is not a substitute for performing an MSE; Triage merely determines the order in which the MSE will be performed.

7. Qualified Medical Person: means an individual who is licensed and determined to be qualified by the Hospital Bylaws or Medical Staff Rules and Regulations as qualified to administer an MSE, and who has demonstrated current competence in the performance of the MSE in accordance with Hospital policies and procedures. Based upon recommendation from the executive committee of the Hospital's medical staff, and to the extent permitted by the state licensing laws and permissible scope of practice, non-physicians may be approved by the governing body to administer MSEs and/or complete/sign a certification for Transfer in consultation with a physician.

8. Stabilized: means, with respect to an EMC, that no material deterioration of the condition is likely, within reasonable medical

probability, to result from or occur during the transfer of the individual from a facility; or the EMC has been resolved; or
a. With respect to a pregnant woman in labor, that the woman has delivered the child and the placenta.
b. With respect to an individual with a psychiatric condition, the QMP determines that the patient is protected and prevented from injuring himself/herself or others.

9. Stable for Discharge: as described in CMS Interpretive Guidelines means a physician has determined that the individual has reached the point where his or her EMC has resolved and continued medical treatment could reasonably be performed as an outpatient or later as an inpatient, so long as the individual is given a plan for appropriate follow-up care with discharge instructions.

10. Transfer: means the movement, including the discharge, of an individual outside the Hospital's facilities at the direction of any person employed by, affiliated or associated, directly or indirectly, with the Hospital. Transfer does not include moving an individual who has been declared dead, or one who leaves the Hospital without the permission of any person responsible for directing transfers.

D. **Non-Emergent Care.** If an individual comes to the Emergency Department or elsewhere on the Hospital Campus and makes a request for services that are not considered an examination or treatment for a medical condition (e.g., preventive care, lab, or x-ray services), EMTALA does not apply.

E. **No Delay.** There should be no delay in the provision of a MSE in order to inquire about the individual's method of payment or insurance status. However, the Hospital may follow general registration processes for individuals who present to the Hospital, including requesting information concerning insurance, so long as these procedures do not delay the MSE. Discussions regarding patient payment obligations may proceed once the QMP has confirmed that the MSE has been conducted and stabilizing treatment has been initiated.

F. **Emergency Care on Campus.** An individual who presents on the Hospital Campus seeking treatment for an emergency condition shall be immediately transported to the Emergency Department by the method and with the personnel and equipment deemed appropriate under the circumstances by those who are with the individual. Hospital staff will take steps to stabilize the individual, within the Hospital's capability, until the transport team arrives.

G. **On-Call Obligations.** The Hospital will maintain an on-call list for instances where a medical specialist is needed to complete a medical screening examination or stabilizing treatment. The ED physician shall document in on the transfer documentation form the name and address of any on-call physician who refuses or fails to come in to provide stabilizing treatment, thus necessitating transfer.

H. **Unstable Transfers.** Patients who have not been Stabilized shall not be transferred unless:

a. The transfer is at the request of the patient or family and the patient/family gives written consent after being informed of the hospital's obligation to treat and the risks of transfer, OR
b. The Hospital does not have the capability or capacity to stabilize the patient and the benefits of the transfer to another hospital outweigh the risk of transfer, AND

i. The physician certifies that the medical benefits of the transfer outweigh the risks, AND
ii. The patient/family gives consent, after being informed of the risks and benefits of the transfer.

I. **Appropriate Transfers.** The following elements of an "appropriate" transfer under EMTALA shall be followed by each Hospital:

a. The Hospital provides medical treatment within its capabilities to minimize the risks to the individual's health, and in the case of a woman in labor, the health of the unborn child.
b. The receiving hospital has the capability and capacity to treat the individual and agrees to accept the transfer (physician-to-physician contact and acceptance).
c. The Hospital sends to the receiving hospital with the individual: (1) copies of all available medical records regarding the individual and his or her emergency condition; (2) the transfer form containing the Physician Certification and patient consent; (3) the name and address of any on-call physician who refused or failed to appear within a reasonable time to provide necessary stabilizing treatment. (Any other pertinent records not available at the time of transfer shall be sent to the receiving hospital as soon as possible thereafter).
d. The Transfer is effected through qualified personnel and transportation equipment, including necessary and medically appropriate life support measures during the transfer.
e. Consistent with each Hospital's policies and procedures, the Hospital carefully and completely documents these elements in the medical record.

L. **Against Medical Advice.** The Hospital shall establish a policy and procedure to address patients who leave the Emergency Department against medical advice or without being seen by a physician/QMP. The Hospital's Central Log shall in each instance be updated to appropriately document patient disposition.

M. **Central Log.** The Hospital shall maintain a "Central Log" of each individual who comes to the Emergency Department seeking assistance and whether he or she refused treatment, was refused treatment, or whether he or she was transferred, admitted, and treated, Stabilized and Transferred or discharged. The Hospital is free to maintain its Central Log in a form that best meets the needs of that Hospital. The Central Log may be maintained electronically as part of the Hospital's electronic medical record system.

a. The Central Log shall include directly or by reference logs from each area defined as a DED, including areas outside the Emergency Department where an individual might present for emergency services, such as labor and delivery and urgent care centers.
b. The log(s) will be maintained for a period of at least five (5) years.

N. **EMTALA Signage.** Signs will be posted conspicuously in the Hospital DED, and other places in the hospital that a person might go seeking emergency treatment or wait for examination or treatment, specifying the rights of individuals who come to the hospital and request treatment for an EMC.

a. Signage should be posted in English and in additional languages if a Hospital's patient population warrants.
b. Signage must be clearly visible in a place or places likely to be noticed by all individuals entering the Emergency Department, as well as those individuals waiting for examination and treatment in those areas (e.g., entrance, admitting areas, waiting room, treatment area).
c. Signs in waiting areas must be clearly readable and visible from a distance of 20 feet. Signs in other areas must be clear and readable to patients.

d. Signs that raise issues of finances or conflict with EMTALA are not permitted.

e. Required Language for EMTALA Signage

IT'S THE LAW!

If you have a medical emergency or are in labor, you have the right to receive, within the capabilities of this hospital's staff and facilities:

-An appropriate medical screening examination

-Necessary stabilizing treatment (including treatment for an unborn child) and, if necessary

-An appropriate transfer to another facility even if you cannot pay or do not have medical insurance or you are not entitled to Medicare or Medicaid.

-This hospital [does/does not] participate in the Medicaid program.

Charity Care Policies and Procedures

POLICY

Maryville Academy (Maryville) is committed to providing high quality care to all of its clients, including those who are indigent or otherwise economically disadvantaged. Consistent with its mission, Maryville has developed a Charity Care Policy to identify and assist those individuals who do not have the means to pay for medically necessary services. It must be understood, however, that the inability to pay for services is distinctly different from unwillingness to pay, otherwise known as bad debt. In order to distinguish charity care from bad debt it is necessary to evaluate the financial status of each individual seeking assistance. The purpose of this document is to define Maryville's policies and procedures for determining the eligibility of individuals to receive free or discounted care.

Charity care is care provided to persons who are willing, but unable to pay for health care services.

Charity Care does not include:

- Administrative adjustments unrelated to a client's ability to pay
- Bad debt
- Medicaid or managed care contractual adjustments
- Care provided at a discount to employees and their dependants

As required by the Fair Patient Billing Act, Maryville will post signage in admission and registration areas regarding financial assistance/charity care and charity care applications. Patients can also obtain this information via Maryville's web site.

PROCEDURE

Patients may apply for discounts or free care during pre-registration, during treatment or after treatment. Uninsured patients will have 60 days following the date of discharge or receipt of outpatient care to submit an application for financial assistance.

Eligibility Criteria

In order to qualify for Charity Care, a client must provide to Maryville evidence of income and expenses in writing. Only Maryville can determine whether a client is eligible for Charity Care; the client cannot. Determining each client's ability to pay and the amount of service eligible for charity support involves consideration of a number of factors, all of which require judgment. Ideally, eligibility should be determined for each episode of care. When this is not possible, episodes of care may be combined. Quarterly confirmation of eligibility should occur for lengthy service programs.

To determine if a person is eligible for a Charity Care write-off, the following must be considered as part of the financial screening:

ATTACHMENT-2F

- Individual or family income between 150% of the Federal Poverty Income Guidelines, which are set by the Department of Health and Human Services to determine financial eligibility for certain federal programs. Consideration will also take into account family size and geographic location.
- Individual or family net worth which considers liquid and non-liquid assets owned, less liabilities and claims against assets.
- Implication of family size in addition to adequacy of income
- Employment status and the likelihood of future earnings to meet health care expenses within a reasonable period of time
- Living expenses such as rent, utilities (e.g., phone, electricity, gas, and water) and other items of a reasonable nature
- Amount and frequency of healthcare bills that exceed a certain proportion of their annual household income

The actual amount of Charity Care is determined after applying all other resources, e.g., medical insurance coverage.

Verification of Information
Determining the amount of charity service for which a client is eligible is based in large part on information supplied by the client or someone acting on the client's behalf. To the extent possible, the following should be obtained to verify the information provided by or on behalf of a client seeking assistance:

- Copies of paycheck stubs, most recent tax returns, and evidence of Medicaid denial
- A government issued I.D.
- Authorization from the client to do a credit check

If possible, Maryville personnel also should contact the client's employer to verify employment.

If the information on the charity care application is insufficient to make a determination of a patients inability to pay alternative procedures will be performed from external sources such as obtaining the patients credit report and or reviewing the patients Medicaid enrollment.

Authorization & Review Process
Review of the client account and the amount of Charity Care to be provided shall be subject to the following approval limits:

Executive Director
$10,000 or more
Associate Executive Director
<$10,000
Director of Financial Services
<$5,000

Hospital Administrator or Program Director
<$5,000

Once the review process is completed, a letter will be sent to the patient notifying them of Maryville's determination.

Collections
Currently Maryville does not utilize the services of a collection agency or initiate legal action as such the perquisites for perusing such actions are not outlined in the policy as mandated by the Fair Patient Billing Act . Internal follow up efforts on aged receivable balances will consist of phone calls and three letters which will include offers to set up a payment plan. As required under the Fair Patient Billing Act, uninsured patients will have an opportunity to apply for financial assistance up to 60 days following the date of discharge and will be offered a reasonable payment plan. If these follow up efforts are deemed unsuccessful, accounting will prepare a Request for Authorization to write-off any remaining balances as a bad debt expense (operating expense).

Any revenue recorded that is later deemed to be charity care will be reversed with a Request for Authorization form along with an approved charity care application as back-up for the journal entry.

Program Monitoring
The Executive Director, in conjunction with the Finance Committee, will review this program periodically to ensure appropriate use of resources and consistency within Maryville's mission and financial ability.

Exceptions
Any exceptions to this policy are subject to the approval of the Executive Director.

MARYVILLE ACADEMY
CHARITY ASSISTANCE APPLICATION

Patient Information

Last Name	First	M.I.	Age	Social Security No.	Insurance

Street	Apt.	City	State	Zip Code	Home Phone

Employer	Position	Cell Phone

Employer Address	City	State	Zip Code	Work Phone

Spouse/Parent/Guardian Information (if Minor)

Last Name	First	M.I.	Age	Social Security No.	Relationship to Patient

Employer	Occupation	Home Phone/Cell Phone

Employer Address	City	State	Zip Code	Work Phone

Family Size Information

Total Number in Household*: _____

*Number of individuals for whom you are financially responsible for.

Name	Age	Relationship

Income Information

List income for all the family members living within your household. Please attach proof of the supporting income, such as wage check stubs, tax returns, disablity or social security income, public aid income or child support.

Income:	Monthly	Expenses:	Monthly
Wages Earned (Gross Amount)		Mortgage	
Public Assistance			
Social Security		Rent	
Unemployment Compensation			
Workers Compensation		Loan(s):	
Alimony Received			
Child Support Received		Medical/Prescriptions	
Pensions			
Income from:		Outstanding Bills	
Interest and/or Dividends			
Rent/Other:		Extraordinary Expenses	

Patient/Guarantor Statement; I certify that the above information is true and complete to the best of my/our knowledge. Applicant's) authorize Maryville Academy to verify my/our address, employment and credit history.

Patient/Guarantor Signature _____ Date _____

Maryville Academy
Program Director _____ Date _____

Executive Director _____ Date ATTACHMENT-2F

KaufmanHall
Integrated Management Solutions for Healthcare

Discussion Materials

Des Plaines, Illinois | April 8, 2014

CONFIDENTIAL

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Valuation Summary

- Based on a combination of two valuation methodologies, Mayville Scott Nolan's implied BEV ranges from **$7.2 million to $10.7 million**
- Due to Maryville Scott Nolan's negative cash flows, Kaufman Hall applied a distressed discount* to the implied BEV range
  - The distressed discount is preliminary and would require further refinement
  - With the distressed discount, Maryville Scott Nolan's adjusted BEV ranges from **$4.2 million to $6.7 million**

Maryville Scott Nolan Psychiatric Hospital
Valuation Summary
$ in 000's

	Low	High	Weight
Public Market Comparables Analysis	7,700	11,500	10%
Comparable Transactions Analysis	7,100	10,600	90%
Prelimenary Value Range (Rounded)	7,200	10,700	
Distressed Discount (Rounded)*	3,000	4,000	
Adjusted Value Range	4,200	6,700	
*Implied BEV/Total Revenue Multiples***	*0.3 x*	*0.5 x*	

*A distressed discount would be applied to account for additional issues typically found in distressed entities. These include lack of working capital, capital expenditure needs, systems upgrades, etc. KHA would work to further define and refine these items in additional diligence to arrive at a more refined analysis of this discount
**Based on annualized eight month ended February 2014 financial operating results

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12. **NARRATIVE DESCRIPTION.** Provide a narrative description explaining the transaction, and append it to the application as **ATTACHMENT #3**.

The Applicants are 2014 Health, LLC and Maryville Academy. 2014 Health, LLC, d/b/a Chicago Behavioral Hospital, proposes the change of ownership, through an asset purchase, of Maryville Behavioral Health Hospital located at 555 Wilson Lane, Des Plaines, Cook County, Illinois from Maryville Academy. The facility is a 125 acute mental illness (AMI) bed facility. The facility does not offer any other type of bed or ancillary category of service.

The Facility's patients are referred mainly from the Illinois Screening Assessment & Support Services (SASS) programs for children and adolescents experiencing mental health crisis. The SASS initiative is a cooperative partnership between the Department of Children and Family Services (DCFS), the Department of Healthcare and Family Services (HFS) and the Department of Human Services (DHS). The development of the tri-department SASS program created a single statewide system to serve children experiencing a mental health crisis whose care will require public funding from one of the three agencies. This program features a single point of entry (Crisis and Referral Entry Service, CARES) for all children entering the system and ensures that children receive crisis services in the most appropriate setting. Under the SASS program, the State of Illinois contracts with local human services agencies to screen and assess children and adolescents to determine whether they are in need of inpatient mental health services.

2014 Health, LLC, d/b/a Chicago Behavioral Hospital, is committed to continue serving the SASS/CARES population. 2014 Health, LLC looks forward to providing a full spectrum of AMI services and envision the foundation of care being provided will be to continue ensuring the availability of service for children and adolescents experiencing mental health crisis. Although payor mix will inevitably fluctuate and is difficult to predict or control, the Applicant is committed to continue serving all patients regardless of ability to pay, as the existing facility has historically done. The Applicant is confident in its ability to provide mental/behavioral health services, in accordance with its license, to the full spectrum of those in need. As this project involves a transition from Not-For-Profit status to For-Profit status, the Illinois Attorney General's review of the transaction is required and that process has been initiated. The approval of the Illinois Attorney General will be submitted upon receipt, prior to the consideration of this Project. It should be known that upon project approval and completion Maryville Academy will cease as Co-Applicant to this project.

ATTACHMENT-3

13. **BACKGROUND OF APPLICANT** (co-applicants must also provide this information). Corporations and Limited Liability Companies must provide a current Certificate of Good Standing from the Illinois Secretary of State. Limited Liability Companies and Partnerships must provide the name and address of each partner/ member and specify the percentage of ownership of each. Append this information to the application as **ATTACHMENT #4**.

2014 Health, LLC, d/b/a Chicago Behavioral Hospital, will be the Owner and Operator/Licensee for this proposed project. The sole shareholder of this entity is US HealthVest, LLC.

Appended as **ATTACHMENT-4A,** is the Certificate of Good Standing for 2014 Health, LLC, d/b/a Chicago Behavioral Hospital. Appended as **ATTACHMENT-4B,** is the Certificate of Good Standing for Maryville Academy.

Although the certification portion of this application addresses adverse action, it should be known that this entity does not have history in Illinois and as such the issue of adverse action is not germane. That said, it is worth noting that neither the sole shareholder, US HealthVest, LLC nor any company related to US HealthVest, LLC, has had any adverse action taken against them.

As to the Applicant being fit, willing, and able, and having the qualifications, background and character to adequately provide a proper standard of health service for the community, enclosed is a statement regarding their history and qualifications:

> 2014 Health, LLC, through its parent US HealthVest, LLC, is an innovative behavioral healthcare firm that has redefined the psychiatric hospital space. Dr. Richard Kresch is the Founder, President and CEO of US HealthVest, LLC and a child psychiatrist by training. Prior to founding and operating psychiatric hospitals, Dr. Kresch practiced psychiatry for over twenty years at Columbia Presbyterian Medical Center in New York City.
>
> 2014 Health, LLC, through its parent US HealthVest, LLC, is able to efficiently operate hospitals due to the experience of the leadership group which has worked with Dr. Kresch and Neal Cury, Chief Operating Officer, in the psychiatric hospital arena for over twenty years. Prior to US HealthVest, LLC, Dr. Kresch and Neal Cury built and operated Ascend Health and Heartland Health Developments with a total of 13 hospitals and nearly 1,300 beds.
>
> Dr. Kresch is personally involved with the development and implementation of each program, with particular focus on children and adolescent programming. Over the years, this team has treated thousands of children and adolescents at their hospitals. Furthermore, they have founded and operated a charter school to enable adolescents to attend school while undergoing treatment. Evidence-based treatment and personalized care are at the core of each patient program to ensure the highest level of patient care.

ATTACHMENT-4

File Number 0479185-1

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

2014 HEALTH, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JUNE 24, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

Authentication #: 1417702170

Authenticate at: http://www.cyberdriveillinois.com

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 26TH *day of* JUNE *A.D.* 2014 .

Jesse White

SECRETARY OF STATE

ATTACHMENT-4A

File Number 0203-274-1

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

MARYVILLE ACADEMY, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON AUGUST 14, 1883, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

Authentication #: 1407802036

Authenticate at: http://www.cyberdriveillinois.com

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 19TH *day of* MARCH *A.D.* 2014 .

Jesse White

SECRETARY OF STATE

ATTACHMENT-4B

14. **TRANSACTION DOCUMENTS.** Provide a copy of the complete transaction document(s) including schedules and exhibits which detail the terms and conditions of the proposed transaction (purchase, lease, stock transfer, etc). Applicants should note that the document(s) submitted should reflect the applicant's (and co-applicant's, if applicable) involvement in the transaction. The document must be signed by both parties and contain language stating that the transaction is contingent upon approval of the Illinois Health Facilities and Services Review Board. Append this document(s) to the application as **ATTACHMENT #5**.

Appended as **ATTACHMENT-5A** is the transaction document (Asset Purchase Agreement) for the asset purchase between 2014 Health, LLC and Maryville Academy. It should be noted that this transaction has a purchase price of $23,000,000 and the document has been executed with a contingency clause (section 8.2(a)) to allow for Health Facilities and Services Review Board approval.

It should be noted, as a result of this transaction, there will be no change in category of service or number of beds as reflected in the Health Facilities and Services Review Board's Inventory for a period of at least 12 months. Appended as **ATTACHMENT-2D** is an affirmation letter addressing this issue.

