BEFORE THE BOARD OF DIRECTORS OF THE
MARK TWAIN HEALTH CARE DISTRICT

RESOLUTION 2019-03

RESOLUTION APPROVING THE NEW LEASE
AND RELATED TRANSACTION DOCUMENTS

The Board of Directors of the Mark Twain Health Care District ("***District Board***") does hereby resolve as follows:

WHEREAS, in 1990 the District entered into a collaborative arrangement with St. Joseph's Regional Health System of Stockton ("***St. Joseph's***") to manage and make continuing improvements to Mark Twain Hospital, which later was renamed the Mark Twain Medical Center (the "***Medical Center***");

WHEREAS, as part of the collaboration, the District and St. Joseph's formed the Mark Twain Medical Center corporation, a California nonprofit public benefit corporation (the "***Corporation***"), and the District then entered into an agreement with the Corporation to lease the Medical Center to the Corporation pursuant to that certain Lease Agreement, dated as of January 1, 1990 (the "***1990 Lease***"), which lease contains a December 31, 2019 expiration date;

WHEREAS, St. Joseph's later merged into Catholic Healthcare West, which was later renamed as Dignity Health;

WHEREAS, in order to prepare for the expiration of the 1990 Lease and in light of the District Board's desire to continue and improve operations of the Medical Center, the District Board undertook a multi-year planning process to identify an approach to best meet the District's objectives of enhancing the economic viability of the Medical Center and promoting a broad range of healthcare services to the residents of Calaveras County;

WHEREAS, as the result of negotiations and opportunities for public input, Dignity Health and the District have determined that an early termination of the 1990 Lease and execution of a new long-term lease between the District and the Corporation (the "***New Lease***") would provide the optimal choice for meeting the long term needs of the communities served by the District;

WHEREAS, in connection with the negotiation for the New Lease, the District and the Corporation have also negotiated a separate agreement to provide for certain terms and conditions respecting (i) District's re-purchase from Corporation of certain property, plant and equipment in connection with the Medical Center and other medical and health care related clinics and facilities related to Corporation's operation of the Medical Center as provided under the 1990 Lease, (ii)

Corporation's use of that purchased property during the term of the New Lease, and (iii) District's obligation at the end of the term of the New Lease to repurchase Corporation's then-current property, plant and equipment and assume related contracts ("***Supplemental Property Agreement***"), and a side letter addressing the future operation of the Valley Springs Health and Wellness Center ("***Valley Springs Letter***").

WHEREAS, in connection with the negotiation for the New Lease and the termination of the 1990 Lease, the District and Dignity Health also agreed to restructure the corporate joint venture, including, but not limited to, the adoption of new restated bylaws (the "***New MTMC Bylaws***"), the adoption of amended and restated articles of incorporation (the "***New MTMC Articles***") and the creation of a new community board ("***Community Board***") to provide for broad community input into the operations of the Medical Center ("***Partnership Reorganization***"), as more particularly described in that certain Pre-Lease Agreement between the District and Dignity Health (the "***Pre-Lease Agreement***");

WHEREAS, in connection with the early termination of the 1990 Lease and the implementation of the Partnership Reorganization, Dignity Health and the District also agreed that Dignity Health shall make a cash payment to the District (the "***Equity Transfer Agreement***") and a matching cash contribution to the Foundation;

WHEREAS, the "***Transaction Documents***" presented to the District Board along herewith are substantially complete and include the Pre-Lease Agreement, the New Lease, the Supplemental Property Agreement, the New MTMC Bylaws, the New MTMC Articles, the Community Board Bylaws, the Equity Transfer Agreement, the Lease Termination Agreement and the Valley Springs Letter, copies of which are attached hereto as Exhibit A, Exhibit B, Exhibit C, Exhibit D, Exhibit E, Exhibit F, Exhibit G, Exhibit H and Exhibit I, respectively; the Pre-Lease Agreement, the New Lease, the Supplemental Property Agreement, the Equity Transfer Agreement, the Lease Termination Agreement and the Valley Springs Letter are collectively referred to herein as the "***District Documents***."

WHEREAS, the District Board finds that the transactions contemplated by the Transaction Documents are the best alternative to other arrangements it considered, especially by maintaining healthcare facilities and services in a nonprofit setting;

WHEREAS, on June 5, 2018 the District voters approved Calaveras County Measure A, which authorized the District to sign the New Lease and take other actions assuring 10-30 years of hospital operation with substantial investments by Dignity Health in the Corporation and community services, continuing hospital care, emergency care and other services at the Medical Center, and supporting medical services provided by the District, per terms approved by Resolution 2018-01 adopted January 24, 2018.

WHEREAS, the District Board finds the transactions contemplated by the Transaction Documents are necessary to provide for the continued maintenance and operation of the District's healthcare facilities, services and programs, thereby assuring availability to residents of the District of local emergency and hospital services, and has determined it to be in the public interest, in the best interests of the District, and in the best interests of the communities served by the District,

and in furtherance of the purposes of the District, that the District consummate the transactions contemplated by the Transaction Documents, including the New Lease.

NOW, THEREFORE, the Board of Directors of the Mark Twain Health Care District hereby resolve:

1. That all the determinations, findings, and conclusions of the District Board described above are hereby severally ratified, confirmed, approved and adopted in all respects.

2. That the form, terms and provisions of the Transaction Documents are hereby approved in substantially the forms presented to the District Board herewith.

3. That the execution, delivery and performance by the District of the District Documents and such other ancillary agreements and documents that the District or its officers may deem to be necessary or advisable to consummate the transactions contemplated thereby are hereby approved in all respects.

4. That the President of the District Board or the Executive Director (each, an "***Authorized Representative***"), acting alone, be and hereby is, authorized, empowered and directed for and on behalf of, and in the name of, the District, to execute, deliver and perform the transactions contemplated by the District Documents if the final versions are in substantially the same form as attached herewith, and such further instruments, documents, certificates and filings, with such changes in the terms and provisions thereof as such Authorized Representative shall deem necessary and appropriate, and to do and perform such acts and such deeds as such Authorized Representative deems necessary and appropriate in order to effectuate the purposes and intents of this resolution.

5. That all prior actions taken by the Authorized Representative with respect to the preparation and negotiation of the Transaction Documents, or otherwise in connection with the transactions contemplated thereby, be, and each of them hereby is, authorized, ratified and approved.

6. That any Authorized Representative be and hereby is authorized and empowered to execute and deliver any and all documents and instruments, and to take any and all actions, as may be necessary or in their opinion desirable, to carry into effect the intent and purposes of the foregoing resolutions.

PASSED AND ADOPTED on January 30, 2019, by the following votes:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

_____, Secretary
Board of Directors of the
Mark Twain Health Care District

_____, President
Board of Directors of the
Mark Twain Health Care District

Exhibit A

Pre-Lease Agreement

Exhibit B

New Lease

Exhibit C

Supplemental Property Agreement

Exhibit D

New MTMC Bylaws

Exhibit E

New MTMC Articles

Exhibit F

Community Board Bylaws

Exhibit G

Equity Transfer Agreement

Exhibit H

Lease Termination Agreement

Exhibit I

Valley Springs Letter

PRE-LEASE AGREEMENT

MARK TWAIN HEALTH CARE DISTRICT,
a political subdivision of the State of California

and

DIGNITY HEALTH,
a California nonprofit public benefit corporation

JANUARY __, 2019

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PRE-LEASE AGREEMENT

THIS PRE-LEASE AGREEMENT (this "***Agreement***") is made and effective as of January __, 2019 (the "***Execution Date***") by and between Mark Twain Health Care District, a political subdivision of the State of California ("***District***"), and Dignity Health, a California nonprofit public benefit corporation ("***Dignity Health***"). District and Dignity Health are referred to individually as a "***Party***" or collectively as the "***Parties***."

RECITALS

WHEREAS, in 1990 the District entered into a collaborative arrangement with St. Joseph's Regional Health System of Stockton ("***St. Joseph's***") to manage and make continuing improvements to Mark Twain Hospital, which later was renamed the Mark Twain Medical Center (the "***Medical Center***");

WHEREAS, as part of the collaboration, the District and St. Joseph's formed the Mark Twain Medical Center corporation, a California nonprofit public benefit corporation (the "***Corporation***"), and the District then entered into an agreement with the Corporation to lease the Medical Center to the Corporation pursuant to that certain Lease Agreement, dated as of January 1, 1990 (the "***1990 Lease***"), which lease contains a December 31, 2019 expiration date;

WHEREAS, St. Joseph's later merged into Catholic Healthcare West, which was later renamed as Dignity Health;

WHEREAS, in order to prepare for the expiration of the 1990 Lease and in light of the District Board's desire to continue and improve operations of the Medical Center, the District Board undertook a multi-year planning process to identify an approach to best meet the District's objectives of enhancing the economic viability of the Medical Center and promoting a broad range of healthcare services to the residents of Calaveras County;

WHEREAS, as the result of negotiations and opportunities for public input, Dignity Health and the District have determined that an early termination of the 1990 lease and execution of a new long-term lease between the District and the Corporation (the "***New Lease***") would provide the optimal choice for meeting the long term needs of the communities served by the District;

WHEREAS, in connection with the negotiation for the New Lease the District and the Corporation have also negotiated a separate agreement to provide for certain terms and conditions respecting (i) District's purchase from Corporation of certain property, plant and equipment in connection with the Medical Center and other medical and health care related clinics and facilities related to Corporation's operation of the Medical Center, (ii) Corporation's use of that purchased property during the term of the New Lease, and (iii) District's obligation at the end of the term of the New Lease to repurchase Corporation's then-current property, plant and equipment and assume related contracts ("***Supplemental Property Agreement***").

WHEREAS, in connection with the negotiation for the New Lease and the termination of the 1990 Lease, the District and Dignity Health also agreed to restructure the corporate joint

venture, including, but not limited to, the adoption of new restated bylaws, the adoption of amended and restated articles of incorporation and the creation of a new community board to provide for broad community input into the operations of the Medical Center ("***Partnership Reorganization***");

WHEREAS, in connection with the early termination of the 1990 Lease and the implementation of the Partnership Reorganization, Dignity Health and the District also agreed that the District shall purchase certain assets from the Corporation and Dignity Health shall make a cash payment to the District and a matching cash contribution to the Foundation (collectively with the Partnership Reorganization, the "***Lease Related Transactions***");

WHEREAS, Dignity Health and Catholic Healthcare Initiatives, a Colorado nonprofit corporation ("***CHI***"), have entered into that certain Ministry Alignment Agreement, dated as of December 6, 2017, pursuant to which Dignity Health and CHI have agreed to align their respective health ministries ("***CHI Transaction***");

WHEREAS, as of the Effective Date of this Agreement, Dignity Health and CHI have obtained the regulatory and other approvals necessary to complete the CHI Transaction;

WHEREAS, in connection with the CHI Transaction, Dignity Health will transfer certain assets and liabilities, including its rights and obligations with respect to the Corporation and under the Transaction Documents, to a new entity formed by Dignity Health called Dignity Community Care, a Colorado nonprofit corporation ("***DCC***").

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. As used in this Agreement, and unless the context requires a different meaning, the following terms have the meanings given below:

(a) "***Action***" shall mean any action, complaint, claim, suit, litigation, proceeding, arbitration, mediation, labor dispute, arbitral action, governmental audit, inquiry, criminal prosecution, investigation or unfair labor practice charge or complaint.

(b) "***Affiliate***" means any person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person or entity. For purposes of this definition, control means the direct or indirect power, through ownership of securities or otherwise, to direct or cause the direction of the management and policies of a person or entity.

(c) "***Attorney General***" means the California Attorney General.

(d) "***Business Day***" means a day other than a Saturday, Sunday or other day on which banks located in California are authorized or required by law to close.

(e) "***Code***" means the Internal Revenue Code of 1986, as amended.

(f) "***Governmental Entity***" means any United States federal, state, provincial, county, municipal, regional or local governmental, or any political subdivision thereof, and any entity, department, commission, bureau, agency, authority, board, court or other similar body or quasi-governmental body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or other political subdivision thereof.

(g) "***Health Information Laws***" means all federal and state Laws relating to the privacy and security of patient, medical or individual health information, including the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented by the Health Information Technology for Clinical Health Act of the American Recovery and Reinvestment Act of 2009, Pub. Law No. 111-5 and its implementing regulations, when each is effective and as each is amended from time to time (collectively, "***HIPAA***").

(h) "***Knowledge***" of a Person of a particular fact or other matter is deemed if (and only if) a member of that Person's knowledge group has (i) actual knowledge of the fact or matter or (ii) would reasonably be expected to obtain knowledge of such fact or matter in the normal performance of their duties in their respective capacities with respect to the Person and upon due inquiry of those employees reporting directly thereto.

(i) "***Law***" or "***Laws***" means all laws, codes, regulations, rules, orders, common law and ordinances applicable to a hospital operations including: state corporate practice of medicine Laws and regulations, state professional fee-splitting laws and regulations, Medicare Law (Title XVIII of the Social Security Act), Medicaid Law (Title XIX of the Social Security Act), TRICARE Law (10 U.S.C. § 1071 et seq.) and the regulations promulgated thereunder, the Civilian Health and Medical Program of the Uniformed Services, workers' compensation; state and federal controlled substance and drug diversion, including the Federal Controlled Substances Act (21 U.S.C. § 801 et seq.) and the regulations promulgated thereunder, the Patient Protection and Affordable Care Act as amended by the Health Care and Education Affordability Reconciliation Act (the "***Affordable Care Act***"), the federal Anti-kickback Statute (42 U.S.C. § 1320a-7b(b)), the Stark Law (42 U.S.C. § 1395nn), any applicable state fraud and abuse prohibitions, including those that apply to all payors (governmental, commercial insurance and self-payors), the Anti-Inducement Law (42 U.S.C. § 1320a-7a(a)(5)), the civil False Claims Act (31 U.S.C. §§ 3729 et seq.), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), the civil monetary penalty laws (42 U.S.C. § 1320a-7a), the National Labor Relations Act (29 U.S.C. § 151 et seq.), laws and regulations applicable to organizations described under Section 501(c)(3) of the Code and any other applicable state or federal law or regulation (e.g., kickbacks, patient or program charges, recordkeeping, claims process, documentation requirements, medical necessity, referrals, the hiring of employees or acquisition of services or supplies from those who have been excluded from government health care programs, quality, safety, privacy, environmental, information technology, security, licensure, accreditation or any other aspect of providing health care services).

(j) "***Person***" means an individual, corporation, partnership, limited liability company, firm, joint venture, association, joint stock company, trust, unincorporated

organization or other entity, or any Governmental Entity or quasi-governmental body or regulatory authority.

(k) "***Transaction Document***" means each of this Agreement, the New Lease, the Supplemental Property Agreement, New MTMC Bylaws, New MTMC Articles, Community Board Bylaws, the Equity Transfer Agreement, the Lease Termination Agreement and the Valley Springs Letter.

(l) "***Valley Springs Letter***" means that certain letter from Corporation to the District regarding the District development and operation of a building and medical clinic in Valley Springs, in the form attached hereto as Exhibit A.

1.2 Other Defined Terms. The following terms shall have the meanings defined for such terms in the Sections set forth below:

Term	**Section**
"Attorney General"	8.1
"Agreement"	Preamble
"Arbitration Notice"	12.1(b)
"CCP"	12.1(b)
"CHI"	Recitals
"Closing"	10.1
"Closing Date"	10.1
"Closing Memorandum"	10.2
"Community Board"	2.1
"Community Board Bylaws"	2.3
"Corporation"	Recitals
"County"	12.1(b)
"DCC"	Recitals
"Dignity Health"	Preamble
"Dignity Health Certificates"	9.1(m)
"Dignity Health Indemnified Party"	8.1(a)
"Dispute"	12.1
"Dispute Notice"	12.1(a)
"District"	Preamble
"District Certificates"	9.2
"District Indemnified Party"	11.1(b)
"District's Acquisition Cost"	4.3
"Earliest Initiation Date"	12.1(c)
"Equity Transfer Consideration"	3.1
"Execution Date"	Preamble
"Foundation"	3.2
"HIPAA"	1.1(g)
"Indemnified Party"	11.1(c)
"Indemnifying Party"	11.1(c)
"JAMS Panel"	12.1(b)

Term	**Section**
"Lease Related Transactions"	Recitals
"Lease Termination Agreement"	4.1
"Medical Center"	Recitals
"Meet and Confer"	12.1(b)
"MTMC Board"	2.1
"New Lease"	Recitals
"New MTMC Articles"	2.2
"New MTMC Bylaws"	2.1
"Note Payable"	4.3
"Supplemental Property Agreement"	Recitals
"Partnership Reorganization"	Recitals
"Party" or "Parties"	Preamble
"State"	5.1(a)
"1990 Lease"	Recitals
"Valley Springs Letter"	Recitals

ARTICLE II
PARTNERSHIP RESTRUCTURING

2.1 Corporation Bylaws. Effective on the Closing Date, the Corporation shall have adopted the restated bylaws that are set forth in Attachment 2.1 (the "***New MTMC Bylaws***") effectuating the following changes:

(i) The creation of a new mechanism for the nomination and appointment of the Corporation's Board of Trustees ("***MTMC Board***").

(ii) The creation of a new seven (7) member community board ("***Community Board***") as an advisory committee of the MTMC Board with certain delegated responsibilities including, but not limited to, the following:

(A) approval of the Medical Center's Medical Staff bylaws;

(B) Medical Staff privileging and credentialing; and

(C) quality oversight.

(iii) The creation of a process pursuant to which the MTMC Board will seek the advice of the Community Board regarding:

(A) the Corporation's mission, vision and strategic direction;

(B) priorities for the Corporation's community benefits;

(C) proposals for material changes in the clinical services provided by the Medical Center; and

(D) other responsibilities as set forth in the Community Board Bylaws.

(iv) A provision confirming that the Medical Center's CEO shall be appointed by Dignity Health after consultation with the MTMC Board.

(v) A provision describing the Corporation's use of a Values Based Discernment process when the Corporation is considering taking an action – other than one caused by the suspension or termination of privileges resulting from a peer review process—that: (a) would eliminate or relocate beyond five (5) miles, any medical services line, department or rural health clinic; and/or (b) could reasonably be expected to result in the exodus from Calaveras County of a recognized medical specialty previously available therein.

(vi) A provision confirming that the Value Based Discernment process shall include the participation of the District Board member who sits on the Corporation Board post-Closing, one additional District Community Board member and the Corporation's Medical Executive Committee.

2.2 Corporation Articles. Effective on the Closing Date, the Corporation shall have adopted the amended and restated articles of incorporation that are set forth in Attachment 2.2 (collectively the "***New MTMC Articles***"), effectuating that upon the dissolution or winding up of the Corporation, ninety nine percent (99%) of the Corporation's assets remaining after the payment, or provision for payment, of all debts and liabilities of the Corporation, shall be distributed to Dignity Health and one percent (1%) shall be distributed to the District.

2.3 Community Board Bylaws. Effective on the Closing Date, the Corporation shall have established the MTMC Community Board and adopted MTMC Community Board bylaws that are set forth in Attachment 2.3 ("***Community Board Bylaws***").

ARTICLE III
DIGNITY HEALTH DUTIES

3.1 Equity Transfer and Related Consideration. As consideration for the consummation of the Partnership Reorganization affecting the Corporation described in Article II of this Agreement, Dignity Health shall pay the District Fourteen Million, Five Hundred Thousand Dollars ($14,500,000.00) at Closing ("***Equity Transfer Consideration***"), as more fully described in the Equity Transfer Agreement attached hereto as Attachment 3.1 ("***Equity Transfer Agreement***").

3.2 Foundation Grant. The District has an established grant making process that provides financial support for selected Calaveras County community health purposes. If within one year after the Closing, the District makes one or more cash grants to the Mark Twain Medical Center Foundation, a California public benefit corporation (the "***Foundation***"), for the benefit of one or more Medical Center programs and or projects ("***District Grant***"), Dignity Health shall make a one-time cash donation to the Foundation of the same amount as the District Grant not to exceed One Million Dollars ($1,000,000.00). Dignity Health's contribution shall be due and payable to the Foundation sixty (60) days after the District notifies Dignity in writing of the District's cash grant, shall be made via wire transfer to the bank account of the Foundation

identified in the District's written notice, and, if not made within said sixty (60) days, shall bear interest at the Wall Street Journal Prime rate plus one percent (1%) from the due date until paid.