ATTACHMENT-5

ASSET PURCHASE AGREEMENT

between

2014 HEALTH, LLC
a Delaware limited liability company

"Purchaser"

and

MARYVILLE ACADEMY
an Illinois non-profit corporation

"Seller"

Dated: July 16, 2014

8195243 v8

ATTACHMENT-5A

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is entered into as of the 10th day of July, 2014 (the "Effective Date") by and between 2014 Health, LLC, a Delaware limited liability company ("Purchaser"), and Maryville Academy, an Illinois non-profit corporation ("Seller") (each, a "Party" and collectively, the "Parties"). An index of the defined terms used in this Agreement is set forth in Section 37 of this Agreement.

RECITALS

A. Seller is the owner and sole operator of a psychiatric hospital known as Maryville Behavioral Health Hospital located at 555 Wilson Lane, Des Plaines, IL 60016.

B. Upon the conditions and terms set forth herein, Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, the "Assets" (as defined in Section 1.1 below) of the Maryville Behavioral Health Hospital (collectively, "Seller's Hospital Business").

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, agree to incorporate the forgoing recitals as if fully set forth in this Agreement and further agree as follows:

1. Agreement to Purchase.

1.1 Purchased Property. At the "Closing" (as defined in Section 8.1 of this Agreement), Seller shall sell, convey and assign to Purchaser, and Purchaser shall purchase and accept, under the terms and conditions of this Agreement, marketable title to, and exclusive ownership of, the following assets (collectively, the "Assets") free and clear of all liens, security interests, mortgages, deeds of trust, pledges, hypothecations, assignments, claims, restrictions, limitations, options, attachments, rights, leases, rights of use, conditional sale contracts, title retention contracts, easements, conditions, reservations and other encumbrances except for Permitted Exceptions (as defined in Section 7.4(d)) ("Encumbrances"):

(a) Seller's bank account(s) relating to Seller's Hospital Business used for electronic transfers of funds ("Seller's EFT Accounts"), Seller's prepaid patient deposits for services relating to Seller's Hospital Business to be rendered after the "Closing Date" (as defined in Section 8.1(a) of this Agreement) ("Prepayment Deposits") and all personal property used or useful in the operation of Seller's Hospital Business and the Premises as defined in Section 1.1(c) (the "Personal Property") including, without limitation; all: (i) furniture, fixtures and equipment; (ii) computer equipment, computer programs and all software and all guides and manuals related to such equipment, programs and software; (iii) marketing and promotional materials relating to Seller's Hospital Business, subject to Section 1.1(b)(v) of this Agreement; (iv) manuals, policies and procedures, and handbooks; (v) motor vehicles dedicated to Seller's Hospital Business; (vi) "Records" (as defined in Section 3.26 of this Agreement); (vii) Seller's inventories of food, linen, medical supplies, pharmaceuticals, cleaning and other supplies

located at the Premises, or used or usable as of the Closing Date (the "Inventory"); and (viii) other tangible property and assets, whether enumerated herein or not, owned by Seller and now or hereafter located on the Premises or used or useful in connection with the operation or ownership of Seller's Hospital Business or the Premises including, but not limited to, those items of personal property, fixtures and equipment necessary or reasonable for the safe, efficient, proper and lawful conduct and operation of Seller's Hospital Business or the Premises and including, without limitation, the personal property, furniture, fixtures and equipment set forth on Schedule 1.1(a) to this Agreement;

(b) The following intangible property in which Seller has an interest and is used or intended to be used in connection with the operation of Seller's Hospital Business and the Premises (collectively, the "Intangible Property"): (i) all payor, provider, service, maintenance and other contracts listed on Schedule 1.1(b)(i) to this Agreement that Purchaser assumes at the Closing; (ii) all leases or other rental agreements of equipment or appliances listed on Schedule 1.1(b)(ii) to this Agreement that Purchaser assumes at the Closing; (iii) all telephone numbers presently associated with Seller's Hospital Business, including, without limitation, those listed on Schedule 1.1(b)(iii) to this Agreement that Purchaser assumes at the Closing; (iv) all software licenses, hardware leases and licenses, and all computer networks, computer systems, telecommunication systems, hardware and software associated with Seller's Hospital Business and identified on Schedule 1.1(b)(iv); (v) all worldwide copyrights, trade secrets, service marks, copyrights, tradenames, whether or not registered (excluding however the name "Maryville Behavioral Health Hospital"), trademarks and all goodwill symbolized and associated with Seller's Hospital Business and the Premises, patents and patent licenses, and all applications and registrations for any of the foregoing, specifications, formulas, designs, processes, know how, and any and all other intellectual and proprietary property and rights (collectively, the "Intellectual Property") listed on Schedule 1.1(b)(v) to this Agreement; (vi) all third party warranties to the extent assignable; and (vii) to the extent permitted under applicable law, all licenses, permits and certifications relating to Seller's Hospital Business or the Premises, including, without limitation, Medicaid certifications and provider numbers related to the Seller's Hospital Business and the operation of the inpatient and outpatient pharmacies on the Premises, TRICARE certifications and provider numbers, accreditations, hospital and pharmacy licenses, controlled substances licenses, certificates of need and approvals from any federal, state or local governmental or regulatory agency, authority, regulator, body, tribunal, board, commission or other governmental, judicial or regulatory authority (individually, a "Governmental Entity" and collectively, "Governmental Entities"); and

(c) The following real property owned by Seller, together with all buildings, improvements, easements, hereditaments, fixtures and appurtenances thereunto belonging, situated in Des Plaines, Illinois, and known as tax parcel nos. 09-16-300-053-0000, 09-16-300-072-0000, 09-16-300-077-0000, 09-16-300-087-0000, 09-16-300-097-0000, 09-16-300-098-0000 and 09-16-300-104-0000 consisting of approximately 3.96 acres of land and a psychiatric hospital known as Maryville Behavioral Health Hospital (the "Building") containing approximately 36,501 square feet of floor area, and other improvements located thereon, which are more particularly described in Exhibit A, and

depicted on the site plan or sketch of the subject property attached as Exhibit A-1, together with all right, title and interest of Seller in and to: (i) any vacated street adjoining the subject property, (ii) any land lying in the right of way of any street in front of or adjoining the subject property to the centerline thereof, and (c) all licenses, easements, appurtenances, rights of way and similar rights with respect thereto (collectively, all of the foregoing including the Building, the "Premises").

1.2 Excluded Assets. Notwithstanding anything in this Agreement to the contrary, Seller shall not sell or otherwise transfer to Purchaser, and Purchaser shall not purchase: (a) cash, cash equivalents, bank and financial institution deposits (excluding Seller's EFT Accounts), deposits (excluding Prepayment Deposits), letters of credit, and similar items of security, if any, provided to any third party and Seller's accounts receivable for services rendered by Seller prior to the Closing Date ("Seller's Accounts Receivable"); and (b) any of the assets listed on Schedule 1.2(b) to this Agreement or any of the assets, tangible or otherwise, or real property, owned by Seller but not related to Seller's Hospital Business (the "Excluded Assets").

1.3 Assumption and Non-Assumption of Liabilities.

(a) Except as otherwise specifically provided in this Agreement, Purchaser shall not be responsible for, and shall not assume or pay for or otherwise be obligated to discharge or perform, any liability, indebtedness, commitment, or obligation of Seller, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising or otherwise (collectively, the "Excluded Liabilities"), including, without limitation, the following:

(i) any short-term and long-term debt obligations of Seller;

(ii) any liability or obligation arising out of or related to any of the Excluded Assets;

(iii) any tax liabilities of Seller or any utilities or property tax liability or obligation of Seller in respect of, or accrued for, periods prior to the Closing; and

(iv) (A) any debt, obligation, expense, or liability of Seller or Seller's Hospital Business arising out of or incurred as a result of any activity, action, omission or transaction of Seller occurring before or after the Closing Date; (B) any liability to any payor or Governmental Entity including, without limitation, the Medicare, Medicaid or TRICARE programs (the "Seller Payment Programs") for services provided by Seller's Hospital Business before the Closing Date; (C) any debt, obligation, expense or liability associated with the leasing of any of the Assets or the operation of Seller's Hospital Business before the Closing Date; or (D) any violation before or after the Closing by Seller of any federal, state or local constitutional provision, statute, ordinance, law, rule, regulation, interpretation, standard, policy or order of any Governmental Entity, including, without limitation, those pertaining to fraud, environmental, Healthcare Laws (as defined below), Labor and Employment Laws (as defined in Section 3.24(e) of

this Agreement) employee benefit matters, or common law (individually a "Law" and collectively, "Laws"). For purposes of this Agreement, "Healthcare Laws" shall mean those Laws that are generally applicable to health care providers and other entities who provide the same or similar services as Seller, and Seller's agents, contractors and employees, including, without limitation: (i) health care licensure, permit, certificate of need and medical waste requirements; (ii) laws restricting or governing the operation of hospitals and the provision of psychiatric services; (iii) Titles XVIII, XIX and XXI of the Social Security Act; (iv) the Ethics in Patient Referrals Act, 42 U.S.C. §1395nn and the regulations promulgated thereunder; (v) HIPAA and HITECH; (vi) Laws governing Governmental Payment Programs; (vii) the Civil False Claims Act, 31 U.S.C. §§3729 *et seq.*; (viii) the Criminal False Claims Act, 18 U.S.C. §287; (ix) the False Statements Relating to Health Care Matters Act, 18 U.S.C. §1035; (x) the Health Care Fraud Act, 18 U.S.C. §1347; (xi) the provisions of 42 U.S.C. §1320a-7b, *et. seq.*; (xii) all regulations, rules and judicial or regulatory interpretations issued in connection with the foregoing; and (xiii) all other Laws issued by any Governmental Entity concerning matters similar to those above or otherwise governing the provision of services by Seller and reimbursement therefor.

(b) Notwithstanding anything set forth in this Agreement to the contrary, Purchaser shall not assume any of Seller's liability for any accounts payable related to any period prior to the Closing Date.

2. Purchase Price.

2.1 Price.

(a) Prior to the execution of this Agreement by the Parties, Purchaser made the following payments: (i) payment in the amount Fifty Thousand Dollars ($50,000) to Seller (the "Exclusivity Payment"), and (b) payment in the amount Two Hundred Fifty Thousand Dollars ($250,000.00) to the First American Title Insurance Company ("Title Company") (the "Escrow Payment," and together with the Exclusivity Payment, the "Down Payment"). At the Closing, the Down Payment (together with any interest accrued thereon, if applicable) shall be a credit applied against the Purchase Price and the Escrow Payment shall be paid to Seller.

(b) The purchase price for the Assets (the "Purchase Price") shall be Twenty-Three Million Dollars ($23,000,000.00). Subject to the provisions of this Agreement that require the application of a credit or adjustment to the Purchase Price, including, without limitation, the application of the Down Payment pursuant to Section 2.1(a) of this Agreement, and credits for PTO as set forth on Schedule 5.2(c), and subject to Section 14.4 of this Agreement, Purchaser shall pay the Purchase Price at the Closing. The Purchase Price (net of applicable adjustments and purchase price reductions as provided in this Agreement) shall be transmitted by wire transfer to Seller at the Closing at the account(s) identified on Schedule 2.1(b)(1), attached to this Agreement. The Purchase Price shall be allocated among the Assets as set forth on Schedule 2.1(b)(2), which Schedule shall be finalized and agreed upon by the Parties on

or before the Closing Date and shall comply with Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Seller and Purchaser shall abide by such allocation and file their respective tax returns accordingly.

3. Representations and Warranties of Seller. To induce Purchaser to enter into this Agreement, Seller hereby makes the following representations and warranties to Purchaser as of the Effective Date and as of the Closing Date. For the purposes of this Agreement, the phrases "to Seller's Knowledge", "Knowledge of Seller", and "Known to Seller" shall be defined as the actual or constructive knowledge of Joseph Novak, Randall Roberts, Sr. Catherine M. Ryan, John Poelking and Norman Joyce, after due inquiry:

3.1 Title. Seller is the owner of good and marketable title to the Assets free and clear of all Encumbrances, except the Permitted Exceptions.

3.2 Organization, Good Standing and Authority. Seller is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. Seller has full right, power and authority to enter into and perform its obligations under this Agreement, and under each of the other agreements, assignments, certificates, instruments and documents executed, furnished or to be furnished in connection herewith or in any Schedule and Exhibit hereto or thereto (collectively, the "Transaction Documents") to which Seller is a party. This Agreement and the Transaction Documents have been duly authorized, executed and delivered by Seller, and this Agreement and the Transaction Documents are the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms.

3.3 Compliance; No Conflicts.

(a) Except as set forth on Schedule 3.3(a), the execution, delivery and performance of this Agreement by Seller does not violate, conflict with, or constitute a default under (either alone or with the giving of notice and/or the passage of time) any Law, any agreement to which Seller is a party or any other legal obligation of Seller; and

(b) Except as set forth on Schedule 3.3(b), and as referenced in Seller's Bylaws which have been provided to Purchaser by posting in the online data room hosted by Seller's counsel (the "Data Room"), Seller does not require the consent or authorization of any party, entity or agency in connection with the execution, delivery and performance of its obligations under this Agreement.

3.4 Leased Equipment. Except for those Assets leased pursuant to the leases set forth on Schedule 1.1(b)(ii) to this Agreement, none of the Assets are leased by Seller.

3.5 Agreements. Except for those agreements set forth on Schedule 3.5 to this Agreement (the "Facility Contracts"), there are no contracts, agreements, leases, arrangements or courses of dealing related to or affecting Seller's Hospital Business or the Assets. Seller has delivered to Purchaser, by posting in the Data Room, a true and correct copy of each of the Facility Contracts. The Facility Contracts are in full force and effect, and there is no material default on the part of Seller or, to Seller's Knowledge, of any other party to any of the Facility Contracts. Certain Facility Contracts are global to Seller and do not apply exclusively to Seller's

Hospital Business. These global Facility Contracts are specifically identified on Schedule 3.5 and will not be assigned to Purchaser.

3.6 Status of the Assets and the Premises. Except as set forth on Schedule 3.6, the Assets are all of the assets that are used or necessary for the operation of Seller's Hospital Business and the Premises and are sufficient for Purchaser's operation of Seller's Hospital Business and the Premises in the same manner as Seller's operation of Seller's Hospital Business in the "Ordinary Course of Business". For purposes of this Agreement, the term "Ordinary Course of Business" shall mean the usual transactions, customs and practices of Seller's Hospital Business, as the same was conducted prior to Seller's notice to the HFSRB of the proposed closure of Seller's Hospital Business on April 1, 2014.

3.7 Actions and Proceedings. Except as set forth on Schedule 3.7 to this Agreement, there is no pending, or, to Seller's Knowledge, threatened or contemplated litigation, private or governmental action, mediation, arbitration, investigation, inquiry, audit, monitoring, eminent domain action, condemnation, penalty or administrative action or proceeding, or any claim or demand ("Actions and Proceedings") of any type affecting Seller or any of the Assets, the Excluded Assets or Seller's Hospital Business.

3.8 Tax Returns.

(a) (i) Except as set forth on Schedule 3.8 to this Agreement, all sales, franchise, payroll, income business and occupation, sales and use, real property taxes and assessments and other tax returns and reports required by Laws to be filed by Seller prior to the Closing Date (collectively, "Tax Returns" and all such taxes shall be referred to as the "Taxes") have been properly and timely filed in accordance with the Code and all other applicable Laws and are true and correct in all material respects and correctly reflect the tax position of Seller;

(ii) All Taxes due and payable by Seller as shown on any such Tax Return have been paid by Seller, and no additional Taxes are due for any periods for which Tax Returns have been filed; and

(iii) Seller is not currently the beneficiary of any extension of time within which to file any Tax Return required to be filed.

(b) There are no Encumbrances for Taxes with respect to Seller, or Seller's Hospital Business, or with respect to the Assets. Seller has received no written notice nor has Seller Knowledge of deficiencies of any kind for Taxes assessed against Seller or relating to Seller's Hospital Business or the Assets with respect to any taxable period ending on or before the Closing Date.

(c) No tax authority has audited any Tax Return of Seller. There are no outstanding agreements or waivers extending the statutory period of limitations applicable to any Tax Return for any period and Seller has not agreed to an extension of time with respect to an assessment or deficiency of any Taxes. Seller is not party to any Actions and Proceedings by or before any tax authority for the assessment or collection of Taxes and, to Seller's Knowledge, no such Actions and Proceedings have been

proposed or threatened. No claim has ever been made by a tax authority in any jurisdiction where Seller does not file a Tax Return that it is, or may be, subject to taxation in that jurisdiction with respect to Seller's Hospital Business or the Assets.

(d) Seller has complied with applicable Laws relating to the payment and withholding of Taxes and, within the time required by such Laws, has withheld and paid over to the proper authorities, all amounts required to be so withheld and paid over under such applicable Laws.

(e) There are no tax sharing agreements or similar arrangements (whether oral or written) that include Seller, and Seller is not liable for the Taxes of any other person as a transferee, successor, by contract, law, regulation, rule or otherwise or under Treasury Regulation Section 1.1502-6 or any other comparable Law.

(f) Seller is exempt from federal income taxation under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code as set forth in a determination letter (the "Determination Letter") issued by the IRS, which Determination Letter has not been adversely modified, limited or revoked, and which has been made available to Purchaser by placement in the Data Room. Seller is in compliance with the terms, conditions and limitations in the Determination Letter and the facts and circumstances that form the basis of such Determination Letter, as represented to the IRS, continue to substantially exist. No Actions and Proceedings are pending or, to Seller's Knowledge, threatened or contemplated, seeking to terminate or alter the tax-exempt status of Seller. Seller has not taken, and shall not take prior to the Closing, any action that would jeopardize its status as a tax-exempt organization under Section 501(a) and 501(c)(3) of the Code.

3.9 Insurability. Seller has not received any written notice or request from any insurance company or board of fire underwriters setting forth any defects or inadequacies in Seller's Hospital Business or the Premises which could reasonably be expected to adversely affect the insurability thereof, requesting the performance of any work or alteration of the Premises, or notifying of any defect or inadequacy in the operation of Seller's Hospital Business or the Premises which would or could adversely affect the ability of Seller or Purchaser to operate Seller's Hospital Business or the Premises. Since January 1, 2011, Seller has not received any written notice from or on behalf of any insurance company that there will be a cancellation, termination, or an increase in a deductible (other than in the Ordinary Course of Business) or non-renewal of any existing or then-existing policies, and, to Seller's Knowledge, no such actions are threatened or contemplated. Attached hereto as Schedule 3.9 is a schedule of all insurance policies carried by Seller relating to the Assets or Seller's Hospital Business, including types of coverage, limits, and expiration dates (the "Insurance Policies"). Except as set forth on Schedule 3.9, none of the Insurances Policies is a "claims made" policy and each of the Insurance Policies is an "occurrence" policy.

3.10 Intellectual Property. Seller is the owner of the Intellectual Property and all licenses and rights in and to the Intellectual Property and has the full and unfettered right to use and transfer that Intellectual Property which is to be transferred to Purchaser in accordance with this Agreement. Neither the Intellectual Property, nor the use thereof in the conduct of

Seller's Hospital Business, infringes, violates or misappropriates the intellectual property or other proprietary rights of any third party. Upon the Closing, all of the Intellectual Property will be in full force and effect and Purchaser shall have all right, title and interest in and to the Intellectual Property and all licenses and other rights in and to the Intellectual Property, including, without limitation, the full and unfettered right to use and transfer the Intellectual Property. The consummation of the transactions contemplated under this Agreement shall not cause or result in the violation or revocation of any license or other right in or to any of the Intellectual Property, including, without limitation, the right to use and, if applicable, transfer the Intellectual Property.

3.11 Condition of and With Respect to the Premises.

(a) To Seller's Knowledge, the Premises are zoned for Seller's current use without any variances or conditions in connection therewith.

(b) Except as provided in Schedule 3.11(b), the roof, structural walls, foundation and all systems contained in or serving Seller's Hospital Business or the Premises, including, without limitation, the heating, ventilating and air conditioning systems, the electrical system and the plumbing system, are in good working condition and repair in light of the Building's age and building-type, normal wear and tear excepted. Except as provided in Schedule 3.11(b), there has not been infiltration of water into the Building which has materially adversely affected Seller's Hospital Business.

(c) Except as provided in Schedule 3.11(c), there are no tenants or other persons or entities occupying or having the right to occupy any space in the Premises other than Seller and the patients of Seller, and Seller has not received any written claim from any person or entity, claiming any possession, adverse or not, to or other interest in any portion of the Premises.

(d) Except as provided on Schedule 3.11(d), since January 1, 2011, Seller has not received, any written notice from any authority of, and, no part of the Premises is subject to, any existing or proposed plans to modify or realign any street or highway or any existing or proposed eminent domain proceeding that would result in the taking of all or any part of the Premises or that would adversely affect the current use of any part of the Premises. Except as provided on Schedule 3.11(d), since January 1, 2011, Seller has not received written notice of violations of any building codes or other ordinances affecting the Premises. To Seller's Knowledge, there are no known gas wells or other wells (whether or not capped) on or about the Premises.

(e) Reserved.

(f) Except as provided in Schedule 3.11(f), all utilities serving the Premises are installed and operating. To Seller's Knowledge, any tap fees, hook-up fees or other associated charges accrued to date with respect to the Premises have been fully paid with respect to all potable and industrial water and all gas, electrical, steam, compressed air, telecommunication, sanitary and storm sewage lines and systems and other similar systems serving the Premises.

(g) Except as provided in Schedule 3.11(g), to Seller's Knowledge, the Premises have adequate water supply, storm and sanitary sewage facilities, telephone, gas, electricity, fire protection and, without limitation, other required public utilities to operate Seller's Hospital Business and the Premises in compliance with the applicable Laws.

(h) Except as provided in Schedule 3.11(h), to Seller's Knowledge, Seller has made all material maintenance, repairs and replacements necessary to keep the Assets in operational condition.

(i) Except as provided in Schedule 3.11(i), there has been no maintenance or other work performed at the Premises by or on behalf of Seller which has not been fully paid or to Seller's Knowledge, for which a mechanic's or materialman's lien could be filed.

(j) Reserved.

(k) Reserved.

(l) Except as provided in Schedule 3.11(l), to Seller's Knowledge, the Premises is not subject to any special or reassessed assessments and there are no proposed or pending special assessment that would have a material adverse effect on Seller's Hospital Business. To the Seller's Knowledge, no site or area improvements have been installed by or on behalf of any Governmental Entity the costs of which may be assessed against the Premises.

(m) Seller has had no boundary or water drainage disputes with the owners of any real property adjoining the Premises and to Seller's Knowledge, there were no such disputes involving the former owners of the Premises.

(n) Reserved.

(o) The Premises are separate tax parcels, having their own permanent parcel numbers, and may be conveyed by the Deed (as defined in Section 8.2(m) of this Agreement) to Purchaser without the need for any lot split or subdivision of the Premises from other land.

3.12 Hill-Burton and Other Liens. The transactions contemplated hereby and the sale of the Assets to Purchaser shall not result in any obligation of Purchaser to repay any loans, grants or loan guarantees pursuant to the Hill-Burton Act, the Health Professions Educational Assistance Act, the Nurse Training Act, the National Health Planning and Resources Development Act, and the Community Mental Health Centers Act, as amended, or similar Laws relating to healthcare facilities, nor subject Purchaser or the Assets to any Encumbrance or obligation, including any requirement to provide uncompensated care to which Purchaser does not otherwise agree in writing, except as set forth on Schedule 3.12.

3.13 Brokers. Except as set forth on Schedule 3.13, Seller has not engaged or dealt with any finder, listing agent or broker or otherwise incurred any listing or brokerage fee in

connection with the transactions contemplated in this Agreement. Seller shall be liable for all commissions owed to any broker set forth on Schedule 3.13.

3.14 Records; Financial Statements. Seller has maintained the Records and made them available for inspection in accordance with all applicable Laws. The annual financial statements of Seller's Business including, but not limited to, the balance sheet, income statement and statement of cash flows for fiscal year ending June 30, 2013 (the "Annual Statements") and the unaudited balance sheet, income statement and statement of cash flows dated as of the end of the calendar month immediately preceding the Effective Date, and, at Closing, the Closing Date (the "Interim Statement Dates") of Seller (the "Interim Financial Statements," collectively with the Annual Statements hereinafter referred to as the "Financial Statements") have been made available to Purchaser in the Data Room. The Financial Statements: (a) were prepared in accordance with generally accepted accounting principles on a consistent basis throughout the periods involved; (b) are true, correct, accurate and complete and fairly present in all material respects the financial position of Seller as of the dates thereof and the results of its operations and cash flows for the periods indicated therein; and (c) are consistent with the books and records of Seller.

3.15 Compliance with Law.

(a) Other than as disclosed to Purchaser, by documents posted in the Data Room, neither Seller nor any of Seller's officers, trustees, directors, or, to Seller's Knowledge, persons who provide professional services to Seller or Seller's Hospital Business (collectively, the "Seller's Parties"): (i) has received written notice from any Governmental Entity that: (x) alleges any noncompliance or notifies the recipient that it is under investigation or the subject of an inquiry by any such Governmental Entity for alleged noncompliance with any Law including, without limitation, the Healthcare Laws; or (y) would be likely to result in a fine or assessment or a cease and desist order, or the suspension, revocation or limitation or restriction of any Permit; or (ii) has entered into any agreement or settlement with any Governmental Entity with respect to its non-compliance with, or violation of, any Law including, without limitation, the Healthcare Laws.

(b) Seller, Seller's Hospital Business, the Premises and all of Seller's Parties are in material compliance with, to the extent applicable, all Laws including, without limitation, the Healthcare Laws. Neither Seller nor any of Seller's Parties: (i) has at any time been suspended or excluded or threatened to be suspended or excluded from participation in any Seller Payment Program or any other state or federal health care program; or (ii) has engaged in any activities that are prohibited under Law including, without limitation, the Healthcare Laws. Seller has conducted background checks or caused same to be conducted on all of its employees and contractors as required by applicable Law.

(c) Neither Seller nor any of Seller's Parties: (i) has been assessed a civil money penalty under Section 1128A of the Social Security Act or any regulations promulgated thereunder; (ii) has been convicted of any criminal or civil offense relating to the delivery of any item or service under a federal or state health care program; or

(iii) has been or is a party or subject to any Actions and Proceedings concerning any of the matters described above in the preceding clauses (i) and (ii). There are no Actions and Proceedings pending, or, to Seller's Knowledge, threatened or contemplated with respect to Seller or Seller's Parties that would have any material effect on Seller's Hospital Business by or before any Governmental Entity.

(d) With respect to Seller's Hospital Business, Seller has filed all regulatory reports, schedules, statements, documents, filings, submissions, forms, registrations and other documents, together with any amendments required to be made with respect thereto, that were or are required to be filed with any Seller Payment Program or Governmental Entity, including state health and regulatory authorities and any applicable federal regulatory authorities, and have timely paid all amounts, Taxes, fees and assessments due and payable in connection therewith.

(e) With respect to Seller's Hospital Business, Seller has not submitted to any Seller Payment Program any false or fraudulent claim for payment, nor has Seller's Hospital Business, to Seller's Knowledge, at any time violated any condition for participation, or any rule, regulation, policy or standard of any Seller Payment Program. There are no reports required to be filed by Seller in order to be paid under any Seller Payment Program for services rendered that have not been filed by Seller, except for reports not yet due. All Seller Payment Programs and third party reports and claims filed or required to be filed by or on behalf of Seller have been timely filed and are complete and accurate in all respects. Such reports and claims properly claim and disclose all information and other items to be disclosed for the periods covered thereby in all respects. Seller's Hospital Business has paid, repaid, allowed to be offset or caused to be paid all known and undisputed refunds, overpayments, discounts or adjustments. With respect to Seller's Hospital Business, there are no pending, concluded, or, to Seller's Knowledge, threatened or contemplated Actions and Proceedings with respect to any prior reports or billings or otherwise relating to Seller's participation in any Seller Payment Program. No Seller Payment Program has imposed a fine, penalty or other sanction on Seller or on any of Seller's Parties.

(f) Neither Seller nor, to Seller's Knowledge, any of Seller's Parties has: (i) offered to pay to or solicited any remuneration from, in cash, property or in kind, or made any financial arrangements with, any past or present patient or customer, or physician, other health care provider, supplier, contractor, third party, or Seller Payment Program in order to induce or directly or indirectly obtain business or payments from such person; (ii) given or received, or agreed to give or receive, or is aware that there has been made or that there is any agreement to make or receive, any prohibited gift or gratuitous payment or benefit of any kind, nature or description to any past, present or potential patient or customer, medical director, physician, other health care provider supplier or potential supplier, contractor, Seller Payment Program or any other person; or (iii) made or received or agreed to make or receive, or is aware that there has been made or received or that there has been any intention to make or receive, any prohibited payment to any person with the intention or understanding that any part of such payment would be used for any purpose other than that described in the documents supporting such payment.

(g) There are no concluded, pending, or, to Seller's Knowledge, threatened or contemplated: (i) validation reviews, program integrity reviews or reimbursement audits; (ii) voluntary disclosures by Seller to the Office of the Inspector General of the United States Department of Health and Human Services, a Medicare fiscal intermediary, a State Medicaid program or any other Governmental Entity of an actual or potential overpayment matter; or (iii) health care survey reports related to licensure or certification that include any statement of deficiencies pertaining to Seller's Hospital Business that will not be fully corrected prior to the Closing, unless otherwise agreed to in writing by Purchaser.

(h) Seller, Seller's Hospital Business and each of Seller's Parties hold, and at all times have held, all permits, leases, licenses, certifications, accreditations and certificates of need (individually a "Permit" and collectively, the "Permits") that are required in order to permit Seller to use, occupy and operate the Premises and Seller's Hospital Business in the manner currently operated, seek reimbursement for healthcare services provided by or on behalf of Seller under the Seller Payment Programs, own or lease and operate Seller's other properties and assets and conduct Seller's Hospital Business under and pursuant to all Laws. All of the Permits are in full force and effect, and there has occurred no material violation of, suspension, reconsideration, imposition of penalties or fines, imposition of additional conditions or requirements or default (with or without notice or lapse of time or both) under, or any event giving rise to any right of termination, amendment, suspension, revocation, non-renewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit. Seller and Seller's Hospital Business are in compliance with the terms of all Permits and no Actions and Proceedings by any Governmental Entity are pending or, to Seller's Knowledge, threatened or contemplated alleging that Seller or Seller's Hospital Business is not in compliance with any Permit. Seller has not incurred or committed expenditures requiring Seller to obtain a CON or COE under Illinois law or any other Laws. The transactions described in the Transaction Documents shall not violate or invalidate any Permit. Schedule 3.15(h) sets forth a complete and accurate list and description of all Permits. Seller has delivered to Purchaser, by documents posted in the Data Room, true and complete copies (and will at the Closing deliver originals) of all Permits.

(i) Seller has provided to Purchaser, by documents posted to the Data Room, complete and correct copies of: (i) all audit or inspection reports received by Seller or Seller's Hospital Business from any Governmental Entity or Seller Payment Program and all written responses thereto made by Seller; and (ii) all correspondence relating to any investigation provided to Seller or Seller's Hospital Business by any Governmental Entity or Seller Payment Program, in each case received during or related to the period from and after January 1, 2011. Since January 1, 2011, there has been no occurrence or non-occurrence of any event, sentinel event or circumstance that are of a type or condition that would have been cited or disclosed to such Governmental Entities if they had occurred or been in existence at the time of such reports, other than those disclosed to Purchaser by documents posted in the Data Room.

(j) Schedule 3.15(i) sets forth a list of: (i) all Seller Payment Programs; and (ii) a true, complete and accurate list of all provider numbers, supplier

numbers or other authorizations to bill pursuant to Seller Payment Programs that have been issued to Seller or Seller's Hospital Business, and all provider, supplier and other participating provider agreements or contracts under all Seller Payment Programs to which Seller or Seller's Hospital Business is a party. A true, complete and correct copy of all contracts related to such Seller Payment Programs has been previously provided to Purchaser by posting in the Data Room. Since January 1, 2011, no Seller Payment Program has either terminated its relationship with Seller or Seller's Hospital Business other than in the Ordinary Course of Business or reduced the aggregate value of its annual transactions with Seller or Seller's Hospital Business, nor has any Seller Payment Program informed Seller or Seller's Hospital Business of its intention to do so.

(k) Seller has not received any notice of any claim, requirement or demand of any licensing or certifying agency supervising or having authority over the Premises or Seller's Hospital Business or otherwise to rework or redesign the Premises or to provide additional furniture, fixtures, equipment or inventory so as to conform to or comply with any existing Laws for which no waiver exists and which has not been fully satisfied prior to the date hereof or which shall not be satisfied prior to the Closing Date.

3.16 Certain Post-Financial Statement Date Results. Except as set forth on Schedule 3.16, or disclosed to Purchaser by posting documents in the Data Room, none of the following has occurred after June 30, 2013 (the "Financial Statement Date"):

(a) any material damage, destruction, or loss (whether or not covered by insurance) in value affecting the Assets, Seller's Hospital Business or the Premises;

(b) any material adverse changes in the condition, financial or otherwise, of the Assets, Seller's Hospital Business, or results of operations;

(c) any actual or threatened employee strike or work stoppage pertaining to Seller's Hospital Business;

(d) any sale, assignment, transfer, or disposition of any item of property, plant or equipment included in the Assets having a fair market value or a book value in excess of Ten Thousand Dollars ($10,000.00);

(e) any increases in the compensation payable to the employees employed in the operation of Seller's Hospital Business or the Premises 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 outside the Ordinary Course of Business;

(f) any change in the composition of the medical staff of Seller's Hospital Business;

(g) any change in the rates charged by Seller or Seller's Hospital Business for provided services, outside the Ordinary Course of Business;

(h) any change or write-off of any accounts receivable or reduction in reserves for accounts receivable outside the Ordinary Course of Business;

(i) any change in the accounting methods or practices employed by Seller or Seller's Hospital Business or changes in its depreciation or amortization policies; or

(j) any transaction pertaining to the Assets or Seller's Hospital Business outside the Ordinary Course of Business, excluding, however, Seller's notice to the HFSRB of the proposed closure of Seller's Hospital Business on April 1, 2014, and the transactions contemplated by this Agreement.

For purposes of Section 3.16 of this Agreement only, the term "material," when referring to damages and/or adverse changes, shall mean damages and/or adverse changes in excess of One Hundred Thousand Dollars ($100,000.00).

3.17 Accuracy of Books and Records. All Records and other information delivered to Purchaser and Purchaser's representatives as contemplated under this Agreement are true and correct in all material respects and fairly present the financial position and regulatory status of Seller, the Assets and Seller's Hospital Business as of the dates covered in such books and records.

3.18 Compliance Program. Except as provided on Schedule 3.18 neither Seller nor Seller's Hospital Business: (a) is a party to a Corporate Integrity Agreement with the Office of Inspector General of the U.S. Department of Health and Human Services (the "OIG"); (b) has any reporting obligations pursuant to any settlement agreement entered into with any Governmental Entity; (c) has been the subject of any Actions and Proceedings conducted by any Governmental Entity; (d) has been a defendant in any unsealed qui tam or False Claims Act litigation; (e) has been served with or received any search warrant, subpoena, civil investigative demand, contact letter, or, telephone or personal contact by or from any Governmental Entity (except in connection with medical services provided to third-parties who may be defendants or the subject of investigation into conduct unrelated to the operation of the healthcare businesses conducted by Seller); or (f) has received any written complaints or complaints through telephonic hotlines from employees, independent contractors, vendors, physicians, or any other person that would indicate that Seller or Seller's Hospital Business has in the past violated, or is currently in violation of, any Laws.

3.19 HIPAA Compliance. Except as provided on Schedule 3.19 Seller, Seller's Hospital Business and Seller's Benefit Plans (as defined in Section 3.25(a)) are in compliance in all respects with Subpart F (Administrative Simplification) of HIPAA and HITECH (as defined in Section 3.25(j)) and the regulations thereunder (collectively, the "Federal Privacy and Security Regulations"), and all other applicable Laws relating to the privacy, security and transmission of health information. Each of Seller's and Seller's Hospital Business' policies relating to the privacy and security of "Protected Health Information" (as defined in the Federal Privacy and Security Regulations) complies in all material respects with the Federal Privacy and Security Regulations and applicable state privacy laws.

3.20 Inventory and Consumables. Located on the Premises and included in the Assets, are: (i) perishable food supplies for not less than three (3) days of normal operation in the Ordinary Course of Business; (ii) non-perishable food supplies, inventory (other than pharmaceuticals) and other supplies for not less than seven (7) days of normal operation in the Ordinary Course of Business; and (iii) pharmaceuticals for not less than seven (7) days of normal operation in the Ordinary Course of Business.

3.21 Patient Trust Funds. Except as set forth on Schedule 3.21 to this Agreement, neither Seller nor Seller's Hospital Business possess or maintain any patient deposits or other deposits made by or on behalf of patients of Seller or Seller's Hospital Business or other privately funded accounts for patients' personal use.

3.22 Reserved.

3.23 Environmental Laws.

(a) As used in this Agreement, "Environmental Law" means each and every applicable federal, state, local and foreign law, statute, ordinance, regulation, rule, judicial or administrative order or decree, permit, license, approval, authorization or similar requirement of each and every Governmental Entity and the common law, pertaining to the protection of human health, safety the environment, or natural resources, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601, *et seq.*, the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901, *et seq.*, the Toxic Substances Control Act ("TSCA"), 15 U.S.C. 2601, *et seq.*, the Water Pollution Control Act ("FWPCA"), 33 U.S.C. 1251, *et seq.*, the Occupational Safety and Health Act ("OSHA"), 42 U.S.C. 655, all as amended. As used in this Agreement, "Hazardous Discharge" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of Hazardous Substances. As used in this Agreement, "Hazardous Substance" shall mean any substance, compound, chemical or element which is: (i) defined as a hazardous substance, hazardous material, toxic substance, hazardous waste, medical waste, pollutant or contaminant under any Environmental Law; (ii) a petroleum hydrocarbon, including crude oil or any fraction thereof; (iii) asbestos in any form; or (iv) radon, mold, lead, or other toxic compounds or substances. As used in this Agreement, "Environmental Action" means any Actions and Proceedings under or by virtue of any Environmental Law or in connection with any Hazardous Discharge or Hazardous Substance.

(b) Except as set forth on Schedule 3.23(b) to this Agreement, neither Seller nor Seller's Hospital Business has received any notice of any violation or alleged violation of any Environmental Law, and Seller's Hospital Business and the Assets are in material compliance with all Environmental Laws. Neither Seller (with respect to the Premises), Seller's Hospital Business nor the Premises are subject to any outstanding, or to Seller's Knowledge, threatened Environmental Action. None of the Assets have been used by Seller or any other person for the generation, storage, manufacture, use, transportation, disposal or treatment of Hazardous Substances except for: (i) Hazardous Substances used in the ordinary course of operating Seller's Hospital Business and in

material compliance with all Environmental Laws; and (ii) needles and other medical waste stored, used and disposed of in connection with Seller's Hospital Business. There has been no Hazardous Discharge on or from the Premises by Seller, Seller's Hospital Business, or, to Seller's Knowledge, by any other person or entity in connection with Seller's Hospital Business in material violation of any Environmental Law. Except as set forth on Schedule 3.23(b) to this Agreement, there are and, to Seller's Knowledge never have been, any underground storage tanks located under or on the Premises, and to Seller's Knowledge there are no asbestos and/or asbestos-containing materials on or about the Premises.