ARTICLE IV
DISTRICT DUTIES

4.1 Termination of 1990 Lease. In connection with the consummation of Lease Related Transactions, the District shall execute and deliver a termination agreement related to the 1990 Lease, in the form attached to this Agreement as Attachment 4.1 ("Lease Termination Agreement").

4.2 New Lease Agreement. Concurrently with the execution of the Lease Termination Agreement, effective as of the Closing, the District shall execute and deliver the New Lease.

4.3 Supplemental Property Agreement. Concurrently with the execution of the New Lease Agreement, the District shall execute and deliver the Supplemental Property Agreement, in the form attached to this Agreement as Attachment 4.3. The Supplemental Property Agreement provides for certain terms and conditions that jointly relate to the premises occupied by the Medical Center premises and to other premises utilized by the Corporation for health care services in Calaveras County.

4.4 Tenant Improvements Purchase. Pursuant to the termination provisions of the 1990 Lease, at Closing the District shall purchase the Corporation's unamortized tenant improvements (including, but not limited to buildings, building services equipment, renovations and fixed and movable equipment), as more fully described in the Supplemental Property Agreement. The amount to be paid by the District under the Supplemental Property Agreement (the "***District's Acquisition Cost***"), shall be the net book value of the Corporation's property, plant and equipment including construction in progress as of the termination date of the 1990 Lease, less Four Million, Six Hundred and Ninety Nine Thousand Dollars ($4,699,000.00). Notwithstanding the foregoing, in the event that the District's Acquisition Cost exceeds the Equity Transfer Consideration, the District may issue the Corporation a note payable in the amount of the difference between the District's Acquisition Cost and the Equity Transfer Consideration ("***Note Payable***"). The Note Payable, if any, shall have: (1) a term of not more than five (5) years; (2) an interest rate equal to the Wall Street Journal Prime Rate plus one percent (1%), adjusted monthly; and (3) annual payments comprising the accrued interest and at least twenty percent (20%) of the principal.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF DIGNITY HEALTH

Dignity Health represents and warrants to the District that the following representations and warranties are true and correct as of the Execution Date. These representations and warranties shall also be true and correct as of the Closing Date, subject to any amendment allowed by Section 7.4.

5.1 Organization, Power, Absence of Conflicts.

(a) Organization; Good Standing.

(i) Dignity Health is a nonprofit public benefit corporation duly organized, validly existing and in good standing under the laws of the State of California (the "***State***"), and has full power and authority to carry on its business in the State and is duly licensed, qualified or admitted to do business and is in good standing in every jurisdiction in which Dignity Health conducts business.

(b) Authority; No Conflict; Required Filings and Consents.

(i) Dignity Health has all requisite power and authority to conduct its business as now being conducted, to execute, deliver and enter into this Agreement, to consummate the Lease Related Transactions contemplated hereby and to perform its obligations hereunder. The execution and delivery of this Agreement, and the consummation of the Lease Related Transactions contemplated hereby, have been duly authorized by all necessary action on the part of Dignity Health. This Agreement has been duly executed and delivered by Dignity Health and is a legal, valid and binding obligation of Dignity Health, enforceable against Dignity Health in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other Laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or equity.

(ii) The execution and delivery by Dignity Health of the Transaction Documents, as applicable, do not, and consummation of the Lease Related Transactions contemplated hereby will not, (A) conflict with, or result in any violation or breach of any provision of the governing documents of Dignity Health, as amended to date, (B) violate any Law applicable to Dignity Health, or (C) conflict with or result in a breach of, or give rise to a right of termination of or loss of benefit under, or accelerate the performance required by the terms of any judgment, court order or consent decree, or any material agreement to which Dignity Health is party or constitute a default thereunder.

(iii) Neither the execution and delivery of this Agreement by Dignity Health nor the consummation of the Lease Related Transactions contemplated hereby will require any consent, approval, order or authorization of, or registration, declaration or filing with, or notification to any Governmental Entity or any Person by Dignity Health, except for such consents, approvals, orders, authorizations, registrations, declarations and filings that are identified in this Agreement, or which are listed on Schedule 6.1(c).

5.2 Litigation, Claims or Investigations. There is no Action pending or, to Dignity Health's Knowledge, threatened against Dignity Health (a) which, if adversely determined, could reasonably be expected to materially adversely affect Dignity Health's ability to perform hereunder, (b) which seeks to enjoin or obtain damages due to the Lease Related Transactions, or (c) which could reasonably be expected to have a material adverse effect on the Corporation's ability to conduct the operations of the Medical Center on or after the Closing Date.

5.3 Brokers and Finders. Dignity Health has not entered into any contracts, agreements, arrangements or understandings with any Person that could give rise to any claim

for a broker's, finder's or agent's fee or commission or other similar payment in connection with the negotiations leading to this Agreement or the consummation of the Lease Related Transactions.

5.4 Sufficient Funds. Dignity Health has funds in amounts equal to the Equity Transfer Consideration, and reasonably expects to be able to fund the actions described in this Agreement.

5.5 Independent Analysis. Dignity Health has had a reasonable opportunity to ask questions of and receive information and answers from Persons acting on behalf of the District concerning the Lease Related Transaction and has had an opportunity to conduct necessary due diligence and investigation in connection with its review.

5.6 Material Misstatements or Omissions. Subject to qualifications expressly set forth in this Article VI regarding knowledge, the representations and warranties of Dignity Health in this Article VI do not contain any untrue statement of fact and do not omit any fact necessary to make the representations and warranties of Dignity Health not misleading in any material respect.

5.7 No Other Representations. The District acknowledges and agrees that, except as expressly set forth in this Agreement or any other Transaction Document, neither Dignity Health, nor its respective officers, directors, attorneys, financial advisors, agents or other representatives (collectively "***Representatives***"), is making any representation or warranty, express or implied, with respect to Dignity Health.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

The District represents and warrants to Dignity Health that the following representations and warranties are true and correct as of the Execution Date. These representations and warranties shall also be true and correct as of the Closing Date, subject to any amendment allowed by Section 7.4.

6.1 Organization, Power, Absence of Conflicts.

(a) The District has all requisite power and authority to conduct its business as now being conducted, to execute, deliver and enter into this Agreement, to consummate the Lease Related Transactions contemplated hereby and to perform its obligations hereunder. The execution and delivery of this Agreement, and the consummation of the Lease Related Transactions contemplated hereby, have been duly authorized by all necessary action on the part of the District. This Agreement has been duly executed and delivered by the District and is a legal, valid and binding obligation of the District, enforceable against the District in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other Laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or equity.

(b) The execution and delivery by the District of the Transaction Documents, as applicable, do not, and consummation of the Lease Related Transactions contemplated hereby will not, (A) conflict with, or result in any violation or breach of any provision of the governing documents of the District, as amended to date, (B) violate any Law applicable to the District, or (C) conflict with or result in a breach of, or give rise to a right of termination of or loss of benefit under, or accelerate the performance required by the terms of any judgment, court order or consent decree, or any material agreement to which the District is party or constitute a default thereunder.

(c) Neither the execution and delivery of this Agreement by the District nor the consummation of the Lease Related Transactions contemplated hereby will require any consent, approval, order or authorization of, or registration, declaration or filing with, or notification to any Governmental Entity or any Person by the District, except for such consents, approvals, orders, authorizations, registrations, declarations and filings that are identified in this Agreement, or which are listed on Schedule 6.1(c).

6.2 Litigation, Claims or Investigations. There is no Action pending or, to the District's Knowledge, threatened against the District (a) which, if adversely determined, could reasonably be expected to materially adversely affect the District's ability to perform hereunder, (b) which seeks to enjoin or obtain damages due to the Lease Related Transactions, or (c) which could reasonably be expected to have a material adverse effect on the Corporation's ability to conduct the operations of the Medical Center on or after the Closing Date.

6.3 Brokers and Finders. The District has not entered into any contracts, agreements, arrangements or understandings with any Person that could give rise to any claim for a broker's, finder's or agent's fee or commission or other similar payment in connection with the negotiations leading to this Agreement or the consummation of the Lease Related Transactions.

6.4 Independent Analysis. The District has had a reasonable opportunity to ask questions of and receive information and answers from Persons acting on behalf of Dignity Health concerning the Lease Related Transaction and has had an opportunity to conduct necessary due diligence and investigation in connection with its review.

6.5 Material Misstatements or Omissions. Subject to qualifications expressly set forth in this Article VI regarding knowledge, the representations and warranties of the District in this Article VI do not contain any untrue statement of fact and do not omit any fact necessary to make the representations and warranties of the District not misleading in any material respect.

6.6 No Other Representations. Dignity Health acknowledge and agree that, except as expressly set forth in this Agreement or any other Transaction Document, neither the District nor any of its Representatives, is making any representation or warranty, express or implied, with respect to the District, as applicable.

ARTICLE VII
PRE-CLOSING COVENANTS

7.1 Negative Covenants of Dignity Health. From the Execution Date until the earlier of the Closing or the termination of this Agreement, Dignity Health and its Affiliates shall not

(and shall not agree to) take any action which would cause Dignity Health to be in breach of any covenant, representation or warranty contained in this Agreement or any of the other Transaction Documents, or which would have a material adverse effect on the ability of any Party hereto to perform their respective covenants and agreements under this Agreement and the documents and agreements contemplated hereby, without the prior written consent of the District.

7.2 Negative Covenants of the District. From the Execution Date until the earlier of the Closing or the termination of this Agreement, the District shall not (and shall not agree to) take any action which would cause the District to be in breach of any covenant, representation or warranty contained in this Agreement or any of the other Transaction Documents, or which would have a material adverse effect on the ability of any Party hereto to perform their respective covenants and agreements under this Agreement and the documents and agreements contemplated hereby, without the prior written consent of Dignity Health.

7.3 Efforts to Close by the District. The District and Dignity Health shall use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Article IX to the District's or Dignity Health's obligations under this Agreement to the extent that such party's action or inaction can control or influence the satisfaction of such conditions.

7.4 Notification of Certain Matters.

(a) Dignity Health Schedule Amendments. From time to time prior to the Closing, Dignity Health may promptly supplement or amend the schedules in Article V in order to keep such information therein timely, complete and accurate, and each supplement to or amendment of the Schedules made after the Execution Date pursuant to this Section 7.4 shall be deemed to amend the Schedules as of the date the Schedule is accepted by the District. Any such supplement or amendment shall be deemed accepted unless it is rejected by written notice within ten (10) days of delivery.

(b) District Schedule Amendments. From time to time prior to the Closing, the District may promptly supplement or amend the schedules in Article VI in order to keep such information therein timely, complete and accurate, and each supplement to or amendment of the Schedules made after the Execution Date pursuant to this Section 7.4 shall be deemed to amend the District Schedules as of the date the Schedule is accepted by Dignity Health. Any such supplement or amendment shall be deemed accepted unless it is rejected by written notice within ten (10) days of delivery.

ARTICLE VIII
ADDITIONAL COVENANTS AND AGREEMENTS

8.1 CHI Transaction and Attorney General Notice. The Parties agree and acknowledge that Dignity Health has received the conditional consent of the California Attorney General (the "***Attorney General***") needed to complete the CHI Transaction (the "***Attorney General Consent***"). Within thirty (30) days after closing of the CHI Transaction, the District shall notify the Attorney General of the New Lease in accordance with Section 32121(p)(12) of the California Health and Safety Code ("***New Lease Notification***").

8.2 DCC Transaction and Transfer. The District agrees and acknowledges that in connection with the CHI Transaction, Dignity Health will transfer and assign certain assets and liabilities, including its rights and obligations under the Transaction Documents, to DCC. The District hereby consents to any such transfer and assignment and agrees and acknowledges that no additional approval from the District shall be required in connection with the closing of the CHI Transaction. No sooner than thirty (30) days following the New Lease Notification, Dignity Health shall provide the Attorney General with written notice under Section 999.5(a)(7) of Title 11 of California Code of Regulations of Dignity Health's intent to assign its rights and obligations under the Transaction Documents to DCC. Upon the completion of such assignment, DCC shall assume all of the rights and obligations of Dignity Health under the Transaction Documents.

8.3 Further Assurances. Each Party shall execute and deliver such instruments, in form and substance mutually agreeable to the Parties, as the other Party may reasonably require in order to carry out the terms of this Agreement, the Transaction Documents or the Lease Related Transactions.

ARTICLE IX
CONDITIONS TO CLOSING

9.1 Conditions Precedent to Obligations of the District. The obligations of the District to complete the Lease Related Transactions at the Closing shall be subject to fulfillment of all of the following conditions, except those conditions which are waived by the District.

(a) Accuracy of Representations and Warranties. The representations and warranties of Dignity Health in all of the Transaction Documents, as amended pursuant to this Agreement, shall be true and correct in all material respects on the Closing Date.

(b) Performance of Covenants and Agreements. Dignity Health shall have performed in all material respects all covenants and agreements contained in this Agreement and in the other Transaction Documents required to be performed by Dignity Health before the Closing.

(c) New MTMC Bylaws. Both the Corporation and Dignity Health and shall have approved the adoption of the New MTMC Bylaws effective as of the Closing Date.

(d) New MTMC Articles. Both the Corporation and Dignity Health shall have approved the adoption of the New MTMC Articles effective as of the Closing Date.

(e) Community Board Bylaws. Both the Corporation and Dignity Health shall have approved the adoption of the Community Board Bylaws effective as of the Closing Date.

(f) Equity Transfer Agreement. Dignity Health shall have executed and delivered the Equity Transfer Agreement.

(g) Lease Termination Agreement. The Corporation shall have executed and delivered the Lease Termination Agreement.

(h) New Lease Agreement. The Corporation shall have executed and delivered the New Lease.

(i) Supplemental Property Agreement. The Corporation shall have executed and delivered the Supplemental Property Agreement.

(j) Valley Springs Letter. The Corporation shall have executed and delivered the Valley Springs Letter.

(k) Approval of Documentation. The form and substance of all certificates, transfer documents, opinions, consents, instruments and other documents and agreements contemplated hereby delivered to the District shall be reasonably satisfactory in all material respects to the District and their counsel.

(l) No Litigation. Except as disclosed in this Agreement, no Action shall be pending or threatened against Dignity Health to the Knowledge of either Party that adversely affects the consummation of the Lease Related Transactions contemplated by this Agreement.

(m) Dignity Officers Certificates. Dignity Health shall deliver to the District, in forms reasonably acceptable to the District, (i) a closing and incumbency certificate of an officer of Dignity Health and (ii) resolutions of the board of directors of Dignity Health authorizing the execution and delivery of this Agreement and the performance by Dignity Health of its obligations hereunder and under the other Transaction Documents (collectively, the "***Dignity Health Certificates***").

(n) Corporation Officers Certificates. Corporation shall deliver to the District, in forms reasonably acceptable to the District, (i) a closing and incumbency certificate of an officer of Corporation and (ii) resolutions of the board of directors of Corporation authorizing the execution and delivery of the New Lease, the Supplemental Property Agreement, the Lease Termination Agreement and the Valley Springs Letter (collectively, the "***Corporation Certificates***").

(o) Deliveries at Closing. All of the deliverables described in Sections 10.4 and 10.5 shall have been provided to the District or waived by the District.

9.2 Conditions Precedent to Obligations of Dignity Health. The obligations of Dignity Health to complete the Lease Related Transactions at the Closing shall be subject to fulfillment of all of the following conditions, except those conditions that are waived by Dignity Health:

(a) Accuracy of Representations and Warranties. The representations and warranties of the District, as amended pursuant to this Agreement, shall be true and correct in all material respects on the Closing Date.

(b) Lease Termination Agreement. The Corporation and the District shall have executed and delivered the Lease Termination Agreement.

(c) Valley Springs Letter. The Corporation and the District shall have executed and delivered the Valley Springs Letter.

(d) New Lease Agreement. The Corporation and the District shall both have executed and delivered the New Lease.

(e) Supplemental Property Agreement. The Corporation and the District shall both have executed and delivered the Supplemental Property Agreement.

(f) Purchase of Tenant Improvements. The District shall have paid the District's Acquisition Cost to Corporation, and the District shall have delivered an executed Note Payable to the Corporation (if applicable).

(g) Equity Transfer Agreement. The District shall have executed and delivered the Equity Transfer Agreement.

(h) Performance of Covenants and Agreements. The District shall have performed in all material respects all covenants and agreements contained in this Agreement required to be performed by the District before the Closing.

(i) Approval of Documentation. The form and substance of all certificates, opinions, consents, instruments and other documents and agreements contemplated hereby delivered to Dignity Health under this Agreement shall be reasonably satisfactory in all material respects to Dignity Health and their counsel.

(j) No Litigation. No Action shall be pending or threatened against the District adversely affecting the consummation of the Lease Related Transactions contemplated by this Agreement.

(k) Officers Certificates. The District shall deliver to Dignity Health, in forms reasonably acceptable to Dignity Health, (i) a closing and incumbency certificate of an officer of the District and (ii) resolutions of the District Board of Directors authorizing the execution and delivery of this Agreement and the other Transaction Documents and the performance by the District of their obligations hereunder and thereunder (collectively, the "***District Certificates***").

(l) New Corporate Organizational Documents. The Corporation shall have adopted (i) the New MTMC Bylaws, (ii) the New MTMC Articles and (iii) the Community Board Bylaws, and (iv) shall have received resignation letters from the Corporation's directors and board officers effective as of the Closing.

(m) Deliveries at Closing. All of the deliverables described in Sections 10.3 and 10.5 shall have been provided to Dignity Health, or waived by Dignity Health.

ARTICLE X
CLOSING

10.1 Closing and Closing Date. Subject to the provisions of Article IX, the closing of the Lease Related Transactions (the "***Closing***") shall take place on February __, 2019; or such

other date, time or place as may hereafter be agreed upon in writing by the Parties. The actions contemplated by the Parties pursuant to this Agreement shall occur at 12:01 AM on the day of the Closing (the "***Closing Date***"). All proceedings to take place at the Closing shall take place simultaneously.

10.2 Closing Memorandum. Upon satisfaction or waiver of all of the conditions precedent set forth in Article X and unless this Agreement is earlier terminated pursuant to Article XIII, officers of Dignity Health and the District shall execute a written memorandum (the "***Closing Memorandum***") which confirms their agreement, on behalf of their respective institutions, that all of the conditions precedent to the closing of the Lease Related Transactions have been satisfied or waived and specifies the day of the Closing. The Closing Date shall be no more than ten (10) business days after the date of the Closing Memorandum.

10.3 Deliveries by the District. At the Closing, the District shall deliver to Dignity Health the following, duly executed by the District where appropriate:

(a) Certified Election Results. Certified election results for Measure A appearing on the ballot of the June 5, 2018 California Statewide Direct Primary Election for Calaveras County.

(b) District Certificates. Certified copies of the District Certificates.

(c) Other Documents. Any other documents contemplated by this Agreement or requested by Dignity Health and reasonably required or necessary for the consummation of the Lease Related Transactions.

10.4 Deliveries by Dignity Health. At the Closing, Dignity Health shall deliver to the District the following, duly executed by Dignity Health where appropriate:

(a) Equity Transfer Consideration. The full amount of the Equity Transfer Consideration, in cash, via wire transfer to an account identified by the District.

(b) Dignity Certificates. Certified copies of the Dignity Certificates.

(c) Good Standing Certificates. Original Certificates of Status, or comparable status, of Dignity Health, issued by the California Secretary of State dated no earlier than a date that is fifteen (15) calendar days prior to the scheduled Closing Date.

(d) Other Documents. Any other documents contemplated by this Agreement or any of the other Transaction Documents or requested by the District and reasonably required or necessary for the consummation of the Lease Related Transactions.