(c) Except as set forth on Schedule 3.23(c), all Hazardous Substances removed from the Premises have been handled, transported, transferred, stored, treated, recycled, received and disposed of in material compliance with all Environmental Laws. During the period of Seller's ownership of the Premises, there were no events, conditions, circumstances, activities, practices, actions or places which have given or may give rise to any material liabilities under any Environmental Law, form the basis of any Actions and Proceedings under any Environmental Law, or otherwise relating to Seller's Hospital Business or the Premises.

3.24 Employees.

(a) Attached hereto as Schedule 3.24(a) to this Agreement is a true, accurate and complete list setting forth the name, date of hire, and job title/classification of each individual providing services or otherwise employed at or for Seller's Hospital Business or the Premises other than independent contractors, and all such individuals (the "Employees") are employees of Seller.

(b) With respect to Seller's Hospital Business and except as set forth on Schedule 3.24(b) to this Agreement, Seller is not a party to, participant in, or bound by, any collective bargaining agreement, union contract or employment, bonus, deferred compensation, insurance, pension, profit sharing or similar personnel arrangement, any stock purchase, stock option or other stock plans or programs or any employee termination or severance arrangement.

(c) Except as set forth on Schedule 3.24(c) to this Agreement: (i) no labor organization or union has been certified by the National Labor Relations Board or any other federal, state or local agency, or recognized by the Seller, as a collective bargaining representative of any of the Employees, and no collective bargaining relationship otherwise exists with any labor organization or union; (ii) no labor organization or union has, within the past 12 months, invoked the processes of the National Labor Relations Board or any other federal, state or local agency seeking to represent, for purposes of collective bargaining, any of the Employees, no labor organization or union has, within the last 12 months, requested or demanded recognition as a collective bargaining representative of any of the Employees; and (iii) to Seller's Knowledge, no labor organization or union is in any way actively seeking to represent any of the Employees for purposes of collective bargaining.

(d) Except as set forth on Schedule 3.24(d) to this Agreement, there are no active, pending or, to Seller's Knowledge, threatened grievances, arbitrations, or demands for arbitrations under any grievance or arbitration procedure contained in any collective bargaining agreement between Seller and any labor organization or union. Further, Seller does not maintain any grievance or arbitration procedure under which it is obligated to adjust or resolve employee grievances or complaints in any manner other than through the exercise of Seller's own discretion.

(e) Except as set forth on Schedule 3.24(e) to this Agreement, there are no active, pending or, to Seller's Knowledge, threatened Actions and Proceedings under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the National Labor Relations Act, the Labor Management Relations Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Employee Polygraph Protection Act, the Employee Retirement Income Security Act, any state fair employment practice law or any other federal, state or local law (including common law), ordinance or regulation relating to employment, the employment of labor, compensation for employment or termination of employment, with respect to any of the Employees ("Labor and Employment Laws"). Seller has materially complied with all Labor and Employment Laws including, without limitation, those laws referenced above in this subsection (e), which relate to any of the Employees, the employment of labor, compensation for employment, and termination of employment relationships.

(f) Except as set forth on Schedule 3.24(f) to this Agreement, the employment by Seller of all of the Employees (whether or not there is a written employment agreement) is at-will and may be terminated for any reason whatsoever not prohibited by Law, without penalty or liability of any kind other than accrued vacation pay. Seller may terminate the employment of the Employees as of the Closing Date without creating any meritorious cause of action for wrongful discharge, or breach of contract.

3.25 Employee Benefit Plans.

(a) Except as for the plans set forth on Schedule 3.25(a) to this Agreement ("Seller's Benefit Plans"), no "Controlled Group Member" (as defined below) has maintained or contributed to any "Employee Welfare Benefit Plans" or "Employee Pension Benefit Plans" (each, a "Benefit Plan" and collectively, "Benefit Plans") as those terms are used in Sections 3(1) and 3(2), respectively, of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any fringe benefit plan, equity compensation plan, any plan arrangement for the provision of executive compensation, incentive benefits, bonuses or severance benefits, any employment contract, collective bargaining agreement, deferred compensation agreement, or any other plan, policy, or arrangement for the provision of employee benefits. For purposes of this Agreement, "Controlled Group Member" means Seller, and any person, entity or trade or business, whether or not incorporated, which, as of the Closing, is required to be aggregated with Seller under Section 414(b), (c), (m) or (o) of the Code. None of Seller's Benefit Plans constitutes a "Multiemployer Plan" (as defined in ERISA), and no Controlled Group

Member has contributed or been obligated to contribute to a Multiemployer Plan and no Controlled Group Member has any withdrawal liability with respect to any Multiemployer Plan.

(b) Each of Seller's Benefit Plans materially complies, both in form and operation, with the requirements of the Code and ERISA, the trust maintained under each such Benefit Plan is (and from its establishment has been) exempt from federal income taxation under Section 501 of the Code. Nothing has occurred with respect to the operation of any such Benefit Plan which would cause the loss of such qualification or exemption or the imposition of any liability, penalty, or tax under ERISA or the Code. All of Seller's Benefit Plans have been maintained pursuant to plan documents.

(c) Except as set forth on Schedule 3.25(c) to this Agreement, each Controlled Group Member has made full payment of all amounts it is required, under applicable Law or the terms of Seller's Benefit Plans, to have contributed thereto before the Closing Date (including any employee salary reduction contributions described in Section 125 or Section 401(k) of the Code), or proper accruals for such contributions have been made and are reflected on Seller's balance sheet(s) and books and records.

(d) Except as set forth on Schedule 3.25(d) to this Agreement, no Benefit Plan is subject to Title IV of ERISA, no Controlled Group Member maintains or has previously maintained any of Seller's Benefit Plans subject to Part 3 of Subtitle B of Title I of ERISA, and no Controlled Group Member is or has been subject to any liability under Title IV of ERISA by way of acquisition or otherwise.

(e) All taxes, penalties, interest charges and other financial obligations to federal, state and local governments and to participants or beneficiaries under any of Seller's Benefit Plans with respect to any period ending on or before the Closing Date have been or shall be met in full on the Closing Date.

(f) There is not now, and has never been, any material violation of the Code or ERISA with respect to the filing of applicable reports, documents, and notices with the U.S. Department of Labor ("DOL") and/or the Internal Revenue Service ("IRS") regarding any of Seller's Benefit Plans, or the furnishing of such documents to the participants or beneficiaries of any of Seller's Benefit Plans.

(g) Except as set forth on Schedule 3.25(g) to this Agreement, with respect to each of Seller's Benefit Plans, no material change has occurred with respect to the matters covered by the last Form 5500 series form since its filing date.

(h) There are no Actions and Proceedings which have been asserted, instituted, or threatened by any Governmental Entity or any participant, beneficiary, or any other person or entity involving any aspect of any of Seller's Benefit Plans (other than routine benefit claims), nor are there any facts which could form the basis for any such claim or lawsuit.

(i) Except as set forth on Schedule 3.25(i), each of Seller's Benefit Plans has been maintained and administered, in all material respects, in accordance with

their terms and with all applicable provisions of ERISA (if applicable), the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended ("COBRA"), the Code, the Health Insurance Portability and Accountability Act of 1996, P.L. 104-191 ("HIPAA") the Health Information Technology for Economic and Clinical Health Act ("HITECH") and all other applicable Laws, and neither Seller nor, to Seller's Knowledge, any party in interest or disqualified person with respect to any of Seller's Benefit Plans has engaged in a "Prohibited Transaction" (as defined in the Code) for which a statutory, administrative or regulatory exemption is not available, or has breached any fiduciary duty to any of Seller's Benefit Plans, or its participants and/or beneficiaries.

(j) No Controlled Group Member has contributed to a "nonconforming group health plan" (as defined in section 5000(c) of the Code) or has incurred a tax under section 5000(a) of the Code which is or may become a liability of Seller.

(k) Other than continuation coverage required by applicable Law, the cost of which is fully paid by the former employee or his or her dependent, no Controlled Group Member maintains retiree life or retiree health plans that provide for continuing benefits or coverage for any employee or any beneficiary of an employee after the employee's termination of employment.

(l) Except as set forth on Schedule 3.25(l) to this Agreement, neither the entry into this Agreement nor the consummation of the transactions contemplated by this Agreement: (i) shall entitle any current or former employee or officer of Seller to any severance pay, unemployment compensation, or any other payment of any kind or type (except for any employees of Seller who are not employed by Purchaser after the Closing Date), or (ii) shall accelerate the time for payment or vesting or increase any such amount due or payable. Notwithstanding the foregoing, the Parties acknowledge that Purchaser shall not assume Seller's profit-sharing plan and, as a result, if Seller terminates such plan, the enrollees in such plan may become fully vested as a result of such termination.

3.26 Disclosures. Except as provided on Schedule 3.26 to this Agreement, Seller has made known to Purchaser all information Known to Seller relating to the Assets and Seller's Hospital Business that could have a material adverse effect on Purchaser's ownership and operation of the Assets and Seller's Hospital Business. Neither this Agreement nor any schedule hereto, nor any report, certificate, Records, or instrument furnished to Purchaser in connection with the transactions contemplated by this Agreement, when read together, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statement contained herein or therein, in light of the circumstances under which they were made, not misleading. Seller has made available by posting in the Data Room, for inspection and analysis by Purchaser or its agents, all documents in the possession or control of Seller, which are to Seller's Knowledge responsive to Purchaser's diligence requests (the "Records"). A copy of Purchaser's diligence requests is attached hereto as Schedule 3.26(1). EXCEPT AS SET FORTH IN THIS AGREEMENT, NONE OF SELLER AND THE SELLER'S PARTIES, THEIR AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND REPRESENTATIVES MAKES OR HAS MADE ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT

LAW OR IN EQUITY, IN RESPECT OF THE SELLER, THE ASSETS OR THE SELLER'S HOSPITAL BUSINESS INCLUDING, WITH RESPECT TO: (A) FITNESS FOR ANY PARTICULAR PURPOSE, (B) MERCHANTABILITY, (C) CONDITION, (D) OPERATION OR INCOME, (E) ABSENCE OF DEFECTS, (F) ABSENCE OF HAZARDOUS SUBSTANCES OR TOXIC SUBSTANCES, (G) ABSENCE OF FAULTS, (H) FLOODING, (I) COMPLIANCE WITH LAWS INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HEALTH, SAFETY, AND THE ENVIRONMENT OR (J) THE OPERATION OF THE SELLER'S HOSPITAL BUSINESS BY THE PURCHASER AFTER THE CLOSING IN ANY MANNER OTHER THAN AS USED AND OPERATED BY THE SELLER).

4. Representations and Warranties of Purchaser. In order to induce Seller to enter into this Agreement, Purchaser hereby makes the following representations and warranties to Seller as of the Effective Date and as of the Closing Date:

4.1 Organization, Good Standing and Authority. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Purchaser has full right, power and authority to enter into and perform its obligations under this Agreement and the Transaction Documents. This Agreement and the Transaction Documents have been duly authorized, executed and delivered by Purchaser and this Agreement and the Transaction Documents are the legal, valid and binding obligations of the Purchaser enforceable against Purchaser in accordance with their respective terms.

4.2 Compliance with Agreements. The execution, delivery and performance of this Agreement by Purchaser is not in violation of, shall not conflict with, and shall not constitute a default under any agreement to which Purchaser is a party.

4.3 Brokers. Except as set forth on Schedule 4.3, Purchaser has not engaged or dealt with any finder, listing agent or broker or otherwise incurred any listing or brokerage fee in connection with the transactions contemplated in this Agreement. Purchaser shall be liable for all commissions owed to any broker set forth on Schedule 4.3.

4.4 Reserved.

4.5 Reserved.

4.6 Compliance; No Conflicts.

(a) The execution, delivery and performance of this Agreement by Purchaser does not violate, conflict with, or constitute a default under (either alone or with the giving of notice and/or the passage of time) any Law, any agreement to which Purchaser is a party or any other legal obligation of Seller; and

(b) Except as set forth on Schedule 4.6(b), Purchaser does not require the consent or authorization of any party, entity or agency in connection with the execution, delivery and performance of its obligations under this Agreement.

4.7 Actions and Proceedings. Except as set forth on Schedule 4.7 to this Agreement, there is no pending, or, to Purchaser's Knowledge, threatened or contemplated Actions and Proceedings of any type affecting Purchaser's ability to purchase the Assets.

4.8 Compliance with Law.

(a) Purchaser nor any of Purchaser's officers, trustees or directors (collectively, the "Purchaser's Parties"): (i) has received written notice from any Governmental Entity that: (x) alleges any noncompliance or notifies the recipient that it is under investigation or the subject of an inquiry by any such Governmental Entity for alleged noncompliance with any Law including, without limitation, the Healthcare Laws; or (y) would be likely to result in a fine or assessment or a cease and desist order, or the suspension, revocation or limitation or restriction of any Permit; or (ii) has entered into any agreement or settlement with any Governmental Entity with respect to its non-compliance with, or violation of, any Law including, without limitation, the Healthcare Laws.

(b) Purchaser, and all of Purchaser's Parties are in material compliance with, to the extent applicable, all Laws including, without limitation, the Healthcare Laws. Neither Purchaser nor any of Purchaser's Parties: (i) has at any time since January 1, 2011, been suspended or excluded or threatened to be suspended or excluded from participation in the Medicare, Medicaid, or TRICARE Programs (the "Purchaser Payment Program") or any other state or federal health care program; or (ii) has engaged in any activities that are prohibited under Law including, without limitation, the Healthcare Laws.

(c) Neither Purchaser nor any of Purchaser's Parties: (i) has been assessed a civil money penalty under Section 1128A of the Social Security Act or any regulations promulgated thereunder; (ii) has been convicted of any criminal or civil offense relating to the delivery of any item or service under a federal or state health care program; or (iii) has been or is a party or subject to any Actions and Proceedings concerning any of the matters described above in the preceding clauses (i) and (ii).

(d) Purchaser has not submitted to any Purchaser Payment Program any false or fraudulent claim for payment. Purchaser has paid, repaid, allowed to be offset or caused to be paid all known and undisputed refunds, overpayments, discounts or adjustments.

(e) Neither Purchaser nor, to Purchaser's Knowledge, any of Purchaser's Parties has: (i) offered to pay to or solicited any remuneration from, in cash, property or in kind, or made any financial arrangements with, any past or present patient or customer, or physician, other health care provider, supplier, contractor, third party, or Purchaser Payment Program in order to induce or directly or indirectly obtain business or payments from such person; (ii) given or received, or agreed to give or receive, or is aware that there has been made or that there is any agreement to make or receive, any prohibited gift or gratuitous payment or benefit of any kind, nature or description to any past, present or potential patient or customer, medical director, physician, other health

care provider supplier or potential supplier, contractor, Purchaser Payment Program or any other person; or (iii) made or received or agreed to make or receive, or is aware that there has been made or received or that there has been any intention to make or receive, any prohibited payment to any person with the intention or understanding that any part of such payment would be used for any purpose other than that described in the documents supporting such payment.

(f) There are no concluded, pending, or, to Purchaser's Knowledge, threatened or contemplated: (i) Actions and Proceedings which are likely to result in a revocation, suspension, termination, probation, restriction, limitation, or non-renewal of any Purchaser Payment Program provider/supplier number, participation agreement or authorization, or result in a payment obligation to any Purchaser Payment Program, or result in exclusion of Purchaser or any employee or agent of Purchaser or persons who provide professional services to Purchaser from any Purchaser Payment Program; (ii) validation review, program integrity review or reimbursement audit; (iii) voluntary disclosure by Purchaser to the Office of the Inspector General of the United States Department of Health and Human Services, a Medicare fiscal intermediary, a State Medicaid program or any other Governmental Entity of an actual or potential overpayment matter; or (iv) health care survey report related to licensure or certification that includes any statement of deficiencies pertaining to Seller that will not be fully corrected prior to the Closing, unless otherwise agreed to by Purchaser.

4.9 Compliance Program. Except as provided on Schedule 4.9, Purchaser: (a) is not a party to a Corporate Integrity Agreement with the OIG; (b) does not have any reporting obligations pursuant to any settlement agreement entered into with any Governmental Entity; (c) has not been the subject of any government payor program investigation conducted by any Governmental Entity; (d) has not been a defendant in any qui tam or False Claims Act litigation; (e) has not been served with or received any search warrant, subpoena, civil investigative demand, contact letter, or, telephone or personal contact by or from any Governmental Entity (except in connection with medical services provided to third-parties who may be defendants or the subject of investigation into conduct unrelated to the operation of the healthcare businesses conducted by Purchaser); or (f) has not received any written complaints or complaints through telephonic hotlines from employees, independent contractors, vendors, physicians, or any other person that would indicate that Purchaser has in the past violated, or is currently in violation of, any Laws.

4.10 Ethical and Religious Directives. Purchaser shall, consistent with the Ethical and Religious Directives for Catholic Healthcare Services, refrain from using the Assets for providing abortion services.

5. Conduct of Seller Prior to Closing. Seller shall comply with or accomplish each of the following covenants from the period of the Effective Date through the Closing Date:

5.1 Title and Ongoing Business. Seller shall not permit any change in the ownership, operation, possession or control of Seller, Seller's Hospital Business or the Assets without the prior written consent of Purchaser, which consent shall not be unreasonably withheld. Seller shall not accelerate the collection of Seller's accounts receivable nor delay the

payment of accounts payable and shall conduct such collection and payment activities in a manner consistent with Seller's past practice in the Ordinary Course of Business. In addition, Seller shall preserve intact its current business organization and maintain its relations and goodwill with licensors, suppliers, customers, referral sources, creditors, employees, agents and others that have business relationships with Seller.

5.2 Employees.

(a) Seller shall not take any action to cause an increase or decrease in the number of the Employees without the prior written consent of Purchaser, which consent shall not be reasonably withheld, and Seller shall notify Purchaser of hirings, resignations, suspensions and terminations of the Employees within three (3) days after such action has been taken.

(b) At the Closing, Seller shall terminate all of the Employees from their employment with Seller and Seller shall remain responsible for the payment of all obligations to the Employees accrued through the Closing Date including, but not limited to, any payments owed to any Employee as a result of the change of control of Seller or the sale of the Assets. At the Closing, Purchaser shall consider offering, but shall not be obligated to offer, employment to substantially all of the individuals listed on Schedule 5.2(b) to this Agreement ("Retained Employees").

(c) Notwithstanding Seller's termination of its Employees as of the Closing Date and any policies of Seller in effect at the time, Seller shall be responsible for all accrued vacation pay, holiday pay, bonus pay, sick pay and/or severance pay due to Employees (collectively, "PTO"), including, without limitation, the Retained Employees, which amounts shall be a reduction to the Purchase Price on the Closing Date, to the extent the Retained Employees are hired by Purchaser. Not less than five (5) business days prior to the Closing Date, Seller shall provide Purchaser with a schedule (the "PTO Schedule") listing the amount of PTO to which each Retained Employee is entitled as of the Closing Date in sufficient detail, as reasonably determined by Purchaser, so that Purchaser can make appropriate payments and grant appropriate PTO to each such Retained Employee from and after the Closing Date. Except as set forth in this Section 5.2(c), Purchaser shall not be responsible for any PTO or other benefits owed to any of the Employees for periods prior to the Closing Date. The Parties acknowledge and agree that the termination of the employment of the Employees by Seller and the hiring of the Retained Employees by Purchaser, if any, shall not impact upon the amount of PTO to which each Retained Employee is entitled to receive.

(d) If any notice or payments to the Employees is required under the Worker Adjustment and Retaining Notification Act (the "WARN Act") or other applicable Laws due either to actual or constructive termination of employment, such notice or payments shall be the sole responsibility of Seller. Anything to the contrary notwithstanding, this Agreement shall not be deemed to create or grant to any of the Employees any third party beneficiary rights or claims or any cause of action of any kind or nature.

5.3 Seller's Benefit Plans. Seller shall not create, maintain or contribute to any benefit plans relating to Seller's Hospital Business other than Seller's Benefit Plans prior to the Closing Date. Seller shall maintain Seller's Benefit Plans in accordance with ERISA (as applicable), the Code and all other applicable Laws. Notwithstanding anything to the contrary contained in this Agreement, Seller shall retain responsibility for making available COBRA continuation coverage with respect to employees who incurred a "qualifying event" (as defined in COBRA) prior to or on the Closing Date or in connection with Purchaser's purchase of the Assets, and their "qualified beneficiaries" (as defined in COBRA).

5.4 Liabilities and Contracts. Except as otherwise specifically set forth in this Agreement, Seller shall pay all debts, liabilities and obligations arising out of or relating to Seller's Hospital Business and the ownership of the Assets through the Closing Date, including, but not limited to, the Facility Contracts.

5.5 Condition. No changes shall be made in the condition of the Assets, and Seller shall maintain the Assets in their current condition, reasonable wear and tear excepted. Seller shall maintain the Assets and continue to make ordinary and necessary repairs, replacements and maintenance with respect to the Assets and shall deliver the same at the Closing in substantially the same condition and repair as in existence on the date hereof.

5.6 Compliance with Laws. Seller shall maintain the Assets and Seller's Hospital Business and operate Seller's Hospital Business and the Assets in material compliance with all applicable Laws.

5.7 Actions and Proceedings. Seller shall promptly deliver to Purchaser a copy of any notice of any Actions and Proceedings received after the Effective Date.

5.8 Liability for Violations. Seller shall be and remain responsible and obligated for any violation or alleged violation by Seller, Seller's Hospital Business or the Assets of any Laws, including, without limitation, Laws related to hospitals, zoning, building, health, fire, life safety, or the operation, maintenance, use or occupancy of Seller's Hospital Business or the Assets occurring on or arising from the operation of Seller's Hospital Business or the Assets prior to the Closing Date.

5.9 Tax Returns. All Tax Returns filed by Seller after the Effective Date of this Agreement, covering periods prior to and including the Closing Date, shall be properly and timely filed and amounts due under such Tax Returns, if any, shall be promptly paid by Seller.

5.10 Survey Reports; Financial Statements. Seller shall provide Purchaser with any survey reports, waivers of deficiencies, plans of correction and any other governmental investigation reports issued with respect to the Assets or Seller's Hospital Business from and after the Effective Date through the Closing Date within five (5) business days of the receipt thereof by Seller. In addition, on or before the Closing Date, Seller shall deliver to Purchaser a copy of Seller's financial statements, including an income statement and statement of cash flows for the year to date, for the one (1) calendar quarter ending immediately prior to the Closing Date and for the one (1) month immediately prior to the Closing Date. Between the Effective Date and the Closing Date, Seller shall deliver to Purchaser a copy of subsequent monthly and year-to-

date financial statements of Seller within twenty-five (25) days after the end of each calendar month during such period.

5.11 Insurance. Seller shall maintain and keep in full force and effect the Insurance Policies. In addition, as of the Closing, Seller shall maintain "tail" professional liability insurance coverage covering any professional liability relating to the operation of Seller's Hospital Business prior to the Closing. Such coverage shall have coverage limits and deductibles that are not less than the limits and deductibles associated with Seller's professional liability coverage listed on Schedule 3.9 and shall remain in full force and effect until the expiration of all applicable statutes of limitation. At Closing, Seller shall provide evidence of such tail coverage to Purchaser, in the form of a certificate of insurance issued by the issuer of such tail coverage, which certificate shall be in such form as shall be reasonably satisfactory to Purchaser ("Tail Coverage Certificate"). At the Closing, Seller shall provide Purchaser with certificates of insurance evidencing compliance with Section 3.9 of this Agreement (the "Insurance Certificates").

5.12 Exclusivity. As consideration for the Exclusivity Payment Seller shall not, directly or indirectly, enter into, solicit, accept, or otherwise entertain any discussions, negotiations, understandings or agreements to sell, lease, assign or otherwise transfer all or any party of Seller's Hospital Business or the Assets to any party other than to Purchaser. Seller shall immediately notify Purchaser upon Seller's receipt of an offer or solicitation for Seller to sell, transfer, lease or assign all or any part of Seller's Hospital Business or the Assets subsequent to the Effective Date.

5.13 Cooperation. Seller shall diligently assist and cooperate with Purchaser in the preparation and filing of any and all forms, notices, consents and applications with Governmental Entities or Seller Payment Programs as may be necessary to timely apply for the issuance, transfer or assumption of all Licenses and Approvals, or other approvals to Purchaser for the purpose of operating Seller's Hospital Business and the Assets in compliance with all Laws. Seller shall not take any action or inaction that could, or does, interfere with Purchaser's ability to timely prepare and file all forms, notices, consents and applications, or otherwise obtain the Licenses and Approvals. Seller shall cause the application filed with the HFSRB with respect to the proposed discontinuation of Seller's Hospital Business to be withdrawn prior to or contemporaneously with the filing by Purchaser of a COE or CON to acquire Seller's Hospital Business.

5.14 Attorney General Approval. Seller shall promptly prepare and file any and all applicable forms, notices, consents and applications with the Illinois Attorney General to obtain the Illinois Attorney General's approval of the sale of the Assets in accordance with the terms of this Agreement and the consummation of the transactions contemplated under this Agreement ("Illinois AG Approval"), and shall diligently pursue the securing of the Illinois AG Approval prior to the Closing Date. Seller shall promptly provide Purchaser with copies of any and all forms, notices, consents and applications filed with, or received from or on behalf of, the Illinois Attorney General.

5.15 Catholic Bishop of the Archdiocese of Chicago Approval. Seller shall obtain the approval of the Catholic Bishop of the Archdiocese of Chicago with respect to

purchase and sale of the Assets in accordance with the terms of this Agreement. Seller shall promptly provide Purchaser with copies of the approval of the disposition of the Assets issued by the Catholic Bishop of the Archdiocese of Chicago.

5.16 Notice of Events. Seller shall provide Purchaser with written notice, including copies of relevant documentation, promptly upon any of the following events: (i) Seller becomes aware of any event or circumstance that causes any of the representation or warranties under Section 3 of this Agreement, or any other statement or document given to Purchaser from Seller, to be untrue or misleading; or (ii) Seller becomes aware of any event or circumstance that has or may reasonably be expected to have a material adverse effect on Seller's Hospital Business or the Assets.

6. Conduct of Purchaser Prior to Closing.

6.1 Approvals. Prior to the Closing Date, Purchaser shall execute and file any and all forms, notices, consents and applications with Governmental Entities and Seller Payment Programs as may be necessary to timely obtain or, to the extent permitted by applicable Law, secure the assignment of, all licenses, including, but not limited to, an Illinois Acute Mental Illness Facility License, certificate of need ("CON"), certificate of exemption ("COE"), Medicaid and TRICARE certification, accreditation, Illinois Department of Child and Family Services ("DCFS") approvals and/or other approvals necessary for the purpose of Purchaser's operating Seller's Hospital Business as a one hundred twenty-five (125) bed psychiatric hospital that is duly licensed, Medicaid certified, and approved to provide services to patients of all ages after the Closing, and securing Purchaser's participation with Seller Payment Programs after the Closing, including, without limitation, confirmation that the Medicaid rate payable thereunder is/will be consistent with Seller's Medicaid rate, as set forth on Seller's Medicaid rate letter attached hereto as Schedule 6.1 (collectively, the "Licenses and Approvals"). Notwithstanding the foregoing, and provided that this Agreement has been executed by the Parties, Purchaser and Seller shall, as co-applicants, prepare and submit to the Health Facilities and Services Review Board ("HFSRB") a CON application or COE application (collectively, the "Application") on or before July 11, 2014. For purposes of this Agreement, the Application shall be deemed "submitted" to HFSRB upon Purchaser's production to Seller of a receipt dated July 10, 2014 (or earlier), for next business day delivery by reputable, national next business day express carrier, evidencing the mailing of the Application to HFSRB.

7. Right to Inspect.

7.1 Inspection.

(a) For a period commencing on the Effective Date and terminating on the Closing Date (the "Inspection Period"), Purchaser and its agents (including, without limitation, its architects, engineers, accountants, medical consultants, and other representatives) shall have the right, upon at least forty-eight (48) hours' prior written notice and during normal business hours, to access and inspect the Assets and Seller's Hospital Business, and Tax Returns of Seller relating thereto, and to undertake such tests and surveys and other activities as Purchaser shall determine in connection therewith (collectively, the "Inspection") in accordance with the following terms and provisions:

(b) Without limiting the foregoing, Purchaser shall have the right to make and/or conduct: (i) a complete physical inspection of Seller's Hospital Business and the Assets, including, without limitation, the roofs, foundations, walls, basements, heating, electrical, plumbing, ventilating, elevators and buildings systems and equipment; (ii) investigations regarding rezoning and code requirements; (iii) environmental studies; (iv) market studies; (v) real estate tax analysis; and (vi) an investigation and analysis of the Records.

(c) The Data Room shall be deemed to contain only the documents listed on Schedule 7.1(c) to this Agreement, which Schedule shall be a "screen shot" of the documents posted in Data Room as of the Effective Date. Notwithstanding the foregoing, Schedule 7.1(c) may be updated from time to time to reflect additional disclosures made in accordance with this Agreement.

(d) Seller shall promptly notify Purchaser, and provide copies to Purchaser by posting in the Data Room, of all notices, reports and/or citations relating to violations of Law or material required repairs relating to the Assets or Seller's Hospital Business that are received or arise prior to the Closing Date.

(e) Purchaser's right to inspect under this Section 7.1 shall continue through the Closing Date, and Purchaser may resume or repeat inspections, including a final re-inspection prior to the Closing Date.

7.2 Regulatory Inspection. The Parties acknowledge that, as a result of Purchaser's application for Licenses and Approvals, various Governmental Entities and/or representatives of Seller Payment Programs and/or third party payors ("Regulatory Inspectors") may conduct inspections or surveys of Seller's Hospital Business and the Assets between the Effective Date and the Closing Date. Seller shall make the Assets and Records available during such inspections or surveys (the "Regulatory Inspections") and Seller shall fully cooperate with Purchaser and the Regulatory Inspectors in connection with the Regulatory Inspections.

7.3 Inspection Results. If, as a result of a Regulatory Inspection, Seller's Hospital Business or the Assets require certain remediation, repairs or replacements in order for Purchaser to obtain the Licenses and Approvals on or before the Closing, Seller shall promptly notify Purchaser of such Regulatory Inspection, and provide Purchaser with copies of all documents related thereto. In such event, Purchaser shall have the following options:

(a) If the cost of such remediation, repairs or replacements, as reasonably calculated by Purchaser, is less than Five Million Dollars ($5,000,000.00), then Purchaser may, by written notice delivered to Seller on or before the Closing Date: (i) cause Seller to perform such remediation, repairs or replacements; or (ii) proceed with the Closing and be entitled to a credit against the Purchase Price in the amount of the estimated cost of such remediation, repairs or replacements, as reasonably calculated by Purchaser;

(b) If the cost of such remediation, repairs or replacements, as reasonably calculated by Purchaser, is equal to or exceeds Five Million Dollars

($5,000,000.00), but is less than Fifteen Million Dollars ($15,000,000.00), then Purchaser may, by written notice delivered to Seller on or before the Closing Date: (i) cause Seller to perform such remediation, repairs or replacements; (ii) proceed with the Closing and be entitled to a credit against the Purchase Price in the amount of the estimated cost of such a remediation, repairs or replacements, as reasonably calculated by Purchaser; or (iii) terminate the Agreement;

(c) If the cost of such remediation, repairs or replacements, as reasonably calculated by Purchaser, is equal to or exceeds Fifteen Million Dollars ($15,000,000.00), either Seller or Purchaser may terminate this Agreement.

For purposes of this Agreement, the events described in Section 7.3(b) and 7.3(c) of this Agreement shall be defined as an "Adverse Property Event."

7.4 Real Estate Deliverables.

(a) Prior to the Effective Date, Purchaser has ordered and received a title commitment (the "Commitment") for an ALTA Owner's Fee Policy of Title Insurance (2006 Form) (the "Title Policy") to be issued by the Title Company, in an amount to be reasonably determined by Purchaser, committing to insure that title to the Premises is in the condition required by this Agreement. The Commitment shall include copies of all covenants, conditions, restrictions, reservations and easements of record and other matters of record affecting title to the Premises, and shall set forth the results of a so-called special tax search showing all pending assessments on the Premises.

(b) Prior to the Effective Date, Seller has ordered an ALTA/ACSM survey ("Survey") of the Premises to be prepared by a registered surveyor licensed to practice in the State of Illinois.

(c) Purchaser shall deliver to Seller written notice of any objections that Purchaser may have to anything contained or set forth in, or disclosed by, the Commitment or the Survey (any such objection, a "Title/Survey Objection") within ten (10) business days following the Effective Date. If Purchaser delivers written notice of any Title/Survey Objection, then Seller shall, within ten (10) business days after receipt of such notice from Purchaser, deliver written notice to Purchaser that: (i) Seller shall cure or cause the Title Company to remove any such Title/Survey Objections and provide Purchaser with evidence reasonably satisfactory to Purchaser of such removal, or provide Purchaser with evidence reasonably satisfactory to Purchaser that said Title/Survey Objections will be cured or removed before Closing; or (ii) Seller elects not to cause such Title/Survey Objections to be cured or removed (and if Seller does not give notice within that ten (10) business day period, it shall be deemed to have elected not to cause such Title/Survey Objections to be cured or removed (other than Monetary Liens as provided below)). If Seller gives Purchaser notice under clause (ii) of this Section, then Purchaser shall have right to elect to either proceed with this transaction and take title to the Premises subject to the Title/Survey Objections that Seller did not agree to cure, or terminate this Agreement.

(d) Seller shall be required to discharge, at Seller's sole cost and expense, at or prior to the Closing Date, all mortgages, deeds of trusts, financing statements and other instruments evidencing or securing the repayment of debt, judgment liens and other liens of a liquidated amount evidencing a monetary obligation (excluding liens for real property taxes and assessments (both general and special) not yet due and payable (collectively, "Monetary Liens"), regardless of whether or not Purchaser has notified Seller of Purchaser's objection thereto. All Monetary Liens shall automatically be deemed to be Title/Survey Objections and Purchaser shall not be required to give written notice thereof. Failure of Purchaser to object to a Monetary Lien shall in no event be deemed a waiver of Purchaser's right to require Seller to remove such Monetary Lien. As used in this Agreement, the term "Permitted Exceptions" shall mean any exception to title to the Premises set forth in the attached Schedule 7.4 or Schedule B-2 of the Commitment (except for any Monetary Liens) that Purchaser does not object to as a Title/Survey Objection, or to which Purchaser subsequently waives its objection pursuant to Section 7.4(c).

8. Closing and Related Matters.

8.1 The Closing. Subject to the satisfaction or waiver of all conditions contained in Section 8.2 and Section 8.3, the closing of the transactions contemplated in this Agreement (the "Closing") shall occur in accordance with the following provisions:

(a) The Closing shall take place on September 30, 2014, or as soon as reasonably practicable after issuance of a COE or CON, subject to the satisfaction of the Purchaser's conditions specified in Section 8.2 of this Agreement (the "Closing Date"). The Closing shall occur by mail, or at such location as the parties mutually agree.

(b) The transfers and deliveries described in Section 9 of this Agreement shall be mutually interdependent and regarded as occurring simultaneously, and no such transfer shall become effective until all of the other transfers and deliveries provided for in Section 9 of this Agreement have also been consummated. The Closing shall be deemed to be effective as of 12:01 a.m. on the Closing Date.

8.2 Conditions to Purchaser's Obligation to Perform. The obligations of Purchaser to make payment of the Purchase Price and to close the transactions contemplated in this Agreement are contingent upon each of the following:

(a) Purchaser's receipt of the Licenses and Approvals, or Purchaser's receipt of evidence satisfactory to Purchaser that the Licenses and Approvals will be issued to Purchaser on or after the Closing Date. Except as provided by Law, such Licenses and Approvals must be wholly unrestricted and free of any conditions which limit or restrict Purchaser's ability to operate Seller's Hospital Business as a one-hundred twenty-five (125) bed inpatient psychiatric hospital that is licensed and Medicaid and TRICARE certified to provide services to patients of all ages subsequent to the Closing Date. For clarification purposes, it shall in all events and circumstances of any and every nature whatsoever be an express condition precedent to the obligations of Purchaser set forth in this Agreement that the HFSRB first grant its permission, approval and/or

consent to the transaction contemplated in this Agreement and/or issue an exemption from the requirement to obtain a CON, or that it grant and/or issue said CON pursuant to 77 Ill. Admin. Code Sections 1130.110 et seq.

(b) All of the representations and warranties of Seller contained in this Agreement shall be true, accurate and complete in all respects on the Closing Date as if made on the Closing Date.

(c) Seller shall have performed and observed in all respects its obligations and covenants as set forth in this Agreement required to be performed or observed prior to or at the Closing, including the delivery of all closing items for the benefit of Purchaser contemplated in Section 9.1 of this Agreement.

(d) The Parties shall have executed and delivered the Escrow Agreement (as defined in Section 14.4(a) of this Agreement).

(e) There shall be no Actions and Proceedings pending or threatened before any Governmental Entity or private arbitrator, pursuant to a collective bargaining agreement or otherwise, wherein an unfavorable injunction, judgment, order, decree, ruling or charge could: (i) prevent consummation of the transactions contemplated by this Agreement; (ii) cause any of the transactions contemplated by this Agreement to be rescinded following consummation; or (iii) affect the Assets or Seller's Hospital Business or the right of Purchaser to own or operate the Assets or Seller's Hospital Business in a material adverse manner.

(f) At least two (2) business days prior to the Closing Date, representatives of Seller and Purchaser shall have had the opportunity to conduct a physical count of the Inventory and such physical count shall have been documented by such representatives (the "Inventory Report") and Purchaser shall have been satisfied with the Inventory Report.

(g) There shall not have been a material adverse change to the Assets or Seller's Hospital Business. For purposes of this Agreement, the phrase "material adverse change" shall be defined as any circumstance, event, change, occurrence, effect or development that:

(i) does or would reasonably be expected to result in: (A) the final, involuntary loss or suspension of any Licenses and Approvals or Permits required to operate Seller's Hospital Business in the same manner as currently conducted; (B) the termination, debarment or exclusion of Seller's participation in the Medicaid program or any of the Seller Payments Programs; (C) the imposition of criminal sanctions or penalties on Seller; or (D) the cancellation or revocation of any of Seller's insurance policies;

(ii) is or would reasonably be expected to be materially adverse to the business, assets, financial condition, results of operations or prospects of the Seller's Hospital Business;

(iii) has or would reasonably be expected to be materially adverse to the ability of any Party to consummate the transactions contemplated in this Agreement in a timely manner; or

(iv) does or would reasonably be expected to result in the unexpected death or serious physical or psychological injury, or risk thereof, to any patient of Seller's Hospital Business (otherwise known as a "sentinel event").

(h) Purchaser shall have received letters of clearance from the Illinois Department of Revenue and Illinois Department of Employment Security (the "Tax Clearance Certificates"), dated not earlier than thirty (30) days before the Closing Date, which certify that Seller does not have any tax due to the State of Illinois other than any real and personal property taxes to be paid by Seller at Closing, if any.

(i) Purchaser shall have received copies of the Illinois AG Approval, as described in Section 5.14 of this Agreement.

(j) Purchaser shall have received copies of the approval of the Catholic Bishop of the Archdiocese of Chicago, as described in Section 5.15 of this Agreement.