10.5 Deliveries by the Parties. At the Closing, the Parties shall have cooperated, through their joint control of the Corporation, to cause the delivery of the following duly executed by the District, Dignity and the Corporation where appropriate:

(a) Lease Agreement. A fully executed version of the New Lease.

(b) Lease Termination Agreement. A fully executed version of the Lease Termination Agreement.

(c) Supplemental Property Agreement. A fully executed version of the Supplemental Property Agreement.

(d) New Corporate Organization Documents. (i) a copy of the New MTMC Articles certified by the California Secretary of State, (ii) the New MTMC Bylaws, (iii) the New Community Board Bylaws, and (iv) the resignation letters from the Corporation's directors and board officers effective as of the Closing.

(e) Valley Springs Letter. A fully executed Valley Springs Letter.

10.6 Escrow Agent. The Parties agree and acknowledge that the payments contemplated by this Agreement, including, but not limited to, the Equity Transfer Consideration and the District Acquisition Cost, shall be completed with the assistance of a third party escrow company agreed upon by the Parties.

ARTICLE XI
INDEMNIFICATION

11.1 Indemnification

(a) Indemnification by the District. The District shall defend, indemnify and hold harmless Dignity Health, their Affiliates, and their Representatives, members and employees (each, an "***Dignity Health Indemnified Party***"), and will reimburse such persons, from, against and for any damages, claims, costs, loss, liabilities, expenses or obligations (including reasonable attorneys' fees and associated expenses), whether or not involving a third-party claim (collectively, "***Losses***") incurred or suffered by any of them as a result of or arising from: (i) any material breach of any representation or warranty made by the District in this Agreement; and (ii) any material breach of any covenant, obligation or agreement of the District in this Agreement.

(b) Indemnification by Dignity Health. Dignity Health shall defend, indemnify and hold harmless the District and the District's Representatives, members and employees (each, an "***District Indemnified Party***"), and will reimburse such persons, from, against and for any Losses incurred or suffered by any of them as a result of or arising from: (i) any material breach of any representation or warranty made by Dignity Health in this Agreement; and (ii) any material breach of any covenant, obligation or agreement of Dignity Health in this Agreement.

(c) Notice, Cooperation and Opportunity to Defend Third Party Claims The Dignity Health Indemnified Party or the District Indemnified Party, as applicable and used in this Section 11.1(c), the "***Indemnified Party***") shall promptly notify in writing the indemnifying Party (the "***Indemnifying Party***") of any matter giving rise to an obligation to indemnify, and the Indemnifying Party shall defend such third party claim at its expense with counsel reasonably acceptable to the Indemnified Party; provided, however, that if settlement of any such third-party claim would impose any obligation on the Indemnified Party, the Indemnifying Party may not

settle any such claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld, conditioned or delayed. The Indemnified Party agrees to cooperate with the Indemnifying Party and to make reasonably available to the Indemnifying Party any necessary records or documents in the possession of the Indemnified Party that are necessary to defend such third party claim. If the Indemnified Party desires to participate in the defense of a third party claim being defended by the Indemnifying Party, it may do so at its sole cost and expense, provided that the Indemnifying Party shall retain control over such defense. In the event the Indemnifying Party does not defend or settle such third party claim, the Indemnified Party may do so without the Indemnifying Party's participation, in which case the Indemnifying Party shall pay the expenses of such defense, and the Indemnified Party may settle or compromise such third party claim without the Indemnifying Party's consent. The failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations hereunder except to the extent that the Indemnifying Party is actually prejudiced by such failure to give notice

11.2 Exclusive Remedy. Any claim arising under this Agreement or in connection with or as a result of the Lease Related Transactions or any damages or injury suffered or alleged to be suffered by any Party as a result of the actions or failure to act by any other Party shall be governed solely and exclusively by the provisions of this Article XI and Article XII.

ARTICLE XII
DISPUTE RESOLUTION

12.1 Dispute Resolution. Except as otherwise provided in this Agreement, any dispute, claim or controversy arising out of or relating to this Agreement, or the breach, termination, enforcement, interpretation, or validity thereof (collectively, a "***Dispute***") shall be settled in accordance with the following procedures. Notwithstanding anything that may be construed to the contrary herein, each of the Parties expressly acknowledges that (i) it has an affirmative duty to expedite the process and procedures described below to the extent reasonably practical in order to facilitate a prompt resolution of any Dispute and (ii) each Party has a mission of serving their communities, and all communications and proposed resolutions of the Dispute shall take these missions into consideration.

(a) Dispute Notice. Notice by either Party of the existence of a Dispute shall (i) be delivered in writing, (ii) specify what provision of the Agreement such Party believes is under Dispute and (iii) recommend a course of action to resolve the Dispute (the "***Dispute Notice***").

(b) Meet and Confer. If, within fifteen (15) days after receipt by the applicable Party of a Dispute Notice, the Parties do not resolve such dispute, then the Dispute shall be referred to the designated senior executives with authority to resolve the Dispute from each Party for further negotiation (the "***Meet and Confer***"). The obligation to conduct a Meet and Confer pursuant to this Section 12.1(b) does not obligate any Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable laws protecting statements, disclosures, or conduct in such context, and any offer in compromise or other statements or

conduct made at or in connection with any Meet and Confer shall be protected under such laws, including California Evidence Code Section 1152.

(c) Mediation Followed by Arbitration. If any Dispute is not resolved to the mutual satisfaction of the Parties within thirty (30) days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Dispute shall be determined by arbitration (if necessary) in Sacramento County, California, in a manner consistent with the terms and conditions described in this Section 12.1(c).

(i) Either Party may initiate arbitration with respect to the Dispute by filing a written demand for arbitration ("***Arbitration Notice***") at any time after thirty (30) days following the delivery of the Dispute Notice (***"Initiation Date***").

(ii) At no time prior to the Initiation Date shall either Party initiate an arbitration or litigation related to this Agreement except to pursue a provisional remedy that is authorized by law or by JAMS Rules or by agreement of the parties as set forth in subparagraph 9.2 below. However, this limitation is inapplicable to a Party if the other Party refuses to comply with the requirements of subparagraph 9.1(c)(ii) above.

(iii) All applicable statutes of limitation and defenses based upon the passage of time shall be tolled from the date of the request for mediation until fifteen (15) days after the Initiation Date. The Parties will take such action, if any, required to effectuate such tolling.

(iv) The arbitration shall be conducted in Sacramento County and in accordance with the commercial arbitration rules and procedures of JAMS to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(v) The arbitration shall be conducted before a single impartial retired judge who is a member of the JAMS panel of arbitrators covering Sacramento County (the "***JAMS Panel***"). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the JAMS Panel, and such arbitrators shall select a single impartial retired judge from the JAMS Panel to serve as arbitrator of the Dispute.

(vi) The Parties shall have the rights of discovery as provided for in Part 4 of the California Code of Civil Procedure (the "***CCP***"), and the provisions of Section 1283.05 of the CCP are incorporated by reference into this Agreement. In the event that Section 1283.05 is amended in a manner that limits or reduces the discovery rights contained in such Section as of the Commencement Date, said amendment shall not be deemed to apply to this Agreement unless the Parties agree in writing that the same shall apply. In the event that Section 1283.05 is repealed, the provisions of Section 1283.05 shall nevertheless continue to apply, and the Parties shall have the discovery rights as provided therein as of the Commencement Date.

(vii) The arbitration hearing shall commence no later than six (6) months after the appointment of the arbitrator. The law of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator.

(viii) As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State. Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award.

(ix) The cost and expense of JAMS and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, and the costs and expenses of a Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration shall be awarded by the arbitrator in accordance with Section 12.3.

12.2 Provisional Measures. Notwithstanding any other provision of this Section 12, the Parties shall each have the right to file with a court of competent jurisdiction an application for temporary or preliminary injunctive relief, writ of attachment, unlawful detainer, writ of possession, temporary protective order, or appointment of a receiver if the arbitration award to which the applicant may be entitled may be rendered ineffectual in the absence of such relief or if there is no other adequate remedy. This application shall not waive a Party's mediation or arbitration rights under this Agreement.

12.3 Attorneys' Fees and Costs. Subject to Section 12.1(c) above, if either Party brings an action or proceeding arising out of or relating to this Agreement, the non-prevailing party shall pay to the prevailing Party reasonable attorneys' fees and costs incurred in such action. Any judgment or order entered shall contain a provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment. The prevailing party shall be the party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction or the arbitrator), whether or not the action or proceeding proceeds to final judgment or award.

12.4 Survival. This Article 12 shall survive the expiration or termination of this Agreement.

ARTICLE XIII
TERMINATION OF AGREEMENT

13.1 Termination of Agreement.

(a) Mutual Agreement. This Agreement may be terminated at any time prior to the Closing by the mutual written agreement of the Parties.

(b) Breach of Agreement.

(i) Breach By the District. This Agreement may be terminated by Dignity Health at any time prior to the Closing if the District has materially breached its covenants, representations or warranties prior to the Closing, provided that this Agreement shall not be terminated if such breach shall have been cured to the reasonable satisfaction of Dignity Health within thirty (30) days of written notice thereof, or, if such breach is reasonably capable of cure, but not within thirty (30) days, the District shall have commenced to cure it within such thirty-day period, and shall be diligently pursuing the cure.

(ii) Breach By Dignity Health. This Agreement may be terminated by the District at any time prior to the Closing if Dignity Health has materially breached its covenants, representations and warranties prior to the Closing, provided that this Agreement shall not be terminated if such breach shall have been cured to the reasonable satisfaction of the District within thirty (30) days of written notice thereof, or, if such breach is reasonably capable of cure, but not within thirty (30) days, Dignity Health shall have commenced to cure it within such thirty-day period, and shall be diligently pursuing the cure.

13.2 Return of Information. Upon any termination of this Agreement that occurs prior to the Closing Date, Dignity Health and the District shall, and shall use good faith efforts to cause their Representatives or Affiliates to, promptly return to the appropriate Party the original and all copies (in whatever form made or stored) of the confidential or non-public information of such other Party, or shall destroy the same, and shall certify in writing to such other Party that all such confidential or non-public information and all copies thereof have been returned or destroyed. Notwithstanding the foregoing, a Party's obligation to destroy or return data and documents shall, with respect to digital media and computer memory, apply only to memory in active, currently accessible media, and not to tapes and other back-up media. Nothing in this Section 13.2 shall require the District to violate its obligations under the California Public Records Act.

ARTICLE XIV
CONFIDENTIAL INFORMATION

14.1 Confidential Information. The Parties shall not disclose, divulge, discuss, copy or otherwise use or suffer to be used in any manner, in competition with, or contrary to the interests of either Party, patient, customer and provider lists, business methods or other trade secrets of either Party, other than (i) as required for financial reporting purposes, (ii) as reasonably necessary in connection with the Agreement and (iii) to indemnify a Party pursuant to Article XI or to enforce a Party's obligations or covenants in this Agreement. Nothing in this Section 14.1 shall require the District to violate its obligations under the California Public Records Act.

14.2 Remedies. The Parties expressly agree and understand that the remedy at law for any breach of this Article shall be inadequate and that the damages flowing from such breach are not readily susceptible to being measured in monetary terms. Accordingly, it is acknowledged that upon adequate proof of a violation by any Party of any legally enforceable provision of this Article, the other Party shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach. Nothing in this Article shall be deemed to limit any Party's remedies at law or in equity for any breach by another Party of any of the provisions of this Article that may be pursued or availed of by a Party. Nothing in this Section 14.1 shall require the District to violate its obligations under the California Public Records Act.

ARTICLE XV
MISCELLANEOUS

15.1 Notices. All notices, requests, demands and other communications under this Agreement must be in writing and shall be deemed duly given, unless otherwise expressly indicated to the contrary in this Agreement, (i) when personally delivered, or (ii) one Business Day after delivery to a nationally recognized overnight courier service for next Business Day delivery, in any case addressed to the Parties or their permitted assigns at the following addresses (or at such other address as is given in writing by a Party to the other Parties):

To District:	President, Board of Directors Mark Twain Health Care District P.O. Box 95 San Andreas, CA 95249
With a copy to:	Executive Director Mark Twain Health Care District P.O. Box 95 San Andreas, CA 95249
With a copy to:	Best, Best and Krieger Attn.: Colin Coffey 2001 N. Main Street, Suite 390 Walnut Creek, CA 94596
To Dignity Health:	Chief Administrative Officer Dignity Health 185 Berry Street, Suite 300 San Francisco, CA 94107
With a copy to:	Associate General Counsel Dignity Health 3400 Data Drive Rancho Cordova, CA 95670

15.2 Counterparts. This Agreement may be executed in one or more counterparts and may be exchanged by email transmission, each of which shall be deemed to be an original but all of which together shall constitute one and the same document.

15.3 Captions and Section Headings. Captions and section headings are for convenience only, are not a part of this Agreement and may not be used in construing it.

15.4 Cooperation. Each of the Parties agrees to cooperate in the effectuation of the Lease Related Transactions and to execute any and all additional documents and to take such additional action as is reasonably necessary or appropriate for such purposes.

15.5 Entire Agreement. This Agreement, including any certificate, schedule, exhibit or other document delivered pursuant to its terms, constitutes the entire agreement between the Parties, and supersedes all prior agreements and understandings between the Parties relating to the subject matter hereof. There are no verbal agreements, representations, warranties, or undertakings between the Parties other than as provided herein, and this Agreement may not be amended or modified in any respect, except by a written instrument signed by the Parties to this Agreement. In the event of any inconsistency or conflict between the terms and conditions set forth in this Agreement and the terms and conditions set forth in the attachments or exhibits to this Agreement, the terms and conditions of this Agreement shall govern.

15.6 Governing Laws. This Agreement is to be governed by and construed in accordance with the internal laws of the State.

15.7 Assignment. This Agreement shall not be assigned or otherwise transferred by any Party without the prior written consent of the other Party.

15.8 Expenses. Each Party shall be responsible for the payment of all attorney fees and costs incurred by such Party in connection with the negotiation, due diligence and completion of the final terms of this Agreement and the Lease Related Transactions.

15.9 No Third-Party Beneficiaries. Except as expressly provided otherwise in this Agreement, the terms and provisions of this Agreement (including provisions regarding employee and employee benefit matters) are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and are not intended to confer third-party beneficiary rights upon any other person.

15.10 Certain References. As used in this Agreement, and unless the context requires otherwise: references to "*include*" or "*including*" mean including without limitation; references to any document are references to that document as amended, consolidated, supplemented or replaced by the Parties thereto from time to time; references to any law are references to that law as amended, consolidated, supplemented or replaced from time to time and all rules and regulations promulgated thereunder; references to time are references to California time; and the gender of all words includes the masculine, feminine and neuter, and the number of all words includes the singular and plural.

15.11 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of the performance of such provision or any other instance.

Any waiver granted by a Party must be in writing, and shall apply solely to the specific instance expressly stated.

15.12 Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the Parties to the greatest extent possible. All other provisions of this Agreement shall remain in full force and effect.

15.13 Successors and Assigns. The covenants and conditions contained herein, subject to the provisions as to assignment and subletting, apply to and bind the heirs, successors, executors, administrators and assigns of the Parties.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the date first above written.

DISTRICT:

MARK TWAIN HEALTH CARE DISTRICT, a political subdivision of the State of California

By: _____
Name: _____
Title: _____

DIGNITY HEALTH:

DIGNITY HEALTH, a California nonprofit public benefit corporation

By: _____
Name: _____
Title: _____

SCHEDULES AND ATTACHMENTS

Attachment 2.1 -- New MTMC Bylaws

Attachment 2.2 -- New MTMC Articles

Attachment 2.3 -- Community Board Bylaws

Attachment 3.1 -- Equity Transfer Agreement

Attachment 4.1 – Lease Termination Agreement

Attachment 4.3 -- Supplemental Property Agreement

Schedule 6.1(c) – Consents and Approvals

Exhibit A – Form of Valley Springs Letter

ATTACHMENT 2.1
New MTMC Bylaws

See attached.

ATTACHMENT 2.2
New MTMC Articles

See attached.

ATTACHMENT 2.3
Community Board Bylaws

See attached.

ATTACHMENT 3.1
Equity Transfer Agreement

See attached.

ATTACHMENT 4.1
Lease Termination Agreement

See attached.

ATTACHMENT 4.3
Supplemental Property Agreement

See attached.

SCHEDULE 6.1(C)
Consents and Approvals

Measure A appearing on the ballot of the June 5, 2018 California Statewide Direct Primary Election for Calaveras County.

EXHIBIT A

Form of Valley Springs Letter

See attached.

LEASE AGREEMENT

MARK TWAIN HEALTH CARE DISTRICT

and

MARK TWAIN MEDICAL CENTER

TABLE OF CONTENTS

LEASE AGREEMENT

This Lease Agreement (the "Agreement" or the "Lease") is made this __ day of February, 2019 (the "Commencement Date"), by and between Mark Twain Health Care District, a political subdivision of the State of California ("Landlord" or "District"), and Mark Twain Medical Center , a California nonprofit public benefit corporation ("Tenant"), formerly known as Mark Twain St. Joseph's HealthCare Corporation.

R E C I T A L S

A. Landlord is the owner of the "Leased Premises" (defined below) located in San Andreas, California, through which Tenant operates the Mark Twain Medical Center hospital (the "Hospital"), located at 768 Mountain Ranch Road in San Andreas, California, which Hospital is a critical access hospital licensed to operate 48 beds, of which 25 are available for inpatient use.

B. Tenant is a California nonprofit public benefit corporation formed in 1989 through the collaborative efforts of Landlord and St. Joseph's Regional Health System of Stockton. Dignity Health ("Dignity Health") is a California nonprofit corporation, and is the successor in interest to St. Joseph's Regional Health System of Stockton. Tenant was formed to manage and make continuing improvements to the Hospital, and Landlord leased the real property and certain personal property of the Landlord to Tenant pursuant to the terms of that certain Lease Agreement dated January 1, 1990 (as amended, the "Prior Lease") for the purpose of providing for Tenant's management and operation of the Hospital.

C. The Prior Lease was to expire December 31, 2019, and in light of the Landlord's desire to ensure the continued operation and improvement of the Hospital in a manner to best meet the Landlord's objectives of enhancing the economic viability of the Hospital and promoting a broad range of healthcare services to the residents of Calaveras County, the Landlord has determined that it is in the Landlord's best interests and of the residents of the district served by Landlord for Landlord to enter into the Pre-Lease and associated agreements, dated as of February __, 2019 by and between Landlord and Dignity Health (the "Transition Agreements") pursuant to which, among other things, the Landlord will transfer most of its beneficial interest and rights in Tenant to Dignity Health, certain other financial obligations under the Prior Lease were addressed, and Landlord agreed to enter into this new long term lease with Tenant in compliance with the Local Hospital District Law of the State of California, Section 32000 of the California Health and Safety Code et seq. (the "Local Hospital District Law") and pursuant to Section 32126 of the Local Hospital District Law in particular. As required under Section 32126 of the Local Hospital District Law, the District placed the substantial terms of this deal on the ballot for the approval of the District's constituents and the voters have approved same.

D. The Board of Directors of Landlord has determined that entering into this new Lease will provide the optimal choice for meeting the above described objectives and more specifically to:

1. Improve the health and quality of life of the communities served by Landlord and the Hospital;

2. Improve the County-based healthcare system in order to maintain the full continuum of services provided by the Hospital and the Landlord;

3. Provide a stronger opportunity for developing and expanding hospital and physician services needed in the local community;

4. Provide superior quality healthcare at a competitive price, while being better equipped to control health care costs; and

5. Position the Hospital and its affiliated physicians to best meet national and state health reform initiatives impacting healthcare delivery and reimbursement.

E. The Board of Directors of Landlord and the Board of Directors of Tenant, deeming the lease of the Leased Premises to Tenant pursuant to the terms and conditions set forth in this Agreement, to be desirable and in the best interests of the communities served by Landlord and Tenant, respectively, have approved this Agreement.