(k) At Closing, Purchaser shall have received from the Title Company the Title Policy (or binding markup of the Commitment) in an amount to be reasonably determined by Purchaser, insuring at the time of filing of the Deed (as defined in Section 8.2(m) of this Agreement) that there is vested in Purchaser (or Purchaser's assignee or nominee) fee simple title to the Premises, free and clear of all Encumbrances, except for the Permitted Exceptions, and real property taxes and assessments that are a lien but not yet due and payable, and no survey notes or exceptions shall be shown unless the same have been approved by Purchaser in writing. The Title Policy shall: (i) be endorsed to delete all so-called "survey," "mechanic's liens" and other "standard" or "general Schedule B" exceptions, (ii) contain affirmative insurance of title to all appurtenant easements benefitting the Premises, (iii) contain an access endorsement insuring that the Premises and all entrances, exits, driveways and access roads adjoin and have free access to and from a duly dedicated public road or highway, (iv) contain a "comprehensive" endorsement, (v) affirmatively insure complete contiguity of all parcels along their entire apparent common boundaries without any gaps, strips, gores or other parcels of land intervening, (if the Premises consists of more than one (1) parcel), and (vi) include such other endorsements that Purchaser may reasonably require.

(l) Seller shall convey to Purchaser (or Purchaser's assignee or nominee) good and marketable fee simple title to the Premises by special warranty deed (the "Deed") substantially in the form of Exhibit 8.2(m), free and clear of all Encumbrances, except real estate taxes, both general and special, which are a lien but not yet due and payable and any Permitted Exceptions (which shall be enumerated in the Deed as exceptions to title). Seller shall be responsible for obtaining any governmental approvals of the Deed prior to Closing, including without limitation, any necessary lot split or subdivision approvals.

8.3 Conditions to Seller's Obligation to Perform. The obligations of Seller to transfer the Assets to Purchaser and to close the transactions contemplated in this Agreement are contingent upon each of the following:

(a) All of the representations and warranties of Purchaser contained in this Agreement shall be true, accurate and complete in all respects on the Closing Date as if made on the Closing Date, and the Purchaser shall not finance any portion of the Purchase Price.

(b) Purchaser shall have performed and observed in all respects its obligations and covenants as set forth in this Agreement required to be performed or observed prior to or at the Closing, including the delivery of all closing items for the benefit of Seller contemplated in Section 9.2 of this Agreement.

9. Closing Deliveries.

9.1 Seller's Deliveries. On or before the Closing Date, Seller shall deliver or cause to be delivered the following to Purchaser:

(a) A signed counterpart of a bill of sale in the form of Exhibit 9.1(a), attached hereto and made a part hereof (the "Bill of Sale");

(b) A signed counterpart of an assignment and assumption agreement in the form of Exhibit 9.1(b), attached hereto and made a part hereof (the "Assignment");

(c) A signed counterpart of the Escrow Agreement;

(d) A Certificate of Good Standing for Seller from the Secretary of State of the State of Illinois and the Tax Clearance Certificates;

(e) Resolutions of Seller's Board of Directors and incumbency certificate authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated in this Agreement, certified as of the Closing Date by an authorized officer of Seller as having been adopted and being in full force and effect and unmodified on the Closing Date;

(f) A certificate, dated as of the Closing Date, duly executed by an authorized officer of Seller, in the form of Exhibit 9.1(f), certifying to Purchaser that each of Seller's representations and warranties in this Agreement was true, accurate and complete in all respects as of the Effective Date and is true, accurate and complete in all respects as of the Closing Date as if made on the Closing Date and that Seller has performed its obligations under this Agreement in all respects that are to be performed by Seller prior to the Closing;

(g) Keys, access cards, operating manuals and all other items required to be delivered under Section 9.3 below;

(h) The Insurance Certificates, including, but not limited to, the Tail Coverage Certificate;

(i) Originals or copies of all Permits;

(j) A signed counterpart of the Inventory Report;

(k) Evidence of the transfer of Seller EFT Accounts to Purchaser;

(l) The PTO Schedule;

(m) The Prepayment Deposits;

(n) A signed counterpart of Schedule 2.1(b)(2);

(o) an affidavit by Seller stating Seller's United States taxpayer identification number and that Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Code);

(p) the duly executed Deed; in form and content as required hereunder;

(q) Seller's affidavit, in form and substance satisfactory to the Title Company, in favor of the Title Company that will enable Purchaser to obtain the title insurance coverage free of any exception for either mechanics' or materialmen's liens, or parties in possession (other than tenants, as tenants only, under unrecorded leases), and which will induce such title insurer to "insure the gap";

(r) Reserved;

(s) Reserved; and

(t) Such further instruments and documents as are reasonably necessary, expedient or proper, or otherwise required hereunder, in order to complete the transfer of the Assets to Purchaser free and clear of any and all Encumbrances.

9.2 Purchaser's Deliveries. On the Closing Date, Purchaser shall deliver or cause to be delivered the following to Seller:

(a) A signed counterpart of the Assignment executed by Purchaser;

(b) The remainder of the Purchase Price, subject to the Escrow Amount (as defined in Section 14.4(a) of this Agreement), and as otherwise adjusted in accordance with this Agreement;

(c) A Good Standing Certificate for Purchaser from the State of Delaware.

(d) Resolutions of Purchaser's Member and incumbency certificate authorizing the execution and delivery of this Agreement and the consummation of the

transactions contemplated in this Agreement, certified as of the Closing Date by an authorized representative of Purchaser as having been adopted and being in full force and effect and unmodified on the Closing Date;

(e) A certificate, dated as of the Closing Date, duly executed by an authorized representative of Purchaser, in the form of Exhibit 9.2(e), certifying to Seller that each of its representations and warranties in this Agreement was true, accurate and complete in all respects as of the Effective Date and is true, accurate and complete in all respects as of the Closing Date as if made on the Closing Date and that Purchaser has performed its obligations under this Agreement in all respects that are to be performed by Purchaser prior to the Closing;

(f) A signed counterpart of the Inventory Report;

(g) A signed counterpart of Schedule 2.1(b)(2);

(h) Reserved;

(i) A signed counterpart of the Escrow Agreement; and

(j) Such further instruments and documents as are reasonably necessary, expedient or proper in order to complete the transfer of the Assets to Purchaser.

9.3 Possession. Exclusive possession and control of Seller's Hospital Business and the Assets shall be delivered to Purchaser on the Closing Date. To the extent that it is not done prior to the Closing, upon the Closing, Seller shall deliver to Purchaser all account numbers, titles, keys, passes, usernames, passwords, pass codes, access codes and cards used in the operation of Seller's Hospital Business and the Assets, and Seller shall not retain any originals or copies of such items after the Closing. All of the Assets shall be located on the Premises on the Closing Date and possession thereof delivered to Purchaser on such date.

9.4 Notifications; Disclosure Updates.

(a) Until the Closing, each Party shall, promptly after discovery, deliver to the other Party written notice of any event, fact, circumstance or condition that does or is reasonably likely to: (i) cause a breach of any of such Party's covenants under this Agreement; (ii) render the satisfaction of the conditions in Section 8 of this Agreement impossible or unlikely; or (iii) prohibit, prevent or delay the timely consummation of the transaction contemplated in this Agreement.

(b) Until the Closing, Seller shall, promptly after discovery (but at least one business day before the Closing Date), deliver to the Purchaser written notice updating the Schedules hereto to: (i) reflect any event occurring or fact, circumstance or condition arising after the date of this Agreement that, if such event occurred or such fact, circumstance or condition arose before or on the Effective Date would have been required to be disclosed in the Schedules or that are necessary to correct any disclosures in the Schedules that have been rendered inaccurate thereby (a "Schedule Update"); or

(ii) correct any existing inaccuracy or deficiency in the Schedules based on any event that occurred or fact, circumstance or condition existed before or on the date of this Agreement (a "Schedule Correction").

(c) In the event that the matter giving rise to the Schedule Update or Schedule Correction causes or is reasonably likely to cause Seller's representations and warranties in this Agreement to not be true and correct and would give rise to the failure of the conditions specified in Section 8.2 of this Agreement, then the Purchaser, in its reasonable discretion, may terminate this Agreement; provided, further, that if the Purchaser has the right to, but does not elect to terminate this Agreement within fifteen (15) business days of its receipt of such Schedule Update or Schedule Correction, then the Purchaser shall be deemed to have irrevocably waived any right to terminate this Agreement with respect to such matter.

(d) Notwithstanding anything to the contrary set forth in this Agreement, commencing on the Effective Date, Purchaser shall have a period of twenty (20) business days to review and make such revisions to the list of assumed contracts set forth on Schedule 1.1(b)(i) to this Agreement as Purchaser deems necessary, in its sole discretion. On or before the twentieth (20th) business day following the Effective Date, Purchaser shall deliver to Seller a copy of revised Schedule 1.1(b)(i), which Schedule shall replace and supersede Schedule 1.1(b)(i), as the same exists on the Effective Date.

10. Prorations and Adjustments.

10.1 Transfer Taxes and Other Transactional Expenses. Seller shall pay any: (a) transfer and documentary taxes (but excluding state, county and local sales tax assessed to Purchaser) that are due and owing with respect to the transactions contemplated under this Agreement as of the Closing Date; and (b) any costs in connection with the title exam, Commitment and costs associated with the Title Policy insuring an amount up to and including Six Million Dollars ($6,000,000.00). Purchaser shall pay: (a) costs in connection with the Survey; (b) recording costs (other than to cure Title/Survey Objections); (c) any costs in connection the Title Policy insuring an amount exceeding Six Million Dollars ($6,000,000.00); (d) any endorsements to the Title Policy; and (e) escrow fees in connection with Purchaser's lenders, if any. Escrow fees in connection with the issuance of the Title Policy shall be evenly divided between the Parties.

10.2 Utilities. Purchaser shall cause each utility to change the name of the responsible party on each utility account from Seller to Purchaser as of the Closing Date. Seller shall pay for and be responsible for all utility charges prior to the Closing Date, and Purchaser shall pay for and be responsible for all utility charges incurred on and after the Closing Date. At the Closing, or as soon thereafter as practicable, Seller and Purchaser shall make an appropriate adjustment for utility charges

10.3 Accounts Receivable. All accounts receivable from Seller's Hospital Business and collections therefrom relating to the period prior to the Closing Date shall be the property of Seller. All accounts receivable from Seller's Hospital Business and collections therefrom relating to the period on or after the Closing Date shall belong to Purchaser. Both

Parties shall promptly notify the other if either Party receives collected accounts receivable that are the property of the other Party and the receiving Party shall forward same to such other Party within a reasonable period after receipt. Purchaser shall reasonably cooperate with Seller with respect to Seller's collection of the Accounts Receivable and provide access to information to Seller as reasonably required by Seller for its collection efforts.

10.4 PTO. All PTO for Retained Employees as of the Closing Date shall be a reduction to the Purchase Price, in accordance with Section 5.2(c) of this Agreement.

10.5 Patient Pre-Paid Deposits. Schedule 3.21 sets forth a list of the Prepayment Deposits. Not less than two (2) business days prior to Closing, Seller shall provide a list of the Prepayment Deposits to Purchaser. Seller shall deliver possession of the Prepayment Deposits to Purchaser at Closing.

10.6 Real Estate and Personal Property Taxes. At the Closing, Seller and Purchaser shall prorate the real estate taxes and assessments owed and to be owed in connection with the Premises and any personal property taxes owed or to be owed with respect to the Assets. All real estate and personal property taxes relating to periods on or before the Closing Date shall be the responsibility and obligation of Seller. All real estate and personal property taxes relating to the period of time after the Closing Date shall be the responsibility and obligation of Purchaser. Purchaser shall notify the Cook County Assessor's Office of the change in ownership of the Premises as required under Section 15-20 of the Property Tax Code (35 ILCS 200/15-20).

11. Risk of Loss. Risk of loss to the Assets from casualty shall be borne by Seller until the Closing. If the Assets or any part thereof are damaged or destroyed as a result of such casualty, Seller shall immediately notify Purchaser about such damage or destruction and of the amount of the applicable deductible under Seller's applicable insurance policies and shall provide Purchaser with an estimate of the insurance proceeds payable with respect to such casualty as soon as reasonably practicable thereafter. If Seller is unable or unwilling to repair or restore such damage or destruction prior to Closing, to Purchaser's reasonable satisfaction, Seller shall immediately notify Purchaser of such inability (the "Non-Repair Notice"), and thereafter, Purchaser shall have the following options:

11.1 If the cost of repairing or restoring such damage or destruction is less than Five Million Dollars ($5,000,000.00), as reasonably calculated by Purchaser promptly after Purchaser receives the Non-Repair Notice, then Purchaser shall proceed with the Closing and be entitled to: (i) all insurance proceeds paid or payable as a result of such casualty to Seller; and (ii) a credit against the Purchase Price in the amount of any deductible on such insurance coverage carried by Seller; and

11.2 If the cost of repairing or restoring such damage or destruction is equal to or exceeds Five Million Dollars ($5,000,000.00), as reasonably calculated by Purchaser promptly after Purchaser receives the Non-Repair Notice, then Purchaser may elect in a writing delivered to Seller within five (5) business days after Purchaser has received the Non-Repair Notice and calculated the cost of such repair or restoration to: (a) proceed with the Closing and be entitled to: (i) all insurance proceeds paid or payable as a result of such casualty to Seller; and (ii) a

credit against the Purchase Price in amount of the lesser of the deductible on such insurance coverage carried by Seller; or (b) terminate this Agreement.

12. Condemnation. If prior to the Closing: (i) all or any material part of the Assets is taken by condemnation or eminent domain proceedings of any kind; or (ii) condemnation or eminent domain proceedings of any kind are instituted against any of the Assets, then Purchaser may elect, by written notice to Seller, to: (a) terminate this Agreement; or (b) complete the acquisition of the Assets, less the portion of the Assets taken by eminent domain or condemnation, and all awards or payments under such proceedings or in connection therewith shall be credited against the Purchase Price, or, if payable subsequent to the Closing, Seller shall assign to Purchaser any claim or interest in all awards or payments under such proceedings or in connection therewith. For purposes of this Section 12, "material part" shall mean any part of the Assets that are necessary to access the Premises or operate the Assets for the intended use as a one hundred twenty-five (125) bed inpatient psychiatric hospital. Notwithstanding anything to the contrary contained herein, the Illinois Department of Transportation ("IDOT") project related to the proposed relocation of the entrance/exit configuration to the Premises shall be not be deemed to be "instituted against any of the Assets" (for purposes of clause (ii) in Section 12 of this Agreement), unless and until such project is actually commenced by IDOT, which is currently expected to occur in January of 2017.

13. Termination.

13.1 Termination Events. Except as otherwise set forth in this Section 13.1 by notice given prior to or at the Closing, subject to Section 13.2 of this Agreement, this Agreement may be terminated as follows:

(a) by Purchaser if a breach of any provision of this Agreement has been committed by Seller and such breach has not been cured by Seller within ten (10) business days following Seller's receipt of notice of such breach from Purchaser;

(b) by Seller if a breach of any provision of this Agreement has been committed by Purchaser and such breach has not been then cured by Purchaser within ten (10) business days following Purchaser's receipt of notice of such breach from Seller;

(c) by Purchaser if any condition in Section 8.2 of this Agreement has not been satisfied as of the date specified for Closing or if satisfaction of such a condition by such date is or becomes impossible (other than through the failure of Purchaser to comply with its obligations under this Agreement), and Purchaser has not waived such condition on or before such date;

(d) by Seller if any condition in Section 8.3 of this Agreement has not been satisfied as of the date specified for Closing or if satisfaction of such a condition by such date is or becomes impossible (other than through the failure of Seller to comply with its obligations under this Agreement), and Seller has not waived such condition on or before such date;

(e) by mutual consent of Purchaser and Seller;

(f) upon receipt by Purchaser of written notice from an appropriate state agency that one or more of the Licenses and Approvals will not be issued to Purchaser (due to no fault of Purchaser or failure of Purchaser to provide information requested to obtain same), Purchaser shall have the right to rescind this Agreement and the transactions contemplated in this Agreement. In such event, each Party shall be responsible for its own costs and expenses incurred by such Party prior to termination pursuant to Section 13.1(f) of this Agreement, including legal fees;

(g) by Purchaser pursuant to Section 9.4(c) of this Agreement;

(h) by Purchaser at any time on or before August 1, 2014, for any reason related to the condition of the Premises; provided, however, that Purchaser shall not have the right to terminate this Agreement pursuant to this Section 13.1(h) unless the condition identified with respect to the Premises shall constitute an Adverse Property Event.

13.2 Effect of Termination.

(a) Except as otherwise set forth in this Agreement, each Party's right of termination under Section 13.1 or under any other provision of this Agreement is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of such right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 13.1 or under any other provision of this Agreement, all obligations of the Parties under this Agreement shall terminate, except that the rights and obligations of the Parties in this Section 13 and Section 14 shall survive, provided, however, that, if this Agreement is terminated because of a breach of this Agreement by the non-terminating Party or because one or more of the conditions to the terminating Party's obligations under this Agreement is not satisfied as a result of the non-terminating Party's failure to comply with its obligations under this Agreement, then, except as otherwise set forth in this Agreement, the terminating Party's right to pursue all legal remedies available to such Party pursuant to this Agreement shall survive such termination unimpaired, including, without limitation, either Purchaser's or Seller's right to distribution of the Escrow Payment from Title Company, as applicable.

(b) If this Agreement is terminated, the Parties' respective rights to the Down Payment shall be as follows:

(i) If this Agreement is terminated by Seller pursuant to Section 13.1(b) of this Agreement, then Title Company shall refund the Escrow Payment to Seller, together with any interest accrued thereon, and Seller shall be entitled to retain the Exclusivity Payment;

(ii) If this Agreement is terminated by Purchaser pursuant to Section 13.1(a) or 13.1(c) of this Agreement, then Title Company shall refund the Escrow Payment to Purchaser, together with any interest accrued thereon, and Seller shall refund the Exclusivity Payment to Purchaser; and

(iii) If this Agreement is terminated pursuant to Sections 13.1(d), 13.1(e), 13.1(f), 13.1(g), or 13.1(h), then Title Company shall refund the Escrow Payment to Purchaser, together with any interest accrued thereon, and Seller shall be entitled to retain the Exclusivity Payment.

Any refunds owed to either Party pursuant to Section 13.2(b) of this Agreement shall be made promptly upon the effective date of the termination of this Agreement.

14. Indemnification; Security; Escrow.

14.1 Indemnification by Seller. Seller shall indemnify, defend (at Purchaser's request) and hold harmless Purchaser, Purchaser's affiliates and their respective successors, assigns, officers, directors, managers, members, shareholders, employees, agents and representatives (collectively, the "Purchaser Indemnified Parties"), from and against any costs, expenses, liabilities, claims, damages, fees, penalties and/or obligations, including reasonable attorney's fees (collectively, "Liabilities") incurred by any of the Purchaser Indemnified Parties attributable to, arising out of, or as a result of any and all of the following:

(a) The inaccuracy of, or failure to comply with, or breach of, any of the representations or warranties of Seller contained in this Agreement;

(b) The non-fulfillment of any of the covenants or agreements of Seller contained in this Agreement;

(c) The Assets not acquired under this Agreement or Liabilities not expressly assumed by Purchaser, including, without limitation, the Excluded Liabilities; and

(d) The ownership or operation of Seller's Hospital Business or the Assets before the Closing Date.

14.2 Indemnification by Purchaser. Purchaser shall indemnify, defend (at Seller's request) and hold harmless Seller, Seller's affiliates and their respective successors, assigns, officers, directors, managers, members, shareholders, employees, agents and representatives (collectively, the "Seller Indemnified Parties"), from and against any Liabilities incurred by any of the Seller Indemnified Parties attributable to, arising out of, or as a result of the inaccuracy of, or failure to comply with or breach of, any of the representations or warranties, or non-fulfillment of any of the covenants or agreements, of Purchaser contained in this Agreement.

14.3 Claims.

(a) If any claim or demand for which a party may be liable pursuant to Section 14.1 or 14.2 of this Agreement (the "Indemnifying Party") is asserted against or sought to be collected from an indemnified party hereunder (the "Indemnified Party"), the Indemnified Party against whom the claim or demand is asserted shall promptly notify the Indemnifying Party of the claim in writing, but failure to notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may

have to any Indemnified Party, except to the extent that the Indemnifying Party demonstrates that the defense of such action is materially prejudiced by the Indemnified Party's failure to give such notice. The Indemnifying Party shall have fifteen (15) days after the delivery of such notice, or such lesser time as may reasonably be available in the event that any action or proceeding has been commenced, to notify the Indemnified Party as to whether or not the Indemnifying Party shall, at its sole cost and expense, defend against such claim or demand.

(b) If the Indemnifying Party does not notify the Indemnified Party within fifteen (15) days (or such lesser time as may reasonably be available in the event that any action or proceeding has been commenced) of receipt of a potential claim from the Indemnified Party that it intends to defend against such claim or demand within the period allowed after delivery of notice of the claim, the Indemnified Party shall have the right, at the Indemnifying Party's sole cost and expense, to defend such claim or demand by appropriate proceedings. The Indemnified Party shall not thereafter settle or pay any such claim or demand except with the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) If the Indemnifying Party disputes the right to indemnity, the Indemnified Party may also defend such claim or demand or settle or pay any such claim or demand, but any right to recover from the Indemnifying Party shall depend on the resolution of the dispute as to the right of indemnity.

(d) If the Indemnifying Party notifies the Indemnified Party that it desires at its sole cost and expense to defend against such claim or demand, the Indemnified Party: (i) shall reasonably cooperate with the Indemnifying Party; and (ii) may elect to participate in any such defense at its sole cost and expense, but the control of such defense and its settlement or resolution shall rest primarily with the Indemnifying Party.

(e) The Indemnifying Party shall keep the Indemnified Party informed of the status of the defense of any claims or demand which it elects to defend, and in fact defends, hereunder. The Indemnifying Party shall not compromise or settle any such claim or demand without the prior written consent of the Indemnified Party, unless such settlement or compromise does not, in the Indemnified Party's good faith judgment, establish a precedential custom or practice adverse to the Indemnified Party or it business or does not affect the Assets or the operations of Seller's Hospital Business, or the tax position of the Indemnified Party after the Closing Date and includes a complete, unconditional release of the Indemnified Party from all liability with respect to such claim or demand.

(f) If the Indemnifying Party elects not to defend against any claim or demand for which it does not dispute indemnity is due or for which it disputes the right to indemnity and such dispute is resolved in a manner affirming such right to indemnity, the amount of such claim or demand, or if the same be defended by the Indemnifying Party, that portion thereof as to which such defense is unsuccessful, or any amount agreed to be paid in settlement of such claim, shall be payable in cash by the Indemnifying Party to

the Indemnified Party immediately upon the earlier of the time the Indemnified Party pays or incurs the amount subject to indemnification or at the time such amount is due and payable.

(g) Notwithstanding anything in this Section 14.3 to the contrary, the Indemnifying Party shall not be entitled to assume the defense of a claim or demand if: (x) such claim or demand, based upon the remedy sought, could result in criminal liability of, or equitable remedies against, the Indemnified Party; or (y) such claim or demand results from any subpoena, civil investigative demand or other document request or from Actions and Proceedings by a Governmental Entity. In such event, the Indemnified Party shall have the right, at the Indemnifying Party's sole cost and expense, to defend such claim or demand by appropriate proceedings.

14.4 Certain Limitations. Notwithstanding anything to the contrary in this Agreement, the indemnification provided for in this Section shall be subject to the following limitations:

(a) At the Closing, a total of Two Million Dollars ($2,000,000.00) of the Purchase Price (the "Escrow Amount") shall be deposited into an escrow account (the "Escrow Account") to be established with CitiBank, N.A., or its affiliated entity (the "Escrow Agent"), to be held by the Escrow Agent pursuant to the terms of an escrow agreement mutually agreeable to Purchaser and Seller (the "Escrow Agreement"), substantially in the form of Exhibit B attached hereto.

(b) The Escrow Amount shall be available to Purchaser to serve as a source of payment and remedy for any claim for indemnification for which Purchaser is entitled to recovery pursuant to Section 14.1 of this Agreement; provided, however, that Seller shall not have any obligation under Section 14.1 of this Agreement unless and until the aggregate amount of all Liabilities suffered by Purchaser exceeds one-half of one percent (0.5%) of the Purchase Price (the "Threshold Amount"). If the aggregate amount of all Liabilities suffered by Purchaser exceeds the Threshold Amount, and subject to the other limitations of this Agreement, Seller shall indemnify Purchaser for the entire amount of such Liabilities.

(c) Notwithstanding the foregoing limitation set forth in Section 14.4(b) of this Agreement, the Threshold Amount shall not apply to: (i) any liability or obligation arising from or related to violation of any Labor and Employment Laws; (ii) any third party debt of Seller; (iii) any liability or obligation for which Purchaser is entitled to indemnification pursuant to Section 14.1(b) of this Agreement; or (iv) breach of any representation and warranty made with knowledge of its falsity (collectively, the "Specifically Identified Liabilities").

(d) In no event shall the aggregate amount of all indemnifiable Liabilities paid by Seller under Section 14.1 of this Agreement exceed one hundred percent (100%) of the Purchase Price (the "Indemnification Cap"); provided, however, that the Indemnification Cap shall not apply to: (i) any third party debt of Seller; or (ii) breach of any representation and warranty made with knowledge of its falsity

(e) The Escrow Amount shall be released as follows: (i) on the first anniversary of the Closing Date, the Escrow Agent shall release to Seller One Million Dollars ($1,000,000.00), less an amount equal to the sum of: (1) the aggregate dollar amount of claims for indemnification made by Purchaser pursuant to Section 14.1 hereof which have not been resolved (the "Pending Claims"); plus (2) the aggregate amount of all claims which have been previously paid to Purchaser by Escrow Agent (collectively with the Pending Claims, the "Retained Escrow Amount"); and (ii) on the second anniversary of the Closing Date (the "Escrow Expiration Date"), pursuant to the terms of the Escrow Agreement, the Escrow Agent shall release to Seller the balance of the Escrow Amount then remaining in the Escrow Account, less the amount of the Pending Claims, if any.

(f) In the event and to the extent that after the Escrow Expiration Date any outstanding claim for indemnification made by Purchaser pursuant to Section 14.1 of this Agreement is resolved against Purchaser, the Escrow Agent shall distribute to Seller an amount equal to the amount of the outstanding claim resolved against Purchaser; provided, however, that such distribution shall only be made to the extent that the Retained Escrow Amount remaining after such distribution would be sufficient to cover any Pending Claims.

(g) For purposes of calculating the amount of any Liabilities that are the subject matter of a claim for indemnification pursuant to Section 14.1 of this Agreement, each representation, warranty, covenant and agreement shall be interpreted without giving effect to any "materiality," "material adverse effect," or similar qualifications contained therein.

(h) If any Liabilities sustained by Purchaser are covered by an insurance policy or an indemnification, contribution or similar obligation of another Person, the Purchaser shall use commercially reasonable efforts to collect (or cause to be collected) such insurance proceeds or indemnity, contribution or similar payments. If such payments are received before Purchaser is indemnified with respect to such Liabilities hereunder, such Liabilities shall be reduced by the amount of such payment, less reasonable attorney's fees and other reasonable expenses incurred in connection with such recovery. If such payments are received after Purchaser is indemnified and held harmless with respect to some or all of such Liabilities, Purchaser shall pay to Seller, the lesser of (i) the amount of such payment less reasonable attorney's fees and other reasonable expenses incurred in connection with such recovery and (ii) the amount paid by Seller with respect to such Liabilities. If Purchaser receives payment under this Section 14 on account of a claim that Seller believes in good faith is covered by an insurance policy or an indemnification, contribution or similar obligation of another person, Purchaser: (x) shall or shall cause, on written request of Seller, if permitted under such insurance policy, an assignment to the extent assignable, of the rights under such insurance policy or indemnification, contribution or similar obligation with respect to such claim to Seller; and (y) shall, if so requested, be relieved of any further obligation to pursue collection of such insurance or indemnification, contribution or similar obligation (except that, if requested to do so by Seller, Purchaser shall reasonably cooperate with

Seller at Seller's sole expense, to collect any such insurance or indemnification, contribution or similar obligation).

(i) Any fees and expenses of the Escrow Agent shall be paid by Purchaser. During the period in which the Escrow Amount is retained in the Escrow Account, all interest or other income earned from the investment of the Escrow Amount (the "Escrow Earnings") shall be retained as additional amounts in the Escrow Account. Such interest shall be paid to Seller, along with any remaining Escrow Amount, upon the Escrow Expiration Date. In no event shall any Indemnifying Party be liable to any Indemnified Party under this Section 14 or otherwise for any punitive or exemplary damages other than, in each case, actual amounts required to be paid with respect thereto by the Indemnified Party to an independent third party.

15. Negative Covenants.

15.1 Covenant Not to Compete. From and after the Closing Date for a period not to exceed seven (7) years, Seller shall not, and shall cause Seller's affiliates and their respective successors and assigns not to, directly or indirectly, own, lease, manage, operate, control, or participate in any manner with, through contract, joint venture or otherwise, the ownership, leasing, management, operation or control of any inpatient psychiatric hospital including, without limitation, seeking to acquire or apply for any Permit to own or operate an inpatient psychiatric hospital within one hundred (100) miles of the Premises (the "Restricted Activities") without Purchaser's prior written consent (which Purchaser may withhold in Purchaser's sole and absolute discretion). The covenants contained in this Section 15 shall commence as of the Closing Date and shall continue so long as Purchaser operates an inpatient psychiatric hospital on the Premises ("Purchaser's Hospital"). In the event Purchaser temporarily ceases to operate Purchaser's Hospital as a result of damage or destruction to Purchaser's Hospital, or in order to facilitate the remodeling, relocation or rebuilding of Purchaser's Hospital, the obligations under this Section 15 shall continue during such cessation of operations

15.2 Seller Non-Solicitation. For a period of three (3) years following the Effective Date, Seller shall not, and shall cause Seller's affiliates and their respective successors and assigns not to, directly or indirectly, whether alone or through one or more intermediaries or affiliates (partnership, corporate or otherwise: (i) solicit any of the Retained Employees; (ii) discourage any Retained Employee or any future employee of Purchaser's Hospital from continuing such employment; (iii) attempt or initiate any employment discussions with any of the Retained Employees or any employee or future employee of Purchaser's Hospital; (iv) hire any Retained Employee for a period of twelve (12) months following the last date of such Employee's employment with Purchaser's Hospital (or Purchaser's affiliates); (v) solicit any then current patients of Purchaser's Hospital to leave the care of Purchaser's Hospital; (vi) attempt or initiate any discussions with any current patient of Seller's Hospital Business or future patient of Purchaser's Hospital as to such patient leaving the care of Purchaser's Hospital; or (vii) discourage any present vendor of Seller's Hospital Business, or future vendor of Purchaser's Hospital, from providing products or services to Purchaser's Hospital.

15.3 Purchaser Non-Solicitation. For a period of three (3) years following the Effective Date, Purchaser shall not, and shall cause Purchaser's affiliates and their respective successors and assigns not to, directly or indirectly, whether alone or through one or more intermediaries or affiliates (partnership, corporate or otherwise: (i) solicit any of Seller's then current employees; (ii) discourage any of Seller's then current employees from continuing such employment; (iii) attempt or initiate any employment discussions with any of Seller's then current employees. Notwithstanding anything to the contrary contained herein, the limitations of this Section 15.3 shall not apply to any of Seller's employees that were employed primarily or exclusively at Seller's Hospital Business on the date of the last payroll immediately preceding the Effective Date. A copy of such payroll report that identifies Seller's employees employed primarily or exclusively at Seller's Hospital Business is attached hereto as Schedule 15.3.

15.4 Equitable Remedies. In the event of a breach of this Section 15, Seller recognizes that monetary damages shall be inadequate to Purchaser and Purchaser shall be entitled, without the posting of a bond or similar security, to an injunction and/or a restraining order against Seller, and/or any of Seller's affiliates, restraining such breach. Nothing contained in this Agreement shall be construed as prohibiting Purchaser from pursuing any other remedy available to it for such breach or threatened breach. The Parties hereby acknowledge the necessity of protection against the competition of the 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 Section 15 form part of the consideration under this Agreement and are among the inducements for Purchaser entering into and consummating the transactions contemplated in this Agreement. The period provided and the area covered by the covenants in this Section 15 are expressly represented and agreed to be fair, reasonable and necessary. The consideration provided for in this Agreement is deemed to be sufficient and adequate to compensate for agreeing to the restrictions contained in this Section 15. If, however, any 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. The restrictive covenants set forth in this Agreement may be assigned by Purchaser to any successor, transferee or affiliate of Purchaser in accordance with this Agreement without notice or consent of Seller.

16. Post-Closing Covenants.

(a) For at least one (1) year subsequent to the Closing Date, Purchaser shall accept patients and treat patients who are recipients of benefits under the Medicaid program maintained and administered by the Illinois Department of Healthcare and Family Services, and shall contract with Screening Assessment and Support Services agency ("SASS") and the Department of Children and Family Services ("DCFS") and treat patients referred through SASS and DCFS in the same general manner as Seller prior to the Closing Date. Purchaser shall, for at least three (3) years subsequent to the Closing Date, maintain ownership and control of Purchaser's Hospital.

(b) Seller shall not use the name "Maryville Behavioral Health Hospital" in any way shape or form subsequent to the Closing Date, including, without limitation, using such name in any advertising, marketing, public relations or other promotional material, in written or electronic format, and Seller shall remove all

references to such name from Seller's website; provided, however, that for a period of one (1) year after the Closing Date, Seller shall display a message on its website, such message to be mutually agreed upon by the Parties, which advises that the assets of "Maryville Behavioral Health Hospital" were sold to Purchaser. Such message shall also include a link to direct website traffic to Purchaser's new website.

(c) To the extent permitted by applicable Law, subsequent to the Closing Date, and until Purchaser has obtained a new inpatient and outpatient Illinois pharmacy license and Medicaid certification for such pharmacies, Seller shall permit Purchaser to utilize Seller's pharmacy license(s), Seller's controlled substance license(s) and Seller's Medicaid certification as a pharmacy provider until such time as Purchaser receives final approval/issuance of such licenses and certifications in Purchaser's name, and shall execute all documents and take all actions reasonably necessary and appropriate to affect such utilization.

17. Confidentiality. No Party shall, without the prior written consent of the other Party, use or disclose, directly or indirectly, any information received from the other Party except in the negotiation, execution and performance of this Agreement. The Parties shall immediately return to each other all documents and financial information exchanged subsequent or prior to the Effective Date upon the earlier of: (i) the termination of this Agreement; or (ii) the receipt of a request therefor by the disclosing Party if this Agreement is terminated for any reason. Notwithstanding the foregoing, nothing contained in this Section 17 shall preclude any disclosure required by law, pursuant to a court order or any other judicial process, (provided that as soon as reasonably practicable before such disclosure, the disclosing Party gives the Purchaser and the Seller prompt written notice to such disclosure to enable the appropriate Party to seek a protective order or otherwise preserve the confidentiality of such information), disclosure to any Party's own employees, officers, directors, shareholders, members, attorneys or duly retained accountants, inspectors, consultants or other representatives, as long as such representatives are bound by the Non-Disclosure Agreement between the parties with respect to the subject matter hereof, or disclosure of information that has been made generally available to the public (other than through a Party's breach of this Agreement or by a third-party's breach of a confidentiality covenant). In addition, this Section 17 shall not apply to any disclosure necessary in order to enforce any term or condition of this Agreement or any agreement, instrument or document contemplated hereby.

18. Remedies.

18.1 Purchaser Remedies. If Seller breaches any provision of this Agreement and such breach has not been cured by Seller within the applicable time frames provided for in this Agreement or waived by Purchaser, or if Seller refuses or shall be unable to consummate the transactions contemplated in this Agreement, and all of the conditions precedent to Seller's obligations to consummate such transactions have been satisfied or waived by Seller, then, as an alternative to the termination rights set forth in Section 13 of this Agreement, Purchaser shall have the right to extend the time of Closing from time to time without diminishing or relieving Seller of Seller's obligation to cure any of its defaults or to consummate such transactions, and Purchaser expressly reserves the right to assert equitable relief by specific performance to compel Seller's performance hereunder.

18.2 Seller Remedies. If Purchaser refuses to consummate the transactions contemplated in this Agreement and all of the conditions precedent to Purchaser's obligations to consummate such transactions have been satisfied or waived by Purchaser, then, Seller may terminate this Agreement pursuant to Section 13.1(b), and Seller shall be entitled to liquidated damages in the amount of One Million Two Hundred Fifty Thousand Dollars ($1,250,000.00), representing Seller's ongoing operations losses during the timeframe from inception of negotiations with Purchaser pertaining to the sale of the Assets through the time of Purchaser's failure to consummate the transactions contemplated in this Agreement

18.3 Exclusive Remedies. . The Parties acknowledge and agree that, except as expressly provided for in this Agreement, neither Party (including its affiliates, successors, assigns, officers, directors, managers, members, shareholders, employees, agents or representatives) shall have any liability to or claim against the other Party (including its affiliates, successors, assigns, officers, directors, managers, members, shareholders, employees, agents or representatives) concerning the subject matter of this Agreement, at law or in equity, whether arising out of contract, tort, strict liability, or any other cause of action whatsoever, and expressly waive any such rights to the extent any exist.

19. Public Disclosure. No public announcement, press release or similar publicity with respect to this Agreement or the transactions contemplated under this Agreement shall be issued without the prior written consent of Purchaser and Seller, which shall not be unreasonably withheld or delayed.

20. Post-Closing Reports.

(a) After the Closing Date, Seller shall prepare and file, on or before the applicable due date, all reports, applications, notices, and other documents (collectively, "Post-Closing Filings") with, or perform any action required of, or requested by, any Seller Payment Program and Governmental Entity relating to any period on, or before, the Closing Date. Seller shall provide Purchaser with a copy of all Post-Closing Filings contemporaneously with the filing of all of such Post-Closing Filings.

(b) After the Closing Date, Purchaser shall prepare and file, on or before the applicable due date, all Post-Closing Filings with, or perform any action required of, or requested by, any Governmental Entity relating to the transaction contemplated hereby. Purchaser shall provide Seller with a copy of all Post-Closing Filings contemporaneously with the filing of all of such Post-Closing Filings.

21. Survival. All of the obligations of the Parties to be performed after the Closing shall be deemed to survive the Closing. Seller's and Purchaser's representations and warranties set forth in Sections 3.1, 3.2, 3.3, 4.1, 4.2 and 4.3 of this Agreement shall survive the Closing indefinitely. Seller's representations and warranties set forth in Section 3.8, 3.10, 3.11, 3.12, 3.15, 3.19, 3.23 and 3.25 of this Agreement shall survive the Closing until the liability to which any claim may relate is barred by the applicable statutes of limitation, including, without limitation, all periods of extension, whether permissive or automatic. Seller and Purchaser's other representations and warranties shall survive the Closing for a period of twenty-four months

(24) months after the Closing Date. If written notice of a claim has been given prior to expiration of the applicable representations and warranties, then such representations and warranties shall survive as to such claim until such claim has been finally resolved.

22. Entire Agreement. This Agreement, together with the Transaction Documents, the letter agreement dated May 21, 2014 regarding the Escrow Payment, the letter agreement dated May 21, 2014 regarding the Exclusivity Payment, and the Non-Disclosure Agreement dated May 27, 2014 fully and completely express the Parties' understandings and agreements with respect to the subject matter described in such documents, and supersede all prior and contemporaneous agreements, whether written or oral, with respect to the subject matter of this Agreement.

23. Modifications and Waivers. No modification, amendment, discharge or change of any provision of this Agreement, except as otherwise provided in this Agreement, shall be valid unless the same is in writing and signed by the Parties. No waiver of any term of this Agreement shall be valid or enforceable unless set forth in writing and signed by the Party against whom such waiver is asserted.