F. Concurrently herewith, the Landlord and Tenant have entered into that certain Supplemental Property Agreement to provide for certain terms and conditions respecting (i) Landlord's purchase from Tenant, immediately prior to the Commencement Date, of certain property, plant and equipment in connection with the Leased Premises and other medical and health care related clinics and facilities related to Tenant's operation of the Hospital and referred to therein as the "District Ancillary Premises" and the "MTMC Ancillary Premises" (as more fully described therein), (ii) Tenant's use of that purchased property during the term of this Lease, and (iii) Landlord's obligation at the end of the Term of this Agreement to repurchase Tenant's then-current property, plant and equipment and assume related contracts.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the obligations undertaken by the parties under this Agreement, Landlord and Tenant agree as follows:

ARTICLE I
DEFINITIONS

In addition to those terms defined elsewhere in this Agreement, as used in this Agreement, the following terms shall have the following meanings:

1.1 "Alterations" shall mean alterations, additions, or improvements to a building, including, without limitation, capital replacements, permanent equipment acquisition and installation, renovations, legal compliance modifications and repair of casualty damage, including Building Fixtures installed after the Commencement Date (but excluding Trade Fixtures).

1.2 "Ancillary Premises" shall mean the Landlord Ancillary Premises and the Tenant Ancillary Premises.

1.3 "Building Fixtures" means "fixtures" as defined in UCC §9102 (but excluding Trade Fixtures).

1.4 "City" means the City of San Andreas.

1.5 "Claims" means any and all claims, losses, costs, damage, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, law or equity, or otherwise), charges, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and attorney fees actually incurred).

1.6 "Combined Premises" shall mean the Leased Premises under this Agreement, together with the Ancillary Premises.

1.7 "County" means the County of Calaveras in the State of California.

1.8 "FF&E" shall mean furniture, fixtures, equipment, machinery, tools, signs and other personal property, including Trade Fixtures (whether movable or attached), but excluding Building Fixtures.

1.9 "Force Majeure Events" means a party's inability to perform any of its obligations under this Agreement, other than a party's monetary obligations, due to events beyond its control, and include, without limitation, acts of God, war, civil commotion, terrorism, earthquakes, fire, flood or other casualty, government regulation or restriction, and weather conditions, but do not include financial inability to perform, or the acts or omissions of any parent or affiliate of a party.

1.10 "Hospital Assets" shall mean all Alterations and FF&E located at the Leased Premises and the Ancillary Premises, as well as Tenant-owned inventory and supplies located at the Leased Premises and the Ancillary Premises.

1.11 "Landlord Ancillary Premises" shall mean District Ancillary Premises described in the Supplemental Property Agreement.

1.12 "Leased Premises" shall mean the real property described in the attached Exhibit A, together with all buildings, appurtenances, improvements and Building Fixtures located on such real property as of the Commencement Date (including construction in progress).

1.13 "Overhead and Shared Services" means ancillary corporate or shared services provided to or in support of the Hospital that are general corporate, overhead or other services and provided to both (a) the Hospital (and/or any Ancillary Premises), and (b) any other business or facility of Tenant's parent entity or affiliates, including, without limitation, access to hardware and software related to financial and clinical operations, use of intellectual property, temporary labor services, purchasing and supply services, legal and risk management services (including workers' compensation), payroll services, sales and

marketing support services, information technology and telecommunications services, accounting services, tax services, internal audit services, executive management services, human resources and employee relations management services, employee benefits services, credit, collections and accounts payable services, logistics services, property management services, and other so-called back-office management services.

1.14 "State" shall mean the state of California.

1.15 "Supplemental Property Agreement" is the agreement referenced in Recital F and entered into concurrently herewith, a copy of which is attached hereto as Exhibit E.

1.16 "Tenant Ancillary Premises" shall mean the MTMC Ancillary Premises described in the Supplemental Property Agreement.

1.17 "System Contracts" means all contracts between Dignity Health, Tenant, or any of their respective affiliates, on the one hand, and any third party, on the other hand, that have been entered into on a national or regional basis including, without limitation, any contract pursuant to which any services are provided by or to any hospital, clinic or other facility in addition to the Hospital or an Ancillary Premises.

1.18 "Trade Fixtures" means fixtures related specifically to the business operations (as contrasted with Building Fixtures).

ARTICLE II
PREMISES AND TERM

2.1 Lease. Landlord leases to Tenant, and Tenant hires from Landlord, on the terms and conditions set forth in this Agreement, the Leased Premises.

2.2 Term.

(a) The "Initial Term" of this Agreement shall be for ten (10) years commencing on February __, 2019 *[Insert Commencement Date]* and ending at 11:59:59 PM on February __, 2029 [*Insert day immediately preceding the ten (10) year anniversary of the Commencement Date]*, unless sooner terminated or extended as provided in this Lease. For purposes of this Lease, the word "Term" shall mean the Initial Term and any Extension Term (as defined below) and the term "Expiration Date" means the then-applicable date of expiration or termination of the Term.

(b) The term of this Lease shall automatically renew for up to four (4) consecutive five (5) year period(s) (each an "Extension Term"), unless as provided in Section 15.1 below, Tenant: (i) gives written notice to Landlord no later than thirty six (36) months in advance of the automatic renewal date (i.e. what would otherwise be the then-applicable Expiration Date if the Lease Term is not extended) for the applicable Extension Term notifying Landlord that Tenant

does not elect to extend the Term of the Lease for the applicable Extension Term (the "Early Termination Notice"), and (ii) pays the Termination Fee (defined below) in immediately available U.S. dollars to Landlord no later than sixty (60) days following Landlord's receipt of the Early Termination Notice. The "Termination Fee" shall be the equivalent of $10,000 for each month that would have remained during the Term (including all Extension Terms) but for Tenant's election not to renew the Lease [i.e. $10,000 x (360 minus the number of months Tenant will have leased the Leased Premises as of the Expiration Date)]. For example, if Tenant gives notice to prevent the automatic renewal as of the beginning of year 21, then the Termination Fee calculated as of the end-of-year 20 termination shall be $1,200,000 [i.e. $10,000 x (360-240)]. The Termination Fee is intended to provide the Landlord with transition funds in the event of an early termination of the Lease, and therefore the Termination Fee shall be due and payable for any early termination of this Lease as a result of Tenant breach, casualty damage, condemnation or for any other reason other than a Landlord breach. Should the actual Expiration Date differ for any reason (other than Tenant default) from the date used to compute the Termination Fee paid by Tenant (including, without limitation, by reason of termination pursuant to ARTICLE VIII below), then such Termination Fee shall be trued-up (without interest) and Landlord shall refund the excess to Tenant, or Tenant shall pay the difference to Landlord, as applicable, no later than sixty (60) days following the effective date of the actual termination. Except as expressly set forth otherwise in this Lease, each Extension Term shall be upon the same terms and conditions as contained in this Lease.

(c) If Tenant timely delivers an Early Termination Notice and pays the Termination Fee, then this Lease shall terminate on the Expiration Date of the Initial Term or Extension Term, as applicable (unless earlier terminated pursuant to the provisions of this Lease).

ARTICLE III
RENT AND OTHER PAYMENTS

3.1 Rent. Pursuant to the Transition Agreements, Tenant prepaid the first sixty (60) months of rent under this Lease to Landlord in the amount equivalent to $_____ per month, for a total prepayment of $_____ (the "Prepaid Rent"), and Landlord acknowledges receipt of the Prepaid Rent for the period through *[Insert last day of 60th month of Term]*. No other payment of rent due under this Lease ("Rent") for this initial sixty (60) month period shall be due. Commencing *[Insert 1st day of 61st month of Term]*, and thereafter on or before the 5th day of each month through the remainder of the term of the Lease, the Rent shall be a fixed monthly amount of *[Insert Monthly Rent Amount]* Dollars ($_____.00), as may be decreased pursuant to Section 2.5 below with respect to utilities.

3.2 Taxes and Assessments. Tenant shall pay all real and personal property taxes, general and special assessments, and other charges of every description levied on or assessed against the Leased Premises, improvements or personal property located on or in the Leased Premises, the leasehold estate or any subleasehold estate, to the extent applicable to the period of the Term of this Lease. Installments which fall due during the Term, but cover a period of time partially within the Term and partially before or after the Term, shall be prorated

such that Tenant shall be responsible to pay only that portion applicable to the period within the Term. Tenant also shall pay any municipal, county, state, or federal income or franchise taxes charged or assessed against Tenant, its income or corporate franchise. Notwithstanding the foregoing, Tenant may seek tax exemption for some or all of the Leased Premises, and Landlord agrees to cooperate with and assist Tenant in connection with obtaining tax exemption, including Landlord's execution of any documents that are required by any governmental or quasi-governmental agency or authority in connection with obtaining tax exemption; provided, however, that Landlord's cooperation shall be at no direct out-of-pocket cost or expense to Landlord.

3.3 Right to Contest Taxes. Tenant may contest the legal validity or amount of any taxes, assessments, or charges for which Tenant is responsible under this Agreement, and may institute such proceedings as Tenant considers necessary. If Tenant contests any such tax, assessment, or charge, Tenant may withhold or defer payment or pay under protest and such act shall not constitute a default under this Agreement. Landlord appoints Tenant as Landlord's attorney-in-fact for the purpose of making all payments to any taxing authorities and for the purpose of contesting any taxes, assessments, or charges, conditioned upon Tenant's preventing any liens from becoming levied on the Leased Premises or on the Landlord (other than the statutory lien under Revenue and Taxation Code Section 2187), and Tenant keeping Landlord reasonably informed about the status of Tenant's contention of such taxes.

3.4 The Landlord's Right to Pay Taxes. Section 3.3 notwithstanding, Landlord shall have the right to pay any taxes assessed against Tenant pursuant to Section 3.2, provided Landlord reasonably believes that failure to pay such taxes would create a substantial risk that all or any part of the Leased Premises would be taken or sold by the taxing authority. If Landlord pays any taxes pursuant to this paragraph, Tenant shall, on demand, reimburse Landlord for the amount of taxes so paid and any penalties or costs associated with such payment, within thirty (30) days following Tenant's receipt of invoice from Landlord, which invoice shall include reasonable documentation evidencing such amounts (including applicable penalties or costs) paid by Landlord.

3.5 Utilities.

(a) Except to the extent provided in Section 3.5(c) and Section 3.5(d) below, Landlord shall have the obligation to pay for the following specific utilities used at the Combined Premises during the Term of this Lease: (i) electricity ("Electrical Utilities") and (ii) natural gas, water/sewer, telephone (other than the main telephone bill), and waste removal (exclusive of hazardous or medical waste and any waste generated as the result of Tenant's construction activities) (collectively, the "Non-Electrical Utilities," and together with the Electrical Utilities, the "Utilities"), and including the payment of any utility users tax levied on the foregoing. As used herein, the term "main telephone bill" refers solely to the bill for the main telephone service to the Leased Premises (currently the main AT&T bill), but does not include ancillary phone services (such as pager service or phone mail) or phone services to the Ancillary Premises).

(b) Landlord shall have no obligation to pay any other utilities at the Leased Premises except for the Utilities, as delineated above, except as may otherwise be set forth in the underlying occupancy agreement(s) between the Landlord and Tenant respecting the particular Landlord Ancillary Premises.

(c) Landlord may, on not less than ninety (90) days' prior written notice to Tenant, require that Tenant make an Annual Reimbursement to Landlord for Landlord's good faith estimated costs for the Non-Electrical Utilities, subject to reconciliation as provided below, and without otherwise altering Tenant's obligation to pay fixed monthly Rent (except as expressly provided in this Lease). Such Annual Reimbursement of Non-Electrical Utilities shall be determined annually on a calendar basis (the first such period of which may be a prorated partial period ending December 31st). Such "Annual Reimbursement" shall be the amount by which Landlord's costs of such Non-Electrical Utilities exceeds the "Threshold." As used herein, the "Threshold" shall be (i) $300,000 per calendar year during the first five (5) years of the Initial Term, and (ii) thereafter, such annual amount (not less than zero) as established (no more frequently than annually) by the Landlord in its sole discretion. Landlord may require Tenant to make monthly or quarterly progress payments toward such Annual Reimbursement based on good faith estimates of the Annual Reimbursement, provided that a final reconciliation and true up shall be completed no later than March 31st following the close of each calendar year.

(d) If, for reasons beyond Landlord's control, Landlord becomes ineligible to purchase discounted Electrical Utilities, then Landlord may, on not less than sixty (60) days' prior written notice to Tenant, terminate Landlord's obligation to pay Electrical Utilities. Similarly, if at any time for any reason the total annual cost of Electrical Utilities paid by Landlord exceeds one hundred twenty five percent (125%) of the average annual cost of Electrical Utilities paid by Landlord for the three (3) years prior to the Commencement Date, then Landlord shall continue to purchase the Electrical Utilities at the discounted rate, but on not less than sixty (60) days' prior written notice to Tenant, and except as set forth in the last sentence of this paragraph, Tenant shall be required to reimburse Landlord for the cost of the discounted Electrical Utilities within thirty (30) days following Tenant's receipt of invoice from Landlord (including reasonable documentation evidencing such amounts). In either case (i.e. if Landlord so elects to terminate its obligation to pay Electrical Utilities or elects to require Tenant to reimburse Landlord for the Electrical Utilities due to the cost exceeding the 125% threshold), then the total monthly rental amount shall be decreased by an amount equal to the Landlord's average monthly cost for Electrical Utilities to the Leased Premises during the most recent prior twelve (12) month period during which the Landlord was able to purchase discounted Electrical Utilities. If there is a change of ten percent (10%) or more in the total square footage of the Combined Premises as the result of the addition or removal of Ancillary Premises during the term, such monthly average shall be equitably adjusted up or down, as reasonably determined by the parties, to reflect the actual total square footage of the Combined Premises as of the date Landlord stops paying for Electrical Utilities. Notwithstanding the foregoing, if Landlord terminates its obligation to pay Electrical Utilities pursuant to the terms of this Section during the first five (5) years of the Initial Term (for which the Prepaid Rent has already been received by Landlord), then Landlord shall pay such average monthly cost of Electrical Utilities to Tenant on a monthly basis on or before the 5th day of each month until the commencement of the sixth (6th) year of the Term (i.e. until such time as Tenant's Prepaid Rent is fully applied, and Tenant resumes payment of monthly rent).

(e) To the extent any amounts payable under this Section 3.5 remain outstanding at the expiration or earlier termination of this Agreement, the obligation to pay such amount(s) shall survive the termination of this Agreement, which surviving amounts shall be payable no later than thirty (30) days following receipt of invoice.

(f) Landlord and Tenant shall cooperate in good faith to qualify for, obtain, and/or utilize any subsidies, discounts or other cost-saving programs for utilities offered by third parties (including, without limitation, from government, quasi-government, or private sources or agencies) that may be available to either Landlord or Tenant, which cooperation may include vendor and/or contract changes; provided, however, that nothing in this Section 2.5(f) will require Tenant to incur any material out-of-pocket costs or expenses or agree to any of the above that do not meet Tenant's firewall or other data and patient records security requirements or would require capital expenditures/upgrades.

ARTICLE IV
USE, MAINTENANCE AND IMPROVEMENTS

4.1 Limitation on Use. The Leased Premises are leased to Tenant for the primary purpose of operating and maintaining the Leased Premises as a hospital facility and for providing a spectrum of health care services related thereto, including acute inpatient care, and for performing such ancillary services as are not inconsistent with such health care purposes, for the benefit of the communities served by the District and others, which ancillary uses may include, without limitation, coffee shops, convenience stores, gift shops and such other ancillary uses customary for hospitals. Tenant shall not use or permit the Leased Premises to be used for any other primary purpose inconsistent with such healthcare purposes without Landlord's prior written consent, which may be granted, conditioned, delayed, or withheld in Landlord's sole discretion.

4.2 Quiet Enjoyment. Landlord covenants and agrees that Tenant shall peacefully hold and enjoy the Leased Premises during the Term of this Agreement and during any extension or renewal, without interference or hindrance from Landlord or from any person or persons holding or claiming under Landlord in any manner whatsoever; provided, however, that nothing in this Section 4.2 constitutes a waiver of Landlord's rights under this Lease or any other agreement between Landlord and Tenant. Landlord shall not unreasonably exercise its power of eminent domain in any manner that would interfere with Tenant's operation of the Leased Premises as allowed under this Lease.

4.3 Maintenance of Premises. Tenant shall, at its cost and expense, maintain the Leased Premises in good condition and repair and in accordance with all applicable laws, rules, ordinances and regulations of governmental agencies. Tenant shall maintain and operate the Leased Premises, including all engines, boilers, pumps, machinery, apparatus, fixtures, fittings and equipment of any kind in, or that shall be placed in any building or structure now or hereafter at any time constituting part of, the Leased Premises, in good repair, working order and condition (reasonable wear and tear excepted and except as the same

becomes inadequate, obsolete, worn out, unsuitable, undesirable, unnecessary or as otherwise permitted under this Agreement), and shall from time to time make or cause to be made all replacements, repairs, remodeling and improvements legally required to operate the Leased Premises in compliance with this Lease.. Landlord shall not have any responsibility during the Term to maintain, repair, alter, improve or reconstruct the Leased Premises or any portion thereof, except as otherwise expressly set forth herein. If Tenant defaults in its obligation to make any repairs (after applicable notice and cure period), Landlord may, but need not, make the repairs and replacements, provided that Landlord shall provide Tenant with at least ten (10) business days advance written notice of Landlord's intent to make such repairs and replacements at Tenant's cost. Provided Landlord has delivered such advance required notice to Tenant, on receipt of an invoice from Landlord, Tenant shall pay to Landlord its reasonable, actual out-of-pocket costs incurred in connection with such repairs and replacements. Tenant expressly recognizes that, because of the length of the Term of this Lease, it may be necessary for Tenant to perform substantial maintenance and repair of the Leased Premises to ensure they are kept in the condition required by the Lease, and that Tenant complies with the terms of, this Lease. In this regard Tenant waives and releases (i) all defenses to its maintenance obligations under this Lease, (ii) the right to require Landlord to make repairs and (iii) its rights, including its right to make repairs at Landlord's expense, under California Civil Code Sections 1941-1942 or any similar law, statute, or ordinance now or hereafter in effect.

4.4 Alterations and FF&E.

(a) Alterations and FF&E During Term.

(i) Tenant may make any Alterations to the Combined Premises, and acquire FF&E for the Combined Premises, provided that they are consistent with the limitations on use contained in Section 4.1 (or the applicable lease with respect to Ancillary Premises) and further provided that Tenant shall obtain the prior written consent of Landlord (not to be unreasonably withheld, conditioned or delayed) for such Alterations and FF&E that, as of the then-current Expiration Date, would cause the cumulative net book value (i.e. unamortized cost) of all Tenant owned Alterations and FF&E, including all Ancillary Premises real property owned (rather than leased) by Tenant (if any), during the Term of this Lease, to exceed:

(a) End of year 10: Twelve Million Dollars ($12,000,000).

(b) End of year 15: Fourteen Million Five Hundred Thousand Dollars ($14,500,000).

(c) End of year 20: Seventeen Million Dollars ($17,000,000).

(d) End of year 25: Nineteen Million Five Hundred Thousand Dollars ($19,500,000).

(e) End of year 30: Twenty Two Million Dollars ($22,000,000).

Notwithstanding the above, it shall be unreasonable for Landlord to withhold, condition or delay consent to Alterations or FF&E that are legally required in connection with the operation of the Hospital or to otherwise comply with Tenant's obligations under this Lease or any other lease(s) for Ancillary Premises respecting such Ancillary Premises.

Trade Fixtures that are acquired by Tenant during the Term shall be the property of and owned by Tenant throughout the Term, and shall in no event be deemed Building Fixtures, even if affixed to the Leased Premises or Landlord Ancillary Premises. Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law or under the applicable lease to which Landlord might now or hereafter be entitled on any of Tenant's FF&E, including, without limitation, Tenant's Trade Fixtures.

(b) Alterations and FF&E Upon Lease Termination or Expiration.

(i) Upon the expiration or earlier termination of this Lease, Landlord shall purchase such Alterations and Tenant's FF&E, including, without limitation, Tenant's Trade Fixtures, in accordance with the terms of the Supplemental Property Agreement.