24. Notices. All notices, approvals or other communications that a party may desire or be required to give to another Party under the terms of this Agreement shall be in writing and shall be deemed to have been properly given, served and received: (i) if delivered by messenger, when delivered; (ii) if mailed in the United States certified or registered mail, postage prepaid, return receipt requested, on the third (3rd) postal delivery day after mailing; or (iii) if sent for next business day delivery by reputable, national next business day express carrier, freight prepaid, the next business day after dispatch to such carrier, addressed to such Party as follows:

If to Purchaser:	2014 Health, LLC c/o US HealthVest 32 East 57th Street, 17th Floor New York, NY 10022 Attention: Richard A. Kresch, M.D.
With copies to:	Benesch, Friedlander, Coplan & Aronoff LLP 200 Public Square, Suite 2300 Cleveland, OH 44114-2378 Attention: Alan E. Schabes, Esq.
If to Seller:	Sister Catherine M. Ryan Maryville Academy 1150 N River Road Des Plaines, IL 60016
With a copy to:	Clare Connor Ranalli 227 W. Monroe Street Chicago, IL 60606

or such other address that any Party entitled to receive notice hereunder designates to the other Parties in writing. Any notice given by Seller to Purchaser shall also be given concurrently to Ascend.

25. Governing Law; Jurisdiction. The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Illinois, without regard to conflict of laws principles. Any disputes that arise under this Agreement shall be adjudicated in the United States District Court for the Northern District of Illinois. **THIS AGREEMENT, THE LEGAL RELATIONS BETWEEN THE PARTIES AND THE ADJUDICATION AND THE ENFORCEMENT THEREOF, SHALL BE GOVERNED BY AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF ILLINOIS APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED WHOLLY WITHIN THAT JURISDICTION.**

26. Consent to Jurisdiction. Each party to this Agreement, by its execution hereof, (a) hereby irrevocably submits to the non-exclusive jurisdiction of the United States District Court for the Northern District of Illinois, for the purpose of any and all actions, suits or Proceedings arising in whole or in part out of, related to, based upon or in connection with this Agreement or the subject matter hereof, (b) hereby waives to the extent not prohibited by Law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such action brought in one of the above-named courts should be dismissed on grounds of forum non conveniens, should be transferred to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this agreement or the subject matter hereof may not be enforced in or by such court and (c) hereby agrees not to commence any such action other than before the above-named court nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such action to any court other than the above-named court whether on the grounds of inconvenient forum or otherwise. Each Party hereby (i) consents to service of process in any such action in any manner permitted by Illinois law; (ii) agrees that service of process made in accordance with clause (i) or made by registered or certified mail, return receipt requested, at its address specified pursuant to Section 24 of this Agreement, shall constitute good and valid service of process in any such action and (iii) waives and agrees not to assert (by way of motion, as a defense, or otherwise) in any such action any claim that service of process made in accordance with clause (i) or (ii) does not constitute good and valid service of process.

27. Time. Time is of the essence of this Agreement. Any action required to be taken hereunder within a certain number of days shall be taken within that number of calendar days; provided, however, that if the last day for taking such action falls on a weekend or holiday recognized by the U.S. Postal Service, the period during which such action may be taken shall be automatically extended to the next business day.

28. Counterparts. This Agreement may be signed in one or more counterparts, which counterparts when taken together shall be deemed one instrument. The Parties are hereby authorized to collate the counterparts into one document. For purposes of negotiating and finalizing this Agreement (including any subsequent amendments thereto), any signed document

transmitted by facsimile machine or electronic mail shall be treated in all manner and respects as an original document. The signature of any Party by facsimile machine or electronic mail shall be considered for these purposes as an original signature. At the request of either Party, any facsimile document subject to this Agreement shall be re-executed by both Parties in an original form. Neither Party shall raise the use of the facsimile machine or electronic mail or the fact that any signature or document was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation of this Agreement.

29. Headings and Captions. The headings and captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions thereof.

30. Terms. The use of the masculine, feminine or neuter pronoun in this Agreement shall not be restrictive as to gender, and the use of the singular or plural in this Agreement shall not be restrictive as to number, but shall be interpreted in all cases as the context may require.

31. Binding Effect; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns. No conveyance, assignment or transfer of any interest whatsoever of, in, or to the Assets or of this Agreement shall be made by Seller during the term of this Agreement. None of Seller's rights, duties and obligations under this Agreement shall be assigned or delegated without Purchaser's prior written consent. Purchaser shall have the right to assign all or part of its duties and obligations under this Agreement to a wholly-owned subsidiary of Purchaser upon prior written notice to Seller.

32. No Strict Construction. The preparation of this Agreement has been a joint effort and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and neither Party shall be deemed to be the draftsman of this Agreement for the purpose of strict construction of its terms.

33. Incorporation of Schedules and Exhibits. All Schedules and Exhibits attached hereto or delivered in connection herewith are by this reference incorporated in this Agreement and made a part hereof for all purposes as if fully set forth in this Agreement.

34. Severability. If any term or provision of this Agreement is held by an authority of competent jurisdiction to be illegal or unenforceable, then the remaining terms and provisions of this Agreement shall remain in full force and effect and such illegal or unenforceable term or provision shall be enforced to the fullest extent permitted by law.

35. No Third Party Beneficiaries. Nothing is this Agreement is intended to create any rights or entitlements in any individuals or entities other than Purchaser and Seller.

36. Post-Closing Cooperation. After the Closing Date, each Party shall provide the other Party with such reasonable assistance as may be requested by the other Party in connection with the preparation of any claim, response, demand, inquiry, filing or disclosure, relating to the Assets. Such assistance shall include permitting the Party requesting assistance to have reasonable access to employees, books and records of the other Party related to the Assets.

37. Expenses. Except as otherwise set forth in this Agreement, each Party shall pay their own expenses and costs related to the preparation and negotiation of this Agreement and the consummation of the transactions contemplated under this Agreement.

38. Definition Index. The following definitions appear in the following Sections of this Agreement:

Definitions	*Section*
Actions and Proceedings	3.7
Adverse Property Event	7.3
Agreement	Preamble
Pending Claims	14.4(e)
Annual Statements	3.14
Application	6.1
Assets	1.1
Assignment	9.1(b)
Balance Sheet Date	3.16
Benefit Plan or Benefit Plans	3.25(a)
Bill of Sale	9.1(a)
Building	1.1(c)
CERCLA	3.23
Closing	8.1
Closing Date	8.1(a)
COBRA	3.25(i)
Code	2.1(b)
COE	6.1
Commitment	7.4(a)
CON	6.1
Controlled Group Member	3.25(a)
Competing Business	15.1
Data Room	3.3(b)
DCFS	16
Deed	8.2(m)
Determination Letter	3.8(f)
Disability Laws	3.11(j)
DOL	3.25(f)
Down Payment	2.1(a)
Effective Date	Preamble
Employees	3.24(a)
Encumbrances	1.1
Environmental Action	3.23(a)
Environmental Law	3.23(a)
ERISA	3.25(a)
Escrow Amount	14.4(a)
Escrow Account	14.4(a)

Definitions	*Section*
Escrow Agent	14.4(a)
Escrow Agreement	14.4(a)
Escrow Earnings	14.4(i)
Escrow Expiration Date	14.4(e)
Escrow Payment	2.1(a)
Excluded Assets	1.2
Excluded Liabilities	1.3
Exclusivity Payment	2.1(a)
Facility Contracts	3.5
Federal Privacy and Security Regulations	3.19
Financial Statements	3.14
FWPCA	3.23
Governmental Entity and Governmental Entities	1.1(b)
Hazardous Discharge	3.23(a)
Hazardous Substance	3.23(a)
Healthcare Laws	1.3(a)(iv)
HFSRB	6.1
HIPAA	3.25(i)
HITECH	3.25(i)
IDOT	12
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Indemnification Cap	14.4(d)
Indemnified Party	14.3(a)
Indemnifying Party	14.3(a)
Inspection	7.1(a)
Inspection Period	7.1(a)
Insurance Certificates	5.11
Insurance Policies	3.9
Intangible Property	1.1(b)
Intellectual Property	1.1(b)
Interim Financial Statements	3.14
Interim Statement Date	3.14
Inventory	1.1(a)
Inventory Report	8.2(g)
IRS	3.25(f)
Knowledge	3
Law and Laws	1.3(a)(iv)
Liabilities	14.1
Licenses and Approvals	6.1
Material adverse change or material adverse manner	8.2(h)
Monetary Liens	7.4(d)
Non-Repair Notice	11
OIG	3.18
Ordinary Course of Business	3.6

Definitions	*Section*
OSHA	3.23
Party and Parties	Preamble
Permit and Permits	3.15(h)
Personal Property	1.1(a)
Post Closing Filings	20
Premises	1.1(c)
Prepayment Deposits	1.1(a)
PTO	5.2(c)
PTO Schedule	5.2(c)
Purchase Price	2.1
Purchaser	Preamble
Purchaser's Hospital	15.1
Purchaser Indemnified Parties	14.1
Purchaser's Parties	4.7
Purchaser Payment Program	4.8(b)
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Records	3.26
Regulatory Inspections	7.2
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Restricted Activities	15.1
Retained Employees	5.2(c)
Retained Escrow Amount	14.4(e)
SASS	16
Schedule Correction	9.4(b)
Schedule Update	9.4(b)
Seller	Preamble
Seller's Accounts Receivable	1.2
Seller's EFT Accounts	1.1(a)
Seller Indemnified Parties	14.2
Seller Payment Programs	1.3(a)(iv)
Seller's Benefit Plans	3.25(a)
Seller's Hospital Business	Recital B
Seller's Parties	3.15
Specifically Identified Liabilities	14.4(c)
Survey	7.4(b)
Tail Coverage Certificate	5.11
Tax Clearance Certificate	8.2(i)
Tax Returns	3.8(a)
Taxes	3.8(a)
Threshold Amount	14.4(b)
Title Company	2.1(a)
Title Policy	7.4(a)
Title/Survey Objections	7.4(c)
Transaction Documents	3.2

Definitions	*Section*
TSCA	3.23
WARN Act	5.2(d)

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

PURCHASER:	SELLER:
2014 HEALTH, LLC	**MARYVILLE ACADEMY**
By: [signature]	By: Sister Catherine M. Ryan
Printed: RICHARD A. KRESCH	Printed: SISTER CATHERINE M. RYAN
Title: President & CEO	Title: EXECUTIVE DIRECTOR

LIST OF SCHEDULES

Schedule	*Description*
1.1(a)	Tangible Personal Property
1.1(b)(i)	Assumed Contracts
1.1(b)(ii)	Assumed Personal Property Leases
1.1(b)(iii)	Assumed Telephone Numbers
1.1(b)(iv)	Assumed Software and Hardware
1.1(b)(v)	Assumed Intellectual Property
1.2(b)	Excluded Assets
2.1(b)(1)	Seller's Wire Instructions
2.1(b)(2)	Tax Allocation
3.3(a)	Contractual Consents
3.3(b)	Other Consents or Authorizations
3.5	Facility Contracts
3.6	Status of the Assets and the Premises
3.7	Actions and Proceedings
3.8	Tax Returns
3.9	Insurance Policies
3.11(b)	Roof, Structural Walls, Etc.
3.11(c)	Entities Occupying Premises
3.11(d)	Street and Highway Modifications or Eminent Domain Proceedings
3.11(f)	Non-Operating Utilities
3.11(g)	Adequacy of Utilities
3.11(h)	Repairs
3.11(i)	Mechanic's or Materialman's Liens
3.11(l)	Special Assessments
3.12	Hill-Burton
3.13	Seller's Broker
3.15(b)	Compliance with Laws
3.15(h)	Permits
3.15(j)	Seller Payment Programs
3.16	Post Balance Sheet Date Events
3.18	Compliance Issues
3.19	HIPAA Compliance
3.21	Seller Patient Deposits
3.23	Violations or Alleged Violations of Environmental Laws

Schedule	*Description*
3.24(a)	Employee List
3.24(b)	Seller's Employee Contracts
3.24(c)	Seller's Labor Contracts and Issues
3.24(d)	Seller's Employee Arrangements
3.24(e)	Employment Law Compliance
3.24(f)	Termination of Employees
3.25(a)	Benefit Plans
3.25(c)	Payments Under Benefit Plans
3.25(d)	Benefit Plans Subject to ERISA
3.25(g)	Changes to Benefit Plans
3.25(i)	Compliance with ERISA, COBRA, HIPAA and HITECH
3.25(k)	Retiree Benefits
3.25(l)	Severance Pay and Termination Arrangements
3.26	Disclosures
3.26(1)	Purchaser's Diligence Requests
4.3	Purchaser's Broker
4.6(b)	Purchaser Consents and Authorizations
4.7	Purchaser Actions and Proceedings
4.9	Purchaser Compliance
5.2(b)	Retained Employees
5.2(c)	PTO Schedule
6.1	Seller's Medicaid Rate Letter
7.1(c)	List of Documents in the Data Room
7.4	Permitted Exceptions
15.3	Seller's Last Payroll Prior to the Effective Date

LIST OF EXHIBITS

Exhibit	*Description*
A	Legal Description
A-1	Site Plan
B	Escrow Agreement
8.2(m)	Deed
9.1(a)	Bill of Sale
9.1(b)	Assignment and Assumption
9.1(f)	Seller Certificate
9.2(e)	Purchaser Certificate

15. **FINANCIAL STATEMENTS.** (Co-applicants must also provide this information) Provide a copy of the applicants latest audited financial statements, and append it to this application as **ATTACHMENT #6**. If the applicant is a newly formed entity and financial statements are not available, please indicate by checking YES **XX** ,and indicate the date the entity was formed: **May 20, 2014**

Although the Ownership/Operating/Licensee entity is a newly formed entity, it maintains and has exhibited the wherewithal to fund this project, both the purchase and 3 years of operations, with funds already available and dedicated to this facility (please refer to the bank letter appended as **ATTACHMENT-2A**). Appended as **ATTACHMENT-2C**, is a Declaration and Verification that all funds are for the sole use of funding the acquisition of this facility and for its subsequent operations. Finally, in the spirit of transparency and to document the funds that have been made available to the Applicant for its exclusive use with regards to this project and the operation of this facility, its parent entity, US HealthVest, LLC, has provided its audited financial statement from inception through December 31, 2013 showing the origin of the funds (please refer to **ATTACHMENT-6A** for a copy of the Consolidated Audited Financial Statement).

ATTACHMENT-6

US HealthVest, LLC

Consolidated Audited Financial Statements
For the Period from
March 1, 2013 (Inception) through December 31, 2013

ATTACHMENT-6A

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ATTACHMENT-6A

TOBIN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITORS' REPORT

To the members of:
US HealthVest, LLC
New York, N.Y.

We have audited the accompanying financial statements of US HealthVest, LLC, which comprise the balance sheet as of December 31, 2013, and the related statements of operations, members' capital and cash flows for the period from March 1, 2013 (inception) through December 31, 2013. and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of US HealthVest, LLC. as of December 31, 2013, and the results of its operations and its cash flows for the period from March 1, 2013 (inception) through December 31, 2013 in conformity with accounting principles generally accepted in the United States of America.

Tobin & Company
Certified Public Accountants, PC

Purchase, New York
March 1, 2014

ATTACHMENT-6A

2500 WESTCHESTER AVENUE, SUITE 117 • PURCHASE, NEW YORK 10577 • TEL: (914) 833-2200 • FAX: (914) 833-2278

US HealthVest, LLC

Consolidated Balance Sheet

As of December 31,		2013
ASSETS		
Current Assets		
Cash	$	14,365,520
Other Receivable and Other Assets		19,658
Capital Commitment Receivable		19,215,279
Prepaid Expenses		18,801
Total Current Assets		33,619,258
Furniture and Equipment, net of accumulated depreciation		11,421
Total Assets	**$**	**33,630,679**
LIABILITIES AND MEMBERS' CAPITAL		
Current Liabilities		
Accounts Payable	$	47,387
Accrued Expenses		169,149
Total Current Liabilities		216,536
MEMBERS' CAPITAL		
Members' Capital		33,414,143
Total Liabilities and Members' Capital	**$**	**33,630,679**

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statement of Operations and Members Capital

For the period from March 1, 2013 (inception) through December 31,	2013
Revenues	$ -
Operating Expenses	
Salaries and Benefits	1,538,774
Legal and Professional	785,009
Business Development	226,538
Rent	136,725
Licenses, Permits and Fees	69,321
Supplies	53,532
Utilities	21,763
Other Operating Expenses	8,730
Total Operating Expenses	2,840,392
Loss from Operations before other Items	**(2,840,392)**
Depreciation Expense	(1,772)
Interest Income	6,307
Net Loss	**(2,835,857)**
Members' Capital	
Beginning of year	-
Member Commitments	36,250,000
Members' Capital, ending	**$ 33,414,143**

See accompanying notes to the financial statements

US HealthVest, LLC

Consolidated Statement of Cash Flows

For the period from March 1, 2013 (inception) through December 31,	2013
Cash Flows From Operating Activities	
Net Loss	$ (2,835,857)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:	
Depreciation	1,772
Changes in Operating Assets and Liabilities:	
Increase in Prepaid Expenses	(18,801)
Increase in Other Receivable and Other Assets	(19,658)
Increase in Accounts Payable and Accrued Expenses	216,536
Net Cash Flows Used in Operating Activities	**(2,656,008)**
Cash Flows From Investing Activities	
Capital Expenditures	**(13,193)**
Cash Flows From Financing Activities	
Capital Commitment	36,250,000
Increase in Capital Commitment Receivable	(19,215,279)
Net Cash Flows Provided by Financing Activities	**17,034,721**
Net Increase In Cash	14,365,520
Cash at Beginning of Period	-
Cash at End of Period	**$ 14,365,520**
Supplemental Disclosures	
Cash paid during the period for:	
Interest Expense	$ -
Income Taxes	$ -

See accompanying notes to the financial statements

Note 1 - Nature of Organization

US HealthVest, LLC (the Company) was formed under the State of Delaware, and commenced operations on March 1, 2013 (inception). The purpose of the Company is to acquire and operate behavioral healthcare facilities throughout the United States.

Note 2 - Summary of Significant Accounting Policies

Principles of Consolidation
The consolidated financial statements include the activities of US HealthVest, LLC, and its wholly owned subsidiaries, collectively referred to as "the Company". All material intercompany accounts and transactions have been eliminated.

Basis of Accounting
The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Property and Equipment
Property and equipment are stated at cost. Maintenance and repairs are expensed in the period incurred; major renewals and betterments are capitalized. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income.

Depreciation
Property and Equipment are depreciated using straight-line depreciation methods over their estimated useful lives as follows:

Furniture and Equipment	3-5

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk
Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash, cash equivalents and investments held in financial institutions. At times such balances may be in excess of Federal Deposit Insurance Company (FDIC) limits.

Note 2 - Summary of Significant Accounting Policies, continued

Income Taxes
The Company is a limited liability company and is recognized as a partnership for federal and state income tax purposes. All items of income and expense are passed through to the members to report on their individual income tax returns. Therefore the Company pays no income tax itself.

Note 3 - Capital Commitments Receivable

Upon commencement of operations, the Company received capital commitments from its members totaling $36,250,000. Of this amount, $17,034,721 has been collected as of December 31, 2013. The Company considers the balance of $19,215,279 to be fully collectible upon demand.

Note 4 - Property and Equipment

The major classifications of property and equipment are as follows:

As of December 31,		2013
Furniture and Equipment	$	13,193
Less Accumulated Depreciation		(1,772)
Furniture and Equipment, net	$	11,421

Note 5 – Retirement Plan

The Company maintains a 401(k) retirement plan ("the Plan") for eligible employees. The Plan provides for employee deferrals and a discretionary employer match as described in the Plan document.

Note 6 – Subsequent Event

In January 2014, US HealthVest received a Certificate of Need to develop a 75 bed hospital in Washington State. The hospital will be located in Marysville, a suburb of Seattle.