(ii) The terms of this Section (b) shall survive the expiration or termination of this Lease.

(c) Alterations to the Leased Premises shall be done in a good and workmanlike manner using new materials equivalent in quality to those used in the construction of the initial improvements to the Leased Premises. If such Alterations are structural in nature, require a building or construction permit and the contractual cost of such Alterations exceeds five million dollars ($5,000,000) (a "Material Alteration"), such Material Alterations shall be done under the supervision of a licensed contractor or structural engineer. Promptly following completion of any Material Alterations, Tenant shall deliver to Landlord a reproducible copy of the drawings of such Material Alterations as built. If this Lease terminates before completion of any Material Alteration by Tenant, upon Landlord's request Tenant shall assign its right under any construction, design or material supply contract required for completion of the Material Alteration to Landlord or its designee.

(d) Tenant shall promptly pay all charges and costs incurred in connection with any Alterations to the Leased Premises performed by or at the request of Tenant, as and when required by the terms of any agreements with contractors, designers, or suppliers to which Tenant is a party; provided, however, that Tenant may contest any such charges and costs in good faith as Tenant reasonably considers necessary. At least ten (10) business days before beginning construction of any Material Alteration to the Leased Premises, Tenant shall give Landlord written notice of the expected commencement date of that construction to permit Landlord to post and record a notice of non-responsibility.

(e) On completion of any specific Alteration to the Leased Premises, Tenant shall (i) cause a timely notice of completion to be recorded in the office of the recorder of Calaveras County, in accordance with California Code Sections 8182, 8184, 9204, and 9208 or any successor statute; and (ii) deliver to Landlord evidence of full payment and executed unconditional final waivers of all liens for labor, services, or materials, all in recordable form.

(f) Except as expressly approved by Landlord in writing, Tenant shall not be the cause or object of any liens or allow such liens to exist, attach to, be placed on, or encumber Tenant's interest in the Leased Premises, by operation of law or otherwise. Tenant shall not suffer or permit any lien of mechanics, material suppliers, or others to be placed against the Leased Premises with respect to work or services performed for Tenant or materials furnished to Tenant or the Leased Premises at the request of Tenant. Landlord has the right at all times to post and keep posted on the Leased Premises (in such areas reasonably acceptable to Tenant) any notice that it considers necessary for protection from such liens. If any such lien attaches or Tenant receives notice of any such lien, Tenant shall promptly provide Landlord with a copy of same and shall cause the lien to be released and removed of record within thirty (30) days after Tenant's receipt of written notice of such lien or bonded over as provided in subsection (g) below. Despite any other provision of this Lease, if the lien is not released and removed within such period or otherwise bonded over as provided in subsection (g) below, Landlord may, upon at least ten (10) business days prior written notice to Tenant of its intention to do so, thereafter take all action reasonably necessary to release and remove the lien, without any duty to investigate the validity of it, unless Tenant has commenced legal action to contest, dispute, or defend the claims of the lienholders and the validity of the liens and continues to diligently prosecute such action to a successful judgment releasing the lienholder's lien against the Leased Premises. All reasonable, actual, out-of-pocket expenses (including reasonable attorney fees) incurred by Landlord in connection with the lien shall be considered additional Rent under this Lease and be due and payable by Tenant to Landlord no later than thirty (30) days following Tenant's receipt of an invoice from Landlord, which invoice shall include reasonable documentary evidence of Landlord's incurring such expenses.

(g) Notwithstanding subsection (f) above, Tenant may in good faith and at Tenant's own expense contest the amount and/or validity, in whole or in part of any such lien, provided Tenant has furnished a bond meeting the requirements of California Civil Code Section 8424 (or any successor statute hereafter enacted). If Tenant: (i) is in default of its foregoing obligation to bond such lien, or (ii) a final judgment has been rendered against Tenant by a court of competent jurisdiction for the foreclosure of such mechanic's, materialman's, contractor's or subcontractor's lien claim and Tenant fails to stay the execution of the judgment by lawful means or to pay the judgment; then Landlord shall have the right, but not the duty, to pay or otherwise discharge, stay, or prevent the execution of any such judgment or lien or both; provided, however, that with respect to subsection (i), Landlord shall have first provided at least seven (7) business days prior written notice to Tenant of Landlord's intention to do so. Without limitation of Tenant's indemnification obligation set forth in ARTICLE XVI (as applicable), Tenant shall reimburse Landlord for reasonable, actual, out-of-pocket sums paid by Landlord as permitted under this Section 4.4(g), together with all of Landlord's reasonable, actual, out-of-pocket attorneys' fees and costs.

(h) Landlord agrees to assist Tenant in the procurement of any licenses, permits, "sign-offs," approvals or certificates that may be required by any governmental or quasi-governmental agency or authority with respect to Tenant's Alterations in and to the Leased Premises permitted under this Lease, or with respect to the obtaining of any services, utilities or facilities from the public utility corporation(s) supplying the same to the Leased Premises, and Landlord agrees to execute any documents that are required by any such governmental or quasi-governmental agency or authority in connection therewith.

4.5 Financing by Tenant. Tenant may lease from or finance with one or more third parties ("Tenant's Creditor") all or a portion of the Tenant FF&E, as well as Alterations made by Tenant during the Term as contemplated by Section 4.4 above. Landlord will duly execute and properly deliver any reasonable waivers, acknowledgments, or consents that may reasonably be required by any proposed Tenant's Creditor in connection with the leasing or financing of such Tenant FF&E and/or Alterations, which may include the following provisions:

(a) The agreement of Landlord that, as between Landlord and Tenant's Creditor, unless Landlord or a new operator of the Leased Premises agrees to assume Tenant's obligations under the financing of such Tenant FF&E and/or Alterations in accordance with the Supplemental Property Agreement, Tenant's Creditor will have the right to remove any or all of the Tenant FF&E at any time or times before the thirtieth (30th) day following the expiration of the Term or earlier termination of this Lease; and

(b) Such other terms and provisions as Tenant's Creditor may reasonably require. Any mortgage or deed of trust placed on Landlord's interest in this Lease must require the mortgagee thereunder, on Tenant's request, duly to execute and promptly deliver waivers, acknowledgments, and consents in accordance with the terms contained in this Section 4.5 as may be reasonably required by any proposed Tenant's Creditor in order (i) to acknowledge that any claims that Tenant's Creditor may have against or with respect to the Tenant FF&E are superior to any lien or claim of such mortgagee with respect thereto; (ii) that Tenant's trade fixtures will remain personal property, despite the manner or mode of attachment to the Premises; and (iii) that Tenant FF&E may (as between such mortgagee and Tenant's Creditor) be removed from the Premises by Tenant's Creditor at any time or times before the thirtieth (30th) day following the expiration of the Term or earlier termination of this Lease.

4.6 Re-Branding; Signage. Provided that (i) the phrase "Mark Twain" remains in the name, and (ii) the re-branding is consistent with the overall branding of the healthcare system of which Tenant is a part, Tenant shall have the absolute right to re-brand the Hospital and/or the Leased Premises at any time during the Term, including without limitation, any re-branding that may occur as a result of the CHI Transaction. Tenant shall have the absolute right to install the maximum size and number of signs at the Leased Premises as are lawfully permitted by the City, County and State so long as Tenant obtains all permits and approvals from the City, County and/or State, to the extent required by law. Any re-branding, and/or rebranding on signage of the Leased Premises that does not satisfy the conditions in subsections (i) and (ii) of the first sentence of this

paragraph shall require the prior written consent of the Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE V
COVENANTS OF TENANT

5.1 License. Tenant shall continuously maintain a valid license issued by the Department of Public Health of the State of California for the operation of the Leased Premises as a general acute care hospital, except to the extent prevented from doing so as a result of Force Majeure Events. Upon the occurrence of a Force Majeure Event, the time provided for a party to perform such obligations shall be extended by a period of time equal to the duration of such events; provided that each party shall use commercially reasonable and diligent efforts to perform its obligations in spite of the Force Majeure Event and/or to mitigate the effect thereof. Tenant also shall maintain any other licenses, permits and governmental approvals necessary for Tenant to operate the Leased Premises as an acute care facility with a 24 hour emergency room. Suspension of the hospital license for purposes of repair and/or maintenance of the Leased Premises shall not, in and of itself, be deemed a failure by Tenant to continuously maintain the hospital license or a default by Tenant under this Lease; provided, however, the foregoing shall not be deemed a waiver of any underlying default by Tenant of its repair and maintenance obligations under the Lease, if any.

5.2 Acute Care Beds. During the first five (5) years of the Initial Term, Tenant must obtain Landlord's written approval prior to (a) reducing the number of licensed acute care beds below twenty-five (25), (b) eliminating a service listed on the Hospital's license as of the Commencement Date, and/or (c) voluntarily eliminating the provision of telemedicine services. Notwithstanding the above, Tenant and Landlord acknowledge and agree that Tenant's maintenance of 24x7 telemedicine services can, from time-to-time, be beyond Tenant's reasonable control because of physician contracts, available physician coverage, technology and other changes which may impact the ability of Tenant to reasonably provide such services, and Tenant shall have no liability under this Lease if Tenant, despite its good faith, reasonable efforts, is not able to continuously provide such telemedicine services. The restrictions in this Section 5.2 shall be of no further force or effect after the first five (5) years of the Initial Term.

5.3 Accreditation. Tenant shall maintain any accreditation that reasonably may be necessary for it to continue to operate the Leased Premises as an acute care facility, including a 24/7 emergency room.

5.4 Compliance with Laws, Covenants, Conditions and Restrictions.

(a) Tenant shall operate and maintain the Leased Premises in compliance in all material respects with all laws, ordinances and other governmental regulations now in force, or as may hereafter be enacted including, without limitation, such zoning, sanitary, pollution and safety

ordinances, laws, rules and regulations as may be binding upon the Tenant or its operation of the Leased Premises.

(b) Tenant further agrees to use the Leased Premises in compliance in all material respects with all applicable covenants, conditions and restrictions. Tenant, at its sole cost and expense, shall have the right to contest the applicability, validity, interpretation, construction or noncompliance of or with any law, ordinance, regulation, covenant, condition and restriction now or hereafter in force that relates to Tenant or to the Leased Premises. In such event, Tenant shall diligently and expeditiously prosecute the appropriate proceeding, contest, or appeal and Tenant's noncompliance shall not be deemed a default under this Agreement, provided that Tenant concurrently delivers to Landlord reasonable security for its obligation to indemnify Landlord, to the fullest extent allowable under the law, from any and all third-party Claims that Landlord may incur, or be subject, to the extent caused by reason of Tenant's noncompliance (except to the extent caused by Landlord's negligence, willful misconduct or breach of this Lease), and provided that within a reasonable time after final determination of the proceeding, contest, or appeal, but in any event no later than required by the final non-appealable determination of the proceeding, contest, or appeal, Tenant complies with the final resulting determination. Landlord shall not be required to join in any proceeding or contest brought by Tenant unless the provisions of any law require that the proceeding, contest or appeal be brought by or in the name of Landlord or of any owner of the Leased Premises. In that case, Landlord shall join in the proceeding, contest or appeal, or permit the same to be brought in Landlord's name; provided that Landlord's joinder and cooperation hereunder shall be at no direct, out-of-pocket cost to Landlord and that Tenant reimburses Landlord for any reasonable, actual, out-of-pocket costs, expenses, fees or other charges or assessments Landlord incurs with respect to same, which payment shall be do no later than thirty (30) days following Tenant's receipt of invoice from Landlord, which invoice shall include reasonable documentation evidencing such amounts paid by Landlord.

5.5 Rent and Other Payments. Tenant shall make payments to the Landlord as set forth in ARTICLE III of this Agreement.

5.6 Waste. Tenant shall neither commit nor allow any waste to be committed upon the Leased Premises.

5.7 No Assignment or Sublease. Landlord has entered into this Lease with Tenant in light of the particular character of Tenant. Except as otherwise permitted under this Lease, and except for any transfer in connection with the CHI Transaction described below, Tenant shall not assign this Lease or sublease the Leased Premises, or dissolve, merge into or consolidate with any third party, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

Notwithstanding the foregoing, Tenant may sublease individual offices or medical suites in the Ancillary Premises to medical or healthcare providers, without Landlord's consent; provided that all such subleases shall be in compliance in all material respects with applicable laws and regulations.

Additionally, notwithstanding the foregoing, Tenant shall have the right, without first obtaining the consent of Landlord, to assign this Lease or sublease the Leased Premises and/or the Ancillary Premises or otherwise share or transfer use or occupancy thereof to (a) its affiliates; (b) any entity acquiring substantially all of the rights or a substantial portion of the business or assets of Tenant; or (c) any entity which controls, is controlled by, or is under common control with Tenant. Notwithstanding the foregoing, Tenant may not assign this Lease or sublease the Leased Premises to any Tenant affiliate or other entity that is subject to more restrictions on services than Tenant's Statement of Common Values in effect as of the date of such assignment or subleasing, without first obtaining the consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. As used here, "control" means (i) the ownership or control of fifty percent (50%) or more of the voting rights of the entity in question, (ii) the power to appoint or approve and remove fifty percent (50%) or more of the members of the entity in question's governing body (i.e. board of directors or other similar governing body), or (iii) the power to otherwise direct the affairs of the entity in question. Any such affiliates or entities shall have the same rights as Tenant under this Paragraph. No change of membership, partnership interests, or other change of control of Tenant shall constitute an assignment hereunder, nor require the consent of Landlord.

Notwithstanding anything to the contrary herein, Landlord acknowledges that it is aware of the proposed merger between Dignity Health and Catholic Health Initiatives (the "CHI Transaction") and that the CHI Transaction is expressly permitted and will not be deemed a prohibited assignment, sublease or other transfer under this Section 5.7 of the Lease.

Furthermore, notwithstanding anything to the contrary herein, Landlord acknowledges and agrees that Tenant's entering into a management agreement for the day-to-day operations of the Hospital is not deemed an assignment, sublease or other transfer under this Section 5.7.

5.8 Medicare and Medi-Cal. Tenant shall maintain its certification for participation in the Medicare and Medi-Cal programs, if and to the extent such programs continue in existence for the duration of the Term.

5.9 No Discrimination. Tenant shall not restrict or discriminate in the treatment of patients on, or the admissions of patients to, the Leased Premises, on the basis of race, religion, gender, age, color, national origin, sexual orientation or other legally protected status.

5.10 Health and Safety Code Requirements. Tenant shall conform to and abide by each and all of the provisions of Section 32128 of the Health and Safety Code of the State of California including, without limitation, the provisions regarding the self-governance of the medical staff with respect to professional work performed in the Hospital.

5.11 Operating Requirements. Tenant shall use its commercially reasonable efforts to accomplish the follow operating objectives:

(a) Utilize and enhance local provider resources who meet Tenant's quality, credentialing, compliance and availability standards, including willingness to see patients served by the Tenant's mission and payer contract obligations to the fullest extent reasonably practicable

in developing Tenant's health care delivery system and operating the Leased Premises, provided, however, that Tenant may augment and supplement such local resources with resources from affiliates of Tenant, including, without limitation, Dignity Health, when such resources are not readily available locally or when Tenant determines that such resources should be augmented or supplemented by other resources.

5.12 Additional Tenant Services. Tenant shall provide the following facilities and services to Landlord:

(a) Tenant shall provide Landlord with non-exclusive use of furnished administrative office space, including all utilities, consisting of approximately Five hundred twenty (520) square feet, in the location utilized by Landlord as of the Commencement Date under the prior Lease or such other comparable location (subject to the conditions below) determined by Tenant (the "Administrative Space" and together with the meeting space described in subsection (b) below, the "Licensed Space"). Landlord's use of the Administrative Space shall be solely for administrative office use for Landlord administrative purposes, and otherwise be in compliance with rules and regulations reasonably promulgated by Tenant from time to time respecting Landlord's use of such Administrative Space. Tenant may relocate the Administrative Space from time-to-time in Tenant's sole discretion, provided that such relocation shall be to a similarly sized and usable space with similar services and facilities as the Licensed Space designated on the Commencement Date, is located within or near the Leased Premises, and is otherwise appropriate for Landlord's use as set forth above.

(b) In addition to the Administrative Space, Tenant shall provide Landlord with periodic, non-exclusive use of the same meeting space provided to Landlord under the Prior Lease, or such other comparable location (subject to the conditions below) determined by Tenant (including furnishings and audio visual equipment, technical support for computer or audio visual equipment, seating and room set up and breakdown) solely for the public meetings of Landlord's Board of Directors at no cost to Landlord. Tenant may relocate the meeting space from time-to-time in Tenant's sole discretion, provided such meeting space shall be located at the Hospital or any building adjacent to the Hospital and provided such space is capable of seating not less than fifty (50) persons, and is otherwise comparable to the meeting space used as of the Commencement Date. The space shall comply with any requirements of the Ralph M. Brown Act (Government Code Sections 5490 et seq.) or its successor statute for use as a public agency meeting location (the "Brown Act requirements"). Landlord shall each year provide to Tenant a schedule of its regular Board meetings for the coming year, and shall advise Tenant as far in advance as practical in the event that special Board meetings are scheduled. Any changes to the meeting space required as a consequence of changes to the Brown Act requirements shall be at the expense of Landlord. Landlord's use of the meeting space shall be in compliance with rules and regulations reasonably promulgated by Tenant from time to time respecting Landlord's use of such meeting space; provided that such rules and regulations do not materially and unreasonably interfere with Landlord's use of the space as set forth in this paragraph.

(c) Tenant shall permit Landlord to post agendas and public notices relating to the public meetings of Landlord, and such other notices as reasonably requested by Landlord in order to meet Brown Act requirements, on publicly accessible bulletin boards (including any electronic marquee message boards) at the Hospital that are designated for such use by Tenant.

Tenant shall include meeting notices relating to Landlord's public meetings on any outdoor reader board or message signs at the Hospital. Subject to Tenant's approval, such approval not to be unreasonably withheld, Tenant shall also include hospital, healthcare or medical related public service announcements on such signs at Landlord's request.

(d) The Parties shall reasonably cooperate with one another, on a timely basis following the other Party's request, to share reasonably requested non-propriety information if and when such information sharing is to the mutual benefit of both Parties or required to be filed in connection with the operation of the Hospital; provided however, that the foregoing shall not limit a Party's obligation to provide information expressly required under any other provisions of this Lease.

(e) When requested by Landlord, Tenant shall assist Landlord in the preparation of governmental reports required to be filed in connection with the operation of the Hospital.

(f) Landlord acknowledges and agrees that its right to use the Licensed Space is in the nature of a non-exclusive license. No legal title or leasehold interest or possessory interest in the Licensed Space is hereby created or vested in Landlord as a result of this Section 5.11, nor does this Section 5.11 provide Landlord with any estate, right, title or other property rights or interest in the Licensed Space other than Landlord's fee title to the Leased Premises. The rights conferred upon Landlord pursuant to this Section 5.11 are personal to Landlord and may not be assigned or transferred by Landlord. Landlord shall use the Licensed Space with reasonable care and conduct, and keep the space clean and orderly during and immediately after its use. Landlord shall not use or permit the use of the Licensed Space in any manner that will create waste or a statutory nuisance.

(g) In connection with Landlord's use of the Licensed Space, Landlord shall cooperate with Tenant's implementation of policies adopted by Tenant from time to time to ensure compliance with Patient Privacy Laws (as defined in ARTICLE VII below) and Landlord shall take all prudent action to prevent Landlord (and its employees, agents and invitees) from accessing or disclosing PHI (as defined in ARTICLE VII below).

(h) Landlord shall indemnify Tenant in connection with Landlord's use of the Licensed Space, as more specifically set forth in ARTICLE XVI below.

(i) Throughout the Term of this Lease, in connection with Landlord's use of the Licensed Space, Landlord covenants and agrees that it will carry, maintain and provide Tenant with evidence of comprehensive general liability insurance with coverage limits of not less than a combined single limit for bodily injury, personal injury, death, and property damage liability of $1,000,000 per occurrence and a general aggregate limit of not less than $2,000,000, insuring against any and all liability arising out the exercise of any rights of Landlord under this Lease to use the Licensed Space. The insurance required of Landlord in this Section 5.12 shall name Tenant as an additional insured and be endorsed to read that such policy is a primary policy with respect to claims arising out of Landlord's use of the Licensed Space and any insurance carried by Tenant will be noncontributing with such policies.

5.13 Debt. Tenant shall not incur any debt which would cause Tenant's debt-to-capital ratio to exceed seventy five percent (75%), without first obtaining Landlord's prior consent for such debt, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord's failure to respond within sixty (60) days of Landlord's receipt of Tenant's written request for approval or consent to such debt shall be deemed Landlord's approval of such request. Landlord's approval or deemed approval of any such request shall not constitute Landlord's approval of any additional Tenant debt that requires Landlord's approval hereunder, such that Tenant must submit additional requests for approval for any other debt that which would cause Tenant's debt-to-capital ratio to exceed seventy five percent (75%) or that is incurred while Tenant's debt-to-capital ratio exceeds that threshold.

5.14 Trade Name. Landlord hereby approves of Tenant's use of the phrase "Mark Twain" in its trade name throughout the Term of the Lease; provided, however, that Tenant's use of the phrase "Mark Twain" in its trade name shall be limited to healthcare related operations owned and operated by Tenant or acting in support of Tenant (e.g. MTHC Foundation). Tenant shall have exclusive use of the "Mark Twain" name for its Hospital and other healthcare services throughout the Term of the Lease, and Landlord shall not use or permit the use of such phrase in any other trade name, except for (a) the Valley Springs Health and Wellness Center, or (b) in connection with any of the other Landlord provided Allowable Health Care Program(s) set forth in Section 11.2 provided that Tenant was first provided the right to participate in such other Health Care Program(s) pursuant to the right of first refusal set forth in ARTICLE XI below.

5.15 Reports. Tenant shall provide Landlord annual written reports with respect to Tenant's legal compliance with its operating covenants under this Lease (including, without limitation, Title 22, JCAHO and other regulatory compliance) in the form attached hereto as Exhibit D, and at such other times reasonably requested by Landlord (but not more than quarterly), as well as annual presentations to Landlord's Board of Directors, with respect to Tenant's legal compliance with its operating covenants under this Lease.

5.16 Use of Hazardous Material. Without limiting Tenant's general compliance obligations as set forth above, Tenant shall not, without Landlord's consent, cause or permit any Hazardous Material, as defined in Exhibit B, to be generated, brought onto, used, stored, or disposed of on, under or about the Leased Premises by Tenant or its agents, employees, contractors, sublessees or invitees, except for (a) medical waste, (b) ordinary office supplies and cleaning products, (c) fuel and other materials reasonably necessary to operate and maintain the FF&E permitted under this Lease, and (d) and other substances and materials used as part of Tenant's business operations conducted in the ordinary course (collectively, "Permitted Substances"); provided that such Permitted Substances are used and disposed of in material compliance with all Environmental Laws (as defined in Exhibit B), prudent industry practice and the

requirements of this Lease. Without limitation on the foregoing, Landlord expressly approves Tenant's use of a generator at the Leased Premises, and fuel for such generator, provided such use is in material compliance with all Environmental Law. Except with respect to approving Tenant's use as set forth above, and except for ordinary office supplies and cleaning products in connection with Landlord's use of the Licensed Space (provided such office supplies and cleaning products are used and disposed of in material compliance with all Environmental Laws, prudent industry practice and the requirements of this Lease), Landlord shall not cause or permit, directly or indirectly, any Hazardous Materials to be generated, brought onto, used, stored, or disposed of on, under or about the Leased Premises.

(a) Notice of Release or Investigation. Each party represents and warrants to the other that, to such party's actual knowledge, as of the Commencement Date, there has been no release on, under or about the Leased Premises of any Hazardous Material in violation of any Environmental Law, and neither party has received any notice that the Leased Premises is in violation of any Environmental Law. If, during the Term (including any extensions), either Tenant or Landlord receives any notice concerning or otherwise becomes aware of (a) any actual or threatened release of any Hazardous Material on, under, or about the Leased Premises that has not been promptly cleaned up, (b) any inquiry, investigation, proceeding, or claim by any government agency or other person regarding the presence of Hazardous Material on, under, or about the Leased Premises, or (c) any material violation of any Environmental Law, such party shall give written notice of the release or investigation to the other party within ten (10) business days after learning of it and shall simultaneously furnish to the other copies of any claims, notices of violation, reports, or other writings received that concern the release or investigation.

(b) Indemnification. Each party shall indemnify the other in connection with Hazardous Materials if and to the extent required pursuant to the terms of ARTICLE XVI below.

(c) Remediation Obligations. If the presence of any Hazardous Material brought onto the Leased Premises at any time (including, without limitation, during the term of the Prior Lease) by either Landlord or Tenant or by Landlord's or Tenant's employees, agents, contractors, or invitees results in contamination of the Leased Premises or poses a realistic threat of liability, that party shall promptly take all necessary actions, at that party's sole expense, to return the Leased Premises to the condition that existed before the introduction of such Hazardous Material. The remediating party shall first obtain the other party's approval of the proposed removal or remedial action, which approval shall not be unreasonably withheld, conditioned or delayed. This provision does not limit either party's respective indemnification obligations set forth in Section 5.16(b). In addition to obtaining Tenant's consent to any such remediation work performed by Landlord, Landlord shall provide at least ten (10) business days advance written notice of such remediation work and shall coordinate such work with Tenant so as to minimize disruption to operation of the Hospital and patient access to the Hospital.

If Landlord undertakes any cleanup, detoxification, or similar action, whether or not required by any government or quasi-government agency, as a result of the presence, release, or disposal in or about the Leased Premises of any Hazardous Material, and that action requires that Tenant be denied access to the Leased Premises or is otherwise unable to conduct its business on the

Leased Premises for a period of greater than twenty four (24) hours, the Rent payable under ARTICLE III shall be abated for the period that Tenant is unable to conduct its business on the Leased Premises, except that Rent shall not abate to the extent Landlord's actions are taken to cure a Tenant default respecting Hazardous Materials not cured by Tenant within the applicable notice and cure period. The costs of any Hazardous Material cleanup or remediation undertaken by Landlord during the Lease Term shall be borne exclusively by Landlord, except to the extent such cleanup or remediation is undertaken to cure a Tenant default respecting Hazardous Materials not cured by Tenant within the applicable notice and cure period.

Despite any provision of this Lease to the contrary, Tenant's obligations under this Section 5.16 will apply only in connection with, and to the extent of, Hazardous Materials brought onto the Leased Premises by Tenant and/or Tenant's employees, agents, invitees, or contractors during the Term of this Lease or the term of the Prior Lease. In no event shall Tenant be obligated to remediate Hazardous Materials existing on or prior to the commencement date of the Prior Lease, or to indemnify Landlord in connection with any such pre-existing Hazardous Materials.

ARTICLE VI
INSURANCE

6.1 Insurance to be Procured by Tenant.

(a) Tenant covenants and agrees that, subject to subsection (b) of this section, it will keep the Leased Premises adequately insured at all times and carry and maintain such insurance in amounts which are customarily carried and against such risks as are customarily insured against in connection with the ownership and operation of facilities of similar character and size in the State of California. Nothing contained in this ARTICLE VI shall be construed as limiting Tenant's responsibility for payment of damages hereunder. Tenant further covenants and agrees that, except as otherwise permitted by subsection (b) of this section, it will carry and maintain, or cause to be carried and maintained, and will pay or cause to be paid in timely fashion the premiums for, at least the following insurance with respect to, the Leased Premises (except to the extent Alternative Insurance Coverage is provided pursuant to subsection (b) in lieu of the following):

(i) Insurance against loss or damage by fire, lightning, vandalism, malicious mischief and all other risks reasonably and customarily covered by the extended coverage insurance endorsement then in use in the State of California covering the Leased Premises, including Alterations to the Leased Premises, in an amount equal to the "full replacement value" of the Leased Premises. As used in this Agreement, the term "full replacement value" is the cost of repairing or replacing, whichever is less, all improvements included in the Leased Premises with improvements of substantially identical kind, quality and capacity without deduction for depreciation. The cost of repair or replacement shall also include demolition and any increased cost of construction occasioned by the enforcement of any state or municipal law or ordinance regulating the construction or repair of buildings or the demolition of any portion of a building which has not suffered damage. During the construction of any substantial addition, extension, alteration or improvement to the Leased Premises performed by Tenant, Tenant shall maintain or cause to be maintained builder's risk insurance in the amount of the full completed value of such construction work, covering loss by fire, lightning and removal from the Leased

Premises endangered by fire and lightning, and all other risks covered by the extended coverage endorsement then in use in the State of California.

(ii) Boiler insurance providing coverage of pressure vessels, auxiliary piping, pumps and compressors, refrigeration systems, transformers and miscellaneous electrical apparatus in the Leased Premises which present significant potential for loss, in an amount not less than the replacement cost of such equipment.

(iii) Comprehensive commercial general liability in reasonable and customary amounts not less than amounts carried for comparable hospitals in California. This comprehensive general liability insurance shall cover death, injury, damage to property, and personal and advertising injury, arising out of or relating to Tenant's business operations, conduct, assumed liabilities, and use and occupancy of the Leased Premises. Such policy shall also insure Tenant's indemnity obligations under this Lease to the maximum extent possible under the policy. Tenant's liability coverage shall include all the coverages typically provided by the Broad Form Comprehensive General Liability Endorsement, including broad form property damage coverage (which shall include coverage for completed operations). Tenant's liability coverage shall further include premises-operations coverage, products-completed operations coverage, owners and contractors protective coverage (when reasonably required by Landlord), and the broadest available form of contractual liability coverage. It is the parties' intent that Tenant's contractual liability coverage provide coverage to the maximum extent possible of Tenant's indemnification obligations under this Lease.

(iv) Professional liability and malpractice insurance, in reasonable and customary amounts for comparable hospitals in California.

(v) Automobile liability insurance in in reasonable and customary amounts for comparable hospitals in California, for death and injury and/or property damage arising out of any one accident.

(vi) Business interruption insurance covering actual losses in Tenant's gross operating earnings that result directly from necessary interruption of business caused by damage to or destruction of any real or personal property constituting part of the Leased Premises from the risks mentioned in the first sentence of paragraph (i), less charges and expenses which do not necessarily continue during such interruption of business, for such period of time as may be required, with the exercise of due diligence and dispatch, to reconstruct, repair or replace such damaged or destroyed property.

(vii) Workers' compensation insurance as required by the Worker's Disability Compensation Act of the State of California or any successor statute or statutes provided that Tenant shall be permitted to enter into reasonable plans of self-insurance.

(viii) Insurance against sudden and accidental environmental hazards on the Leased Premises.

The insurance described in this Section 6.1 shall be subject to deductibles and self-insured retentions that in aggregate do not exceeding amounts customarily provided for in insurance policies covering health care institutions of similar size, structure and replacement value located

in the State of California. In the event of any dispute regarding the amount or scope of insurance required under this Section 6.1, either party may submit the dispute to arbitration in the manner provided in this Agreement.

(b) Tenant shall undertake a review of its insurance requirements from time to time in a manner and at intervals consistent with Dignity Health's (or its successor's) insurance reviews and coverages for its wholly owned facilities (each, an "Insurance Review"). Tenant shall, except as otherwise provided in the following sentence, increase its coverage, as applicable, in accordance with the results of such Insurance Reviews, taking into consideration whether such changes are economically feasible. Once every three (3) years during the Term and any renewal Term, Landlord shall have the right to engage an insurance consultant to review the insurance coverages maintained by Tenant. If, in the reasonable opinion of that consultant, any aspect of Tenant's general liability, property, or other insurance program is inadequate to protect the interests of Landlord or Landlord's lenders, taking into consideration whether such changes are economically feasible, Tenant shall, at Tenant's sole expense, comply promptly with the consultant's recommendations which are economically feasible, but without limiting Tenant's rights of self-retention. Notwithstanding anything in this Section 6.1 to the contrary, Tenant shall have the right, without the giving rise to an Event of Default solely on such account, but only after the approval of Landlord, which Landlord shall not unreasonably withhold, condition or delay, and provided further that none of the following is likely to result in a shortage of insurance proceeds to re-build or replace any portion of the Leased Premises (including Alterations) damaged or destroyed, (1) to maintain insurance coverage below or deductibles above that required by subparagraph (a) of this paragraph ("Alternative Coverage and Deductible Amounts"), if Tenant certifies to Landlord that the Alternative Coverage and Deductible Amounts so provided accords reasonably adequate coverage available for the risk being insured against at rates which are reasonable in connection with reasonable and appropriate risk management, and/or (2) to adopt alternative risk management programs, in lieu of the policies described in Section 6.1(a) ("Alternative Risk Management Programs" and, together with the Alternative Coverage and Deductible Amounts, referred to herein as the "Alternative Insurance Coverage"), which Tenant's Board determines to be reasonable and which shall not have a material adverse impact on reimbursement from third-party payors, including, without limitation, to self-insure in whole or in part, to participate in programs of captive insurance companies, to participate with other health care institutions in mutual or other cooperative insurance or other risk management programs, to participate in state or federal insurance programs, to take advantage of state or federal laws now or hereafter in existence limiting medical and malpractice liability, or to establish or participate in other alternative risk management programs; provided, however, that for any such Alternative Insurance Coverage, such Alternative Insurance Coverage generally fulfills all of the other requirements for the insurance coverages set forth in this Lease and submits to Landlord reasonably satisfactory evidence of funding and the financial integrity of such program and appropriate umbrella or excess insurance from a third-party insurer reasonably acceptable to Landlord. If Tenant elects to provide any insurance coverage via any such Alternative Insurance Coverage, then with respect to any claims which may result from incidents occurring during the term of this Lease, such insurance program obligation shall survive the expiration or earlier termination of this Lease to the same extent as the insurance required under this Lease would survive.

Landlord acknowledges and agrees that the Alternative Insurance Coverage described in Schedule 6.1(b) is approved Alternative Insurance Coverage as of the Commencement Date.

(c) As evidence of specified insurance coverage, Tenant shall deliver to Landlord prior to the Commencement Date certificates issued by Tenant's insurance carrier(s) in form reasonably acceptable to Landlord and executed by an authorized agent of the carriers showing such policies in force for the specified period and evidencing compliance with these insurance requirements. Landlord has the right to review certified policies as reasonably necessary. Evidence of any renewal insurance shall be delivered to Landlord not less than ten (10) business days prior to the expiration date on the term of the policy. Each policy and certificate shall be subject to reasonable approval by Landlord.

(d) If Tenant fails to obtain and deliver to Landlord evidence of the insurance required to be maintained by Tenant under this Lease or, once acquired, should any policy expire or be cancelled before the expiration of this Lease or such later period as Lessee is required to carry such insurance as set forth herein, and Tenant fails immediately to procure other insurance as specified, Landlord shall have the right, but no obligation, upon at least ten (10) business days advance written notice to Tenant, to procure such insurance or any portion thereof and to charge Tenant one hundred and three percent (103%) of the cost to Landlord of procuring such insurance and such amount shall be due and payable to Landlord within thirty (30) days of Tenant's receipt of written invoice from Landlord, which invoice shall include reasonable documentation evidencing such expense incurred by Landlord.

6.2 Disposition of Insurance Proceeds.

(a) During the Term, Tenant shall use the proceeds of the insurance maintained under Section 6.1 with respect to the Leased Premises for the repair or replacement of the Leased Premises unless Tenant elects to terminate the Lease as provided below. Landlord shall sign all documents which are necessary or appropriate in connection with the settlement of any claim or loss by Tenant.

(b) In the event Tenant, elects not to repair or replace the property damaged, destroyed or taken, as provided in subparagraph (a) of this paragraph, the insurance proceeds on account of such damage or destruction shall be distributed as provided in ARTICLE VIII below.

(c) Notwithstanding anything to the contrary in this Agreement, Landlord shall have no interest in any insurance proceeds Tenant receives for the Tenant owned FF&E or Alterations, unless the Lease terminates and Landlord "purchases" the Tenant FF&E and Alterations covered by such insurance proceeds from Tenant pursuant to Section 4.4(b) above.

6.3 Insurers; Policy Forms and Loss Payees. Each insurance policy required by Section 6.1(a) shall be carried by insurance companies authorized to do business in the State of California (as to primary insurers, not re-insurers) which are financially responsible and capable of fulfilling the requirements of such policies. All such casualty coverage policies (except professional liability and worker's compensation) shall name the Landlord as an additional insured or loss payees as their interests may appear (excluding insurance respecting Tenant

FF&E and Alterations, the proceeds of which shall be paid in their entirety to Tenant unless the Lease terminates and Landlord "purchases" the Tenant FF&E and Alterations covered by such insurance proceeds from Tenant pursuant to Section 4.4(b) of the Lease). Each policy shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved and shall contain a provision to the effect that the insurer shall not cancel or substantially modify the policy provisions without first giving at least thirty (30) days written notice to Tenant and Landlord (or ten (10) days in the event of nonpayment of premium). In lieu of separate policies, Tenant may maintain blanket policies which cover any one or more risks required to be insured against so long as the minimum coverages required are met. Tenant shall file at least annually with Landlord, a Certificate setting forth the policies of insurance maintained, the names of the insurers and insured parties, the amounts of such insurance and applicable deductibles, the risks covered, the expiration dates and a description of any Alternative Insurance Coverage programs adopted pursuant to Section 6.1(b).

ARTICLE VII
ACCEPTANCE AND SURRENDER OF LEASED PREMISES; LIMITED ACCESS; POST-TERMINATION TRANSITION AND HOLDOVER

7.1 Acceptance and Surrender; Limited Access. Tenant acknowledges that it has occupied and used the Leased Premises for over twenty eight (28) years, and Tenant is leasing the Leased Premises "AS-IS" in its present condition. Except as otherwise expressly set forth herein, Landlord makes no warranty or representation, express or implied, with respect to the Leased Premises or any part or portion thereof, either as to its fitness for use, design or condition for any particular use or purpose or otherwise, or as to the nature or quality of the material or workmanship therein. On the last day of the Term, or upon the sooner termination of this Agreement, and subject to Section 4.4 above and Section 7.2 below, Tenant shall surrender the Leased Premises to Landlord in the same condition as when received (but subject to Alterations made in accordance with Section 4.4 or otherwise permitted under this Lease), normal wear and tear and, subject to the provisions of this Lease regarding same, damage due to casualty or condemnation excepted. Subject to the terms and conditions of the following sentence, during the period between the earlier to occur of either (i) Tenant's delivery of an Early Termination Notice, or (ii) either party exercising its right to terminate the Lease pursuant to ARTICLE X following a default (not cured within the applicable notice and cure period), and continuing until the date of termination of this Agreement, Tenant shall afford Landlord and its agents reasonable access to the Leased Premises for purpose of showing them to prospective lessees or purchasers, and afford Landlord and its agents reasonable inspection rights to Tenant's books and records solely to the extent related to the Leased Premises and the operation of the Hospital, as more specifically set forth in Exhibit C. Any access and inspection pursuant to the prior sentence shall be subject to the terms of Section 17.11 below, including adherence to applicable Patient Privacy Laws as defined in Section 17.11, as well as the applicable parties entering into

confidentiality agreements in form and substance reasonably satisfactory to Tenant, and if required by Patient Privacy Laws, entering into business associate agreements and/or other agreements in form and substance reasonably satisfactory to Tenant required in connection with Patient Privacy Laws, and taking such other measures reasonably required by Tenant for purposes of confidentiality.

7.2 Post-Termination Transition. Tenant shall reasonably cooperate with Landlord, at no net cost or expense to Tenant (but without limitation on any remedies otherwise available to Landlord if such termination is pursuant to ARTICLE X following an uncured Tenant default), in transitioning the Hospital operations over to Landlord (or its designated successor lessee or operator) so as to reasonably limit interruption to patient care and Hospital operations (the "Post-Termination Transition Period"), as more fully set forth in the transition provisions set forth in Exhibit C attached hereto and incorporated herein by reference.

7.3 Non-Competition by Tenant. In consideration of Landlord's performance of its obligations under this Lease, for a period of five (5) years after expiration or earlier termination of this Lease, Tenant shall not, without Landlord's prior written consent, which Landlord may not unreasonably withhold, condition, or delay, carry on or engage in, either as an owner, majority owner, manager, operator, or other controlling participant, a Restricted Health Care Service (as defined in the following sentence) within the geographic service area of the Mark Twain Healthcare District, defined as the boundaries of Calaveras County. As used herein, a "Restricted Health Care Service" means an acute care hospital or other healthcare service provided at any licensed outpatient department Ancillary Premises at the time of the expiration or earlier termination of this Lease.

7.4 Holding Over. If Tenant remains in possession of the Premises after the expiration or earlier termination of this Lease with Landlord's consent, Tenant's occupancy shall be a month-to-month tenancy on the same terms and conditions as the Lease, at such rental amount as may be agreed upon by Landlord and Tenant (not to exceed the Holdover Rate). If Tenant remains in possession of the Leased Premises after the expiration or earlier termination of the Lease without Landlord's consent, Tenant shall be a tenant at sufferance and Tenant shall pay Landlord rental for each day Tenant retains possession of the Leased Premises thereafter at the Holdover Rate (defined below), and Tenant shall also pay to Landlord all damages reasonably sustained by Landlord by reason of Tenant's retention of the Leased Premises. In any event, no provision of this Section 7.4 shall be deemed to waive Landlord's right of reentry or any other right under this Lease or at law. As used in this Lease, "Holdover Rate" means the rate at which Tenant shall pay Landlord for each day Tenant retains possession of the Leased Premises after expiration or termination of this Lease without Landlord's consent and which shall be one hundred ten percent (110%) of the Rent payable under this Lease for the last full month before the date of

expiration or termination, prorated on a daily basis. Notwithstanding the above, in no event shall Tenant be required to pay rent during the Post-Termination Transition Period.

ARTICLE VIII
DAMAGE AND DESTRUCTION TO LEASED PREMISES

8.1 Partial Damage - Insurance Available. Subject to Section 6.2, if there is partial destruction to the Leased Premises while this Agreement is in effect, and if within ninety (90) days after the date of Tenant's receipt of the insurance adjustor's report, Tenant determines in its reasonable discretion that (i) there is available to Tenant, pursuant to ARTICLE VI, insurance proceeds that, when added to Tenant's deductibles and/or self-insured retentions, are sufficient to pay all the cost of repairing such damage, and (ii) if such damage occurs prior to the last year of the then-current term of the Agreement and such damage reasonably can be repaired within three hundred sixty (360) days after the date of Tenant's receipt of the insurance adjustor's report, or, if such damage occurs during the last year of the current term of this Lease and reasonably can be repaired within sixty (60) days from the date of Tenant's receipt of the insurance adjustor's report, Tenant shall utilize all the insurance proceeds and its deductibles and self-insured retentions to diligently and expeditiously make the repairs necessary to restore the Leased Premises to a condition comparable to that before the damage occurred. During this time, the Lease shall continue in full force and effect. If Landlord so requests, Tenant shall furnish Landlord with all material information in its possession pertaining to the time, manner and construction schedule relating to such repair and provide Landlord with timely progress reports with respect to same. If (x) such damage occurs prior to the last year of the then-current term of the Agreement and the damage cannot reasonably be repaired within three hundred sixty (360) days after the date of Tenant's receipt of the insurance adjustor's report, or, if such damage occurs during the last year of the current term of the Agreement and cannot reasonably be repaired within sixty (60) days from the date of Tenant's receipt of the insurance adjustor's report, and (y) if such damage substantially interferes with Tenant's operation of the Hospital at the Leased Premises ("Material Destruction"), Tenant shall have the option of either terminating this Agreement or repairing the Leased Premises, as more specifically set forth in Section 8.3 below.

8.2 Partial Damage - Insurance Inadequate or Unavailable. Subject to Section 6.2, if there is partial destruction to the Leased Premises while this Agreement is in effect, and if, despite Tenant's compliance with all of the insurance requirements in ARTICLE VI, there are no insurance proceeds available, or if Tenant determines, within ninety (90) days from the date of Tenant's receipt of the insurance adjustor's report, that (i) the insurance proceeds available, when added to Tenant's deductibles and self-insured retentions, are not sufficient to pay all the cost of repairing such damage, and (ii) if such damage occurs prior to the last year of the term of the Agreement and it reasonably can be repaired within one hundred eighty (180) days from the date of Tenant's

receipt of the insurance adjustor's report, or if such damage occurs during the last year of the current term of the Agreement it can reasonably can be repaired within sixty (60) days from the date of Tenant's receipt of the insurance adjustor's report, Tenant promptly shall notify Landlord of such fact and diligently and expeditiously shall make the repairs necessary to restore the Leased Premises to a condition comparable to that before the damages occurred. Tenant shall be responsible for the costs of such repairs; provided, however, that at the expiration or earlier termination of this Lease, the Leased Premises repaired shall be subject to Landlord's obligations under Section 4.4. During this time, the Lease shall continue in full force and effect. Tenant shall furnish to Landlord all information in its possession pertaining to the time, manner and construction schedule relating to such repairs and provide Landlord with timely progress reports with respect to same. Any disagreement between the parties as to the necessity of the performance or the cost of such work shall be decided pursuant to the arbitration provisions of this Agreement. If the damage cannot reasonably be repaired within one hundred eighty (180) days after the date of Tenant's receipt of the insurance adjustor's report, and if such damage substantially interferes with Tenant's operation of the Hospital at the Leased Premises, Tenant shall have the option of terminating this Agreement. In such case, the provisions of Section 10.8(a) shall apply and Tenant shall be obligated to turn over to Landlord all insurance proceeds covering the Leased Premises only (subject to disbursement conditions in the policy which Landlord acknowledges may require repair or replacement within a specified time period); provided, however, that if Landlord "purchases" Tenant FF&E and/or Alterations covered by such insurance proceeds from Tenant pursuant to Section 4.4(b) of the Lease, then Tenant shall also turn over to Landlord the insurance proceeds covering such purchased Tenant FF&E and/or Alterations, as applicable (subject to disbursement conditions in the policy which Landlord acknowledges may require repair or replacement within a specified period of time). Tenant's exercise of its right to terminate this Lease early under this ARTICLE VIII shall not relieve Tenant from its obligation to pay any Termination Fee due under Section 2.2(b) because of such early termination.

8.3 Material Destruction. Subject to Section 6.2, in the event there is Material Destruction of the Leased Premises, regardless of whether insurance proceeds are available, Tenant has the option either of repairing the Leased Premises or terminating this Agreement. If Tenant decides to terminate this Agreement, the provisions of Section 10.8(a) shall apply and Tenant shall be obligated to turn over all insurance proceeds covering the Leased Premises only; provided, however, that if Landlord "purchases" Tenant FF&E and/or Alterations covered by such insurance proceeds from Tenant pursuant to Section 4.4(b) of the Lease, then Tenant shall also turn over to Landlord the insurance proceeds covering such purchased Tenant FF&E and/or Alterations, as applicable.

8.4 Abatement of Rent. If there is partial or total destruction of the Leased Premises, and Tenant does not elect to terminate this Agreement, the rental payments owed by Tenant under ARTICLE III shall not be reduced except as provided in the next sentence. Notwithstanding the foregoing, to the extent the

damage was caused by Landlord and/or any of Landlord's employees, agents, assignees, contractors or invitees, the rental payments owed by Tenant under ARTICLE III, after application of the applicable business interruption insurance proceeds, shall be reduced proportionately so that Tenant shall be obligated to pay that portion of the rent that the area of the Leased Premises containing improvements that is usable bears to the total area of the Leased Premises containing improvements.

8.5 Waiver. Landlord and Tenant agree that the terms of this Agreement shall govern the effect of any damage to or destruction of the Leased Premises with respect to the termination of this Lease. Tenant waives its rights under paragraphs 1932(2), 1933(4), 1941 and 1942·of the California Civil Code.

ARTICLE IX
CONDEMNATION

In the event that the Leased Premises or any portion of the Leased Premises are taken by eminent domain, by inverse condemnation, or for any public or quasi-public use under any statute, the rights of the parties with respect to the term, the rent and the award shall be as the parties then agree to be just and equitable under all the circumstances. The parties shall consider the rights of any leasehold, fee or mortgage, the economics of operating any remaining portion of the Leased Premises and improvements, the cost of restoration, and the balance of the term remaining, among other relevant considerations. If Landlord and Tenant do not agree upon an allocation within sixty (60) days after the amount of the award is officially determined, and/or do not agree on the adjusted rental amount in the event of partial condemnation, the matter shall be decided by arbitration in the manner provided for in this Agreement.

ARTICLE X
DEFAULT

10.1 Events of Default by Tenant. Each of the following events shall constitute a default by Tenant and a breach of this Agreement (subject to the cure rights set forth below):

(a) Unless the result of a Force Majeure event, failure to comply with Tenant's obligations under Section 5.1, or surrender of the Leased Premises, or failure or refusal to pay when due any installment of rent or other sum required to be paid by Tenant under this Agreement, or material failure to perform any other covenant or condition of this Agreement, in each case if not cured within the applicable cure period set forth in Section 10.3 below.

(b) An assignment by Tenant for the benefit of creditors or the filing of a voluntary or involuntary petition by or against Tenant under any law for the purpose of (i) adjudicating Tenant bankrupt, (ii) extending the time for payment, adjustment or satisfaction of Tenant's liabilities, or (iii) reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency unless the assignment or proceeding, and all consequent orders, adjudications, liens, custodies, and supervisions are dismissed, vacated, or otherwise permanently stayed or terminated within forty-five (45) days after the assignment, filing, or other initial event,

in each case if not cured within the applicable cure period set forth in Section 10.3 below. To the extent any of the above actions by or events with respect to Tenant's parent or member materially and adversely affects Tenant's ability to meet its obligations under this Agreement, such action or event shall constitute an Event of Default by Tenant under this Section 10.1(b).

(c) Removal of the board seat of the Board District Director or the Hospital Community Board District Member, or the dilution of the voting rights of the Board District Director or the Hospital Community Board District Member, or a breach of Section 17.12 (Bylaws) of this Agreement; in any case, whether caused by Tenant, Dignity Health, Catholic Health Initiatives or any affiliate thereof. Capitalized terms used in this subsection (c) but not defined herein shall have the respective meanings given to them in the Bylaws of Tenant.

(d) Tenant's express written repudiation of any of its material obligations under this Lease. This event shall be a material event of default upon its occurrence and shall not be subject to any notice and cure provisions in this Lease.

10.2 Notice and Right of Tenant to Cure. As a condition to pursuing any remedy for an alleged default of Tenant, Landlord shall give written notice of the default to Tenant. Each notice of default shall be in writing and specify, in detail, the alleged event of default and the intended remedy.

10.3 Tenant's Right to Cure. If the alleged default is nonpayment of rent, taxes, or other sums to be paid by Tenant as set forth in this Agreement, Tenant shall have thirty (30) days after written notice is given to cure the default. For the cure of any other default, Tenant shall not be deemed to have breached this Lease unless Tenant fails to cure such default within sixty (60) days after Tenant receives written notice thereof from Landlord, unless such breach or default cannot despite reasonable diligence by Tenant be cured within such sixty (60) days, in which case, such breach or default shall not be deemed a Tenant breach if Tenant commences to cure the breach or default promptly upon Tenant's receipt of Landlord's written notice thereof and Tenant thereafter diligently pursues and continues such cure until completed. Notwithstanding the foregoing, if (i) on three (3) separate occasions within any twelve-month (12-month) period, Tenant defaults in the performance of its obligations under Section 5.1 and fails to cure within the applicable cure period, or (ii) on three (3) separate occasions within any twelve-month (12-month) period, Tenant defaults in the performance of its obligations under Section 5.5 with respect to fixed monthly Rent and fails to cure within the applicable cure period, then, in either such circumstance, Tenant shall have no further cure rights for the particular default unless and until Tenant has no intervening default (for that particular default) for a five (5) year period.

10.4 Remedies of Landlord. If any default by Tenant continues uncured following notice of default as required by this Agreement for the requisite period, Landlord shall have the following remedies in addition to the rights and remedies provided by law to which Landlord may resort cumulatively or in the alternative:

(a) Landlord may at its election terminate this Agreement by giving Tenant written notice of termination, which Lease termination shall take effect on the termination date set forth in such termination notice, but in no event earlier than eighteen (18) months following Tenant's receipt of such termination notice (the "Tenant Default Termination Date"). Following the Tenant Default Termination Date, the parties shall implement the transition provisions of Exhibit C. Section 15.3 and Exhibit C shall govern the parties with respect to the transition from and after the Tenant Default Termination Date. Termination under this section shall not relieve Tenant from the payment of any sum then due to Landlord or from any claim for damages previously accrued or then accruing against Tenant. Notwithstanding anything to the contrary in this Lease, Landlord may only exercise the remedy of terminating the Lease if the event of default (i) cannot, by its nature, be cured by payment of monies, or (ii) can be cured by payment of monies, but that cure payment is not made within ninety (90) days after Tenant's receipt of Landlord's written notice of default.

(b) Tenant assigns to Landlord all subrents and other sums falling due from the tenants, licensees and concessionaires (referred to as "subtenants") during any period in which Tenant's default remains uncured following the applicable cure period, and Tenant shall not have any right to such sums during that period. This assignment is subject and subordinate to any and all assignments of the same subrents and other sums made to a mortgagee that Landlord has approved before the default in question. Landlord may, at Landlord's election, collect all such subrents during the existence and continuance of an event of default that remains uncured following the applicable cure period and apply them against monies payable by Tenant to Landlord under this Lease, including fulfillment of Tenant's covenants at the end of the term, as applicable.

(c) The parties hereto agree that irreparable damage would occur in the event of the dilution of District Representation (as defined in Section 17.12 (Bylaws)) or if Section 17.12 (Bylaws) was not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that Landlord shall be entitled to an injunction to prevent a breach of Section 17.12 (Bylaws) of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which it is entitled at law or in equity.

10.5 Events of Default of Landlord Each of the following events shall be a default by Landlord and a breach of this Agreement (subject to the cure rights set forth below, if applicable):

(a) The failure or refusal to pay when due any sums required to be paid by Landlord under this Agreement.

(b) The failure of Landlord to comply with any of its obligations under ARTICLE XI of this Lease, including, but not limited to, its non-compete obligations under Section 11.2 of the Lease.

(c) The material failure of the Landlord to perform and comply with any other covenant or condition of this Agreement.

(d) If a third party with a lien on the Leased Premises that arises out of or relates to an obligation of Landlord to such third party commences foreclosure proceedings with respect to such lien, and Landlord does not satisfy or bond around the lien, or redeem or otherwise protect the Leased Premises, from such foreclosure proceedings, on or before the deadline therefor under applicable lien law or regulations. Any such event shall be a material event of default upon its occurrence and shall not be subject to any notice and cure provisions in this Lease.

(e) Landlord files for dissolution, except upon any merger or consolidation of Landlord with another public entity. This event shall be a material event of default upon its occurrence and shall not be subject to any notice and cure provisions in this Lease.

(f) Landlord is insolvent.

(g) Landlord's express written repudiation of any of its material obligations under this Lease. This event shall be a material event of default upon its occurrence and shall not be subject to any notice and cure provisions in this Lease.

(h) Landlord (i) materially interferes in any way with Tenant's or its patients' access to the Leased Premises, (ii) puts Tenant's ability to maintain its licenses, permits and other governmental approvals necessary for Tenant to operate the Leased Premises as an acute care facility with a 24 hour emergency room at risk in any way, or (iii) otherwise interferes with Tenant's ability to operate the Hospital (collectively, clauses (i), (ii) and (ii) are referred to as "Material Interference").

10.6 Notice and Right of Landlord to Cure. As a condition to pursuing any remedy for an alleged default of Landlord, Tenant shall give written notice of the default to Landlord. Each notice of default shall be in writing and specify, in detail, the alleged event of default and the intended remedy.

10.7 Landlord's Right to Cure. If the alleged default is nonpayment of any sums to be paid by Landlord as set forth in this Agreement, Landlord shall have thirty (30) days after written notice is given to cure the default. For the cure of any other default, except as set forth below with respect to Material Interference, Landlord shall not be deemed to have breached this Lease unless Landlord fails to cure such default within sixty (60) days after Landlord receives written notice thereof from Tenant, unless such breach or default cannot despite reasonable diligence by Landlord be cured within such sixty (60) days, in which case, such breach or default shall not be deemed a Landlord breach if Landlord commences to cure the breach or default promptly upon Landlord's receipt of Tenant's written notice thereof and Landlord thereafter diligently pursues and continues such cure until completed. Notwithstanding the above, Landlord acknowledges that the nature of Tenant's business operations at the Leased Premises is such that Tenant's ability to operate the Hospital without interruption to patient care is critically important, and that sixty (60) days to cure is not reasonable if Landlord's default is reasonably likely to (or does) result in Material Interference. Landlord shall immediately take all necessary measures, at Landlord's sole cost and expense, to eliminate any Material Interference caused

by Landlord. If Landlord does not eliminate the Material Interference within forty (48) hours, such failure shall be a breach of this Agreement without any additional cure period.

10.8 Remedies of Tenant. If any default by Landlord continues uncured following notice of default as required by this Agreement for the requisite period, Tenant shall have the following remedies in addition to the rights and remedies provided by law or in equity to which Tenant may resort cumulatively or in the alternative:

(a) Tenant may at its election terminate this Agreement by giving to Landlord written notice of termination, which termination shall take effect on the termination date set forth in such termination notice, but no earlier than eighteen (18) months following Landlord's receipt of such termination notice (as applicable, the "Landlord Default Termination Date"). Rent shall continue to be payable in accordance with the terms of the Lease during the period of time between Tenant's giving of such termination notice and the Landlord Default Termination Date. Following the Landlord Default Termination Date, the parties shall implement the transition provisions of Exhibit C. Section 15.3 and Exhibit C shall govern the parties with respect to the transition from and after the Landlord Default Termination Date. Termination under this section shall not relieve Landlord from the payment of any sum then due to Tenant or from any claim for damages previously accrued or then accruing against Landlord, which obligation shall survive the termination of this Agreement and Landlord shall refund to Tenant any pre-paid Rent in Landlord's possession for the period after the termination notice. Notwithstanding anything to the contrary in this Lease, Tenant may only exercise the remedy of terminating the Lease if the event of default (i) cannot, by its nature, be cured by payment of monies, or (ii) can be cured by payment of monies, but that cure payment is not made within ninety (90) days after Landlord's receipt of written notice of default. For the avoidance of doubt, Landlord acknowledges that its failure to comply with its obligations under ARTICLE XI of this Lease, including, but not limited to, its non-compete obligations under Section 11.2 of the Lease, are among the defaults which cannot, by its nature, be cured by payment of monies.

(b) Tenant may at its election perform or take any such action required to be performed by Landlord under this Agreement. If Tenant makes any expenditures or incurs any obligations for the payment of money in connection with such actions, such sums plus interest at the maximum rate permitted by applicable law shall be properly payable by Landlord. Tenant shall have the right to offset any payment it owes to Landlord under this Agreement, against such expenditures.

ARTICLE XI
RIGHT OF FIRST OFFER; NONCOMPETE CLAUSE; RIGHT OF PARTICIPATION AND RIGHT OF FIRST REFUSAL

11.1 Transfer of Leased Premises – Right of First Refusal. If Landlord, at any time during the Term of this Agreement, receives a bona fide offer to sell, assign, or in any manner transfer all or any portion of Landlord's interest in the Leased Premises from a third party ("Third Party Transferee") that Landlord is willing to accept (a "Third Party Offer"), then Landlord shall provide Tenant with

a right of first refusal with respect to such Third Party Offer by delivering written notice to Tenant identifying the Third Party Transferee and setting forth the terms of such Third Party Offer (a "ROFR Offer Notice"), including, without limitation, the interest to be sold, assigned, leased or transferred, the purchase price and the other material terms and conditions of the Third Party Offer, and Tenant then shall have an option to purchase all of such interest for the same price and on the same terms and conditions as set forth in such ROFR Offer Notice. If Tenant elects to exercise such option, Tenant shall send written notice of such election to Landlord (the "ROFR Election Notice"). If Tenant does not deliver the ROFR Election Notice within eighty (80) days after receiving the ROFR Offer Notice from Landlord, then before such failure to deliver the ROFR Election Notice is deemed an election not to exercise the option, Landlord shall re-send the ROFR Offer Notice to Tenant granting Tenant an additional ten (10) days from such notice to respond, which notice shall specifically reference this paragraph and state that Tenant's failure to respond within ten (10) days from Tenant's receipt of such second notice shall be deemed Tenant's election not to exercise its option to purchase on the terms set forth in the ROFR Offer Notice. Upon Tenant's timely exercise of such option, Landlord and Tenant shall negotiate in good faith the remaining terms and conditions for such transaction. If Tenant fails to timely deliver an ROFR Election Notice, or if, notwithstanding the good faith efforts of Landlord and Tenant, Landlord and Tenant fail to execute a binding agreement for the transaction within one hundred twenty (120) days after Landlord's receipt of Tenant's ROFR Election Notice, and Tenant has not submitted a notice of dispute per Section 17.4 (Dispute Resolution) concerning the transaction, then Landlord may thereafter effect the transaction with the Third Party Transferee identified in the ROFR Offer Notice on the same terms and conditions specified in the applicable ROFR Offer Notice. However, if such transaction is not consummated with the Third Party Transferee named therein, and on the same terms and conditions set forth in the applicable ROFR Offer Notice, within one year after the expiration of (i) the Tenant's election period (if Tenant did not deliver an ROFR Election Notice), or (ii) the one hundred twenty (120) day negotiation period (if Tenant did deliver an ROFR Election Notice), as applicable, then Tenant's right of first refusal under this paragraph shall be reinstated and Landlord then shall continue to be obligated to give notice from time to time of any intent to sell, assign, or transfer the Leased Premises in accordance with the terms above, it being the intention of the parties that this shall be an ongoing right of first refusal with each potential sale, assignment or transfer of Landlord's interest in the Leased Premises throughout Term, and any extension thereof, which shall comply with the terms of this Section 11.1. Furthermore, Tenant shall maintain the right to receive a new ROFR Offer Notice and effect the noticed transaction, if any of the terms set forth in the previously delivered ROFR Offer Notice are changed in any way that, in Tenant's reasonable opinion, favors the Third Party Transferee, including, but not limited to, any reduction in the purchase price, any alteration to the payment terms for the purchase price, or any other financial incentives or concessions to such Third Party Transferee not included in the prior ROFR Offer Notice delivered to Tenant. If Landlord is

obligated to re-notice Tenant with respect to the transfer of the Leased Premises to such Third Party Transferee under the preceding sentence with respect to a previously received ROFR Offer Notice, Tenant shall have thirty (30) days in which to provide Landlord with a ROFR Election Notice in response to the new ROFR Offer Notice. To the extent there is any outstanding Prepaid Rent at the time of consummating the sale, assignment or transfer to Tenant (or Tenant's designee), such outstanding Prepaid Rent shall be credited in favor of Tenant against the purchase price. For avoidance of doubt, any such Third Party Transferee would take subject to this Lease.

11.2 Non-compete Clause. The parties acknowledge that Landlord intends to rebrand itself as a community-based health district for the purpose of providing services designed to improve overall health of the community by supplementing but not replacing hospital services for the medically underserved. As such Tenant and Landlord shall collaborate to develop and agree proactively on a community needs assessment and plan with the intent to establish coordinated investments to advance the health of the low income and disadvantaged population of Calaveras County. As a community-based health district, Landlord intends to initiate, develop and provide certain community benefit services to meet unmet community needs (such as senior living, child advocacy, and behavioral health) for the for low income and disadvantaged (poor, MediCal, uninsured, and underinsured) and develop partnerships to facilitate such services in Calaveras County. Without limitation on the rights of participation and first refusal set forth in Sections 11.3 or 11.5 below, Landlord agrees that, during the term of this Agreement, neither Landlord nor any entity that is affiliated with Landlord shall, directly or indirectly, participate or engage in any healthcare or healthcare related service in Calaveras County that competes with Tenant, unless (a) the prior written approval of Tenant is obtained, which approval Tenant may withhold for any healthcare or healthcare related service that would reduce or impair Tenant's financial condition in Tenant's sole discretion (provided that the basis for such judgment to withhold consent shall be provided to the Landlord and shall be based on Tenant's good faith analysis of the matter), or (b) such healthcare or healthcare related service is identified in the allowed services list below, herein referred to as an "Allowable Health Care Program". In the event that Landlord during the term of the Lease plans or decides to initiate a healthcare or healthcare related service, Landlord shall notice Tenant in writing of its interest in and thereby its request to provide such service(s) and Tenant shall notify Landlord in writing of its approval or disapproval within ninety (90) days following Tenant's receipt of written notice from Landlord identifying the purpose and scope of the proposed healthcare or healthcare related service. As used herein, it shall be deemed that a District requested health care or healthcare related service competes with Tenant if it: (i) reduces or impairs the financial condition of the Tenant, (ii) is reasonably likely to reduce or impair the Tenant's future financial condition, or (iii) provides a healthcare or healthcare related service that is inconsistent with the Landlord's intent to initiate, develop and provide certain community benefit and community

health related services to meet ***unmet*** community needs for the low income and disadvantaged population (poor, MediCal, uninsured or underinsured)."

Notwithstanding the terms of the immediately preceding paragraph, Landlord does not require Tenant's approval to engage in the following Allowable Health Care Program(s), provided such services meet the intent of the Landlord as defined in this Section 11.2 above, and Landlord first provides Tenant with the right to participate in such Allowable Health Care Program(s) pursuant to the rights set forth in Sections 11.3 and 11.5 below:

(a) Ambulance services,

(b) Medical transportation,

(c) Non acute care hospital continuing care retirement community facilities

(d) Assisted living and residential care facilities for the elderly and poor

(e) Senior housing and services

(f) Adult day care

(g) Behavioral health outpatient or residential care

(h) Partnering with local governments to create opportunities for heathy lifestyles

(i) Homes and services for individuals with developmental disabilities, including group residences to serve individuals with disabilities

(j) Senior wellness

(k) Nutrition and fitness education

(l) Grief and support counseling services

(m) Youth counseling and child advocacy

(n) Medical office development and/or leasing to any member(s) of the Hospital's medical staff, provided such member(s) is/are not full time members of the medical staff of another competing hospital facility.

11.3 Landlord Establishment/Operation of Tenant Approved Healthcare or Healthcare Related Services or Allowable Health Care Programs – Right of Participation. In the event Landlord, at any time, during the term of this Agreement, desires to establish and operate a Tenant approved healthcare or healthcare related service or Allowable Health Care Program, then Landlord shall enter into the process defined in 11.2 above. Upon issuance of the notice by Landlord identifying the proposed Tenant approved healthcare or healthcare related service, or for an Allowable Health Care Program, and including the general

terms on which Landlord proposes to establish and offer such service(s), the Parties shall meet and confer in good faith in an attempt to agree upon how Tenant shall participate, and/or what roles, if any, Tenant shall play. In addition the parties will meet and confer in good faith in an attempt to agree upon making such Tenant approved healthcare or healthcare related service and/or an Allowable Health Care Program(s) available to Tenant's patients on terms agreed to by the Parties. If despite the Parties good faith efforts, the Parties are unable to agree on Tenant's participation/role in any such Tenant approved healthcare or healthcare related service and/or Allowable Health Care Program by the date that is ninety (90) days after Landlord's notice to Tenant about same, Landlord may establish and operate same without any participation by Tenant provided that Landlord makes such Program available to Tenant's patients on a commercially reasonable basis.

11.4 Intentionally Omitted.

11.5 Health Care Service Agreement – Right of First Refusal. Health Care Service Agreements. If Landlord, at any time during the Term of this Agreement, receives a bona fide Third Party Offer from a third party provider ("Third Party Provider") to provide Landlord with a Tenant approved healthcare or healthcare-related service, or an "Allowable Health Care Program" (a "Health Care Service Agreement"), that Landlord is willing to accept, then Landlord shall provide Tenant with a right of first refusal with respect to such Third Party Offer by delivering a ROFR Offer Notice to Tenant identifying the Third Party Provider and setting forth the terms of such Third Party Offer, including, without limitation, identification of the proposed Health Care Service Agreement and the material terms thereof, and Tenant then shall have an option to be the provider to Landlord under a Health Care Service Agreement with Landlord on the same terms as set forth in such ROFR Offer Notice, which terms must be commercially reasonable. If Tenant does not deliver an election notice to exercise such option within eighty (80) days after receiving the ROFR Offer Notice from Landlord, then before such failure to deliver an election notice is deemed an election not to exercise the option, Landlord shall re-send the ROFR Offer Notice to Tenant granting Tenant an additional ten (10) days from such notice to respond, which notice shall specifically reference this paragraph and state that Tenant's failure to respond within ten (10) days from Tenant's receipt of such second notice shall be deemed Tenant's election not to exercise its option to enter into the applicable Health Care Service Agreement on the terms set forth in the ROFR Offer Notice. Upon Tenant's timely exercise of such option, Landlord and Tenant shall negotiate in good faith the remaining terms and conditions of a Health Care Service Agreement for such service. If Tenant fails to timely deliver an ROFR Election Notice or provides the District written notice that it is not interested in pursuing a transaction on the terms presented in the ROFR Offer Notice, or if, notwithstanding the good faith efforts of Landlord and Tenant, Landlord and Tenant fail to execute a binding Health Care Service Agreement for such services within ninety (90) days after Landlord's receipt of Tenant's ROFR Election Notice, and Tenant has not submitted a notice of dispute per Section 17.4 (Dispute Resolution) concerning the option for this service, then if Landlord provides notice to Tenant declaring Landlord's intent to proceed without Tenant, Landlord may thereafter effect the transaction with the Third Party Provider identified in the ROFR Offer Notice on the same terms and conditions specified in the applicable ROFR Offer Notice, as long as such terms also meet a commercially reasonableness standard. However, if such transaction is not consummated with the Third Party Transferee named therein, and on the same terms and conditions set forth in the applicable ROFR Offer Notice, within one hundred and eighty (180) days after the expiration of (i) the Tenant's election period (if Tenant

did not deliver an ROFR Election Notice), or (ii) the ninety (90) day negotiation period (if Tenant did deliver and ROFR Election Notice), as applicable, then Tenant's right of first refusal under this paragraph shall be reinstated and Landlord then shall continue to be obligated to give notice from time to time of any intent to enter into a Health Care Service Agreement for the applicable service, it being the intention of the parties that this shall be an ongoing right of first refusal with each potential Health Care Service Agreement for such service throughout the Term, and any extension thereof, shall comply with the terms of this Section 11.5. Furthermore, Tenant shall maintain the right to receive a new ROFR Offer Notice and effect the noticed transaction, if any of the terms set forth in the previously delivered ROFR Offer Notice are changed in any way that, in Tenant's reasonable opinion, favors the Third Party Provider, including, but not limited to, any increase in the consideration payable to the Third Party Provider, or any other financial incentives or concessions to such Third Party Provider not included in the prior ROFR Offer Notice delivered to Tenant. If Landlord is obliged to re-notice Tenant with respect to the proposed Health Care Service Agreement with such Third Party Provider under the preceding sentence with respect to a previously received ROFR Offer Notice, Tenant shall have thirty (30) days in which to provide Landlord with a ROFR Election Notice in response to the new ROFR Offer Notice. Nothing in this Section 11.5 shall allow Landlord to provide, directly or indirectly through any Health Care Services Agreement, any healthcare or healthcare related service prohibited by this Lease, including, without limitation, the non-compete and other restrictions and requirements specified in Section 11.2, Non-Compete Clause.

11.6 Valley Springs Health and Wellness Center Provisions respecting the waiver of the Section 11.2 non-compete relative to the use of the Valley Springs Health and Wellness Center, and the sale, lease or other direct or indirect transfer of Landlord's interest in the Valley Springs Health and Wellness Center, shall be subject to the terms and conditions set forth in the letter from Tenant to Landlord dated as of _____, 2019.

ARTICLE XII
SUBORDINATION, ESTOPPELS AND EASEMENTS

12.1 Priority. Landlord shall not allow any deed of trust, mortgage or other security lien to be placed upon the Leased Premises without Tenant's prior written consent, which consent may be withheld by Tenant in its reasonable discretion. Landlord acknowledges that it would be reasonable for Tenant to withhold consent if the various rights of first refusal, rights of first offer and non-competes in favor of Tenant under this Lease would not continue in full force and effect against both the initial Landlord named herein and any successor(s) in interest to the initial Landlord, whether by foreclosure or otherwise. Except for the encumbrances existing on the date of this Agreement as specifically set forth in Section 13.4, and the easements, covenants, conditions and restrictions created in accordance with Section 12.3 hereof, the leasehold estate created by this Agreement is and shall be prior and superior to any other deed of trust, mortgage or security lien hereafter placed upon the Leased Premises by Landlord. If, however, a lender requires that this Agreement be subordinate to any such lien,

the Lease shall be subordinate to such lien if Landlord first obtains from the lender a written agreement in form reasonably acceptable to Tenant that provides substantially the following:

> The Lender shall send any notices of default under the lien or any related documents to Tenant and Tenant shall have the right to cure any default if Landlord fails to do so. Tenant shall have thirty (30) days in which to cure any default after the time for Landlord to cure it has expired. Neither Tenant's right to cure any default nor its exercise of such a right shall constitute an assumption of liability under any lien or related obligation.
>
> As long as the Lease is in effect, no foreclosure or deed given in lieu of foreclosure of, or sale under the lien, and no steps or procedures taken under the lien shall affect Tenant's rights under the Lease, or increase Tenant's obligations under the Lease.
>
> The provisions of the Lease concerning the disposition of insurance proceeds on destruction of the Leased Premises, and the provisions of the Lease concerning the disposition of any condemnation award, shall prevail over any conflicting provisions in the lien.
>
> In the event of a foreclosure, the Lender (or purchaser at any foreclosure sale or any grantee or transferee designated in any deed in lieu of foreclosure, as applicable) shall be required to expressly recognize Prepaid Rent and all other amounts prepaid to Landlord under this Lease (including, but not limited to, prepaid estimated Annual Reimbursement of Non-Electrical Utilities), and shall assume liability under Section 2.2(b) for refunding any excess Termination Fee, if any.

Tenant shall attorn to any purchaser at any foreclosure sale or to any grantee or transferee designated in any deed in lieu of foreclosure, and such successor to Landlord shall recognize Tenant's rights and possession under the Lease. Tenant shall execute the written agreement and any other documents reasonably required by the lender to accomplish the purposes of this Section 12.1.

Tenant shall have the right, but shall not be obligated, upon five (5) days' prior written notice to Landlord, to correct or remedy any default on the part of Landlord in the payment or payments obligated to be made by Landlord with respect to or on account of any lien by Landlord so made, placed or created, as superior to that of Tenant's estate under this Lease. If Tenant makes any such payments, Tenant shall thereupon be subrogated pro tanto to the rights of such mortgagee, lien holder, or beneficiary, and Landlord shall pay to Tenant the amount of any such payment upon demand with interest at the maximum legal rate, or Tenant may deduct the same from the installment of rent next becoming due and payable under this Agreement, until the amount of any such payment by Tenant shall have been fully deducted from the rent due under this Agreement.

12.2 Estoppel Certificate. Each party, within ten (10) business days after notice from the other party, shall execute and deliver to the other party, a certificate stating that this Agreement is unmodified and in full force and effect, or in full force and effect as modified and stating the modifications. The certificate also shall state the amount of rent due for the remainder of the year, the dates to which the rent has been paid in advance, the amount of any security deposit or prepaid rent and the nature and extent of any then-existing known default or breach of this Agreement by the party requesting the certificate. Except as provided in the following sentence, failure to deliver the certificate within such ten (10) day business period shall be conclusive as to the party failing to deliver the certificate, for the benefit of the party requesting the certificate and any successor to the party requesting the certificate, that this Agreement is in full force and effect and has not been modified, except as may be represented by the party requesting the certificate. Notwithstanding the foregoing, (a) the estoppel certificate shall be for informational purposes only and nothing contained in the estoppel certificate shall increase any of either party's obligations under the Lease; and (b) no provision of the estoppel certificate shall be deemed true if the other party knew or should have known that such statement was false at the time it issued the estoppel certificate or at the time the statements therein became deemed true. Any third party shall be entitled to conclusively rely upon a certificate delivered in accordance with this paragraph.

12.3 Easements; Restrictions. Landlord shall execute whatever documents Tenant reasonably requests to impose upon the Leased Premises such easements, covenants, conditions and restrictions for parking, ingress, egress and utilities as are reasonably required by Tenant in connection with the orderly operation and development of the Leased Premises; provided that Landlord shall not be required to execute any document which would have a materially adverse effect upon the use of the Leased Premises as provided for in Section 4.1, or that would have a materially adverse effect upon the value of the Leased Premises or Landlord's use of the Leased Premises as provided for under this Lease or after termination of this Lease.

12.4 Memorandum of Agreement. Either Landlord or Tenant shall, within thirty (30) days of receipt of written request from the other, execute, acknowledge and deliver to the other a short form memorandum of this Agreement for recording purposes within thirty (30) days of receipt. The party requesting recordation shall be responsible for payment of any fees or taxes applicable thereto.

ARTICLE XIII
REPRESENTATIONS AND WARRANTIES OF LANDLORD

Landlord represents and warrants to Tenant as follows:

13.1 Organization. Landlord is a local hospital district duly organized and existing and in good standing under the constitution and laws of the State of

California, and has the full legal right, power and authority, subject to applicable provisions of the California Health and Safety Code and regulations promulgated thereunder, to own or lease its property and to carry on its business as it is now being conducted. Landlord holds and will hold on the Commencement Date all necessary licenses and permits, has obtained all necessary approvals and has entered into all necessary contracts, as required by local, state and federal government, and any other regulatory agency, necessary to lawfully conduct its business as it is now being conducted (expressly excluding those required to be held by Tenant as the licensed operator of the Hospital).

13.2 Authorization; Noncontravention; Consents. Landlord has the power to enter into this Agreement and to carry out its obligations under this Agreement. Landlord has taken all required action to approve and adopt this Agreement and this Agreement is a legally valid and binding Agreement of Landlord, enforceable in accordance with its terms (except as may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting creditors' rights generally or by the application of equitable principles) and no other proceeding on the part of Landlord is necessary to authorize this Agreement and the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement do not and will not (i) conflict with the Local Hospital District Law; (ii) conflict with any provision of Landlord's policies; or (iii) conflict with violate or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance or claim of any nature whatsoever upon any of Landlord's properties or assets pursuant to any provision of any indenture, mortgage, deed of trust, lien, lease, agreement, instrument, order, arbitration award, judgment or decree to which Landlord is a party or to which Landlord or any of its properties or assets are bound or pursuant to any applicable law, ordinance, regulation, decree or order of any court or governmental entity.

13.3 Consents. No authorization, consent, order or approval of, or filing or qualification with, any court, regulatory authority or other governmental body is necessary for the consummation by Landlord of the transactions contemplated by this Agreement. Landlord has all consents or approvals of its constituents as required under Local Hospital District Law and of any insurer, trustee or holder of any indebtedness of Landlord.

13.4 Good Title. Landlord has good and marketable title to all of the Leased Premises free and clear of all liens, encumbrances, actions, claims, payments or demands of any kind and character, except as set forth on Disclosure Schedule 13.4 previously delivered to Tenant and attached hereto.

13.5 No Default. Except as set forth in Disclosure Schedule 13.5 previously delivered to Tenant and attached hereto, Landlord is not in default or violation of any term, condition or provision of

(a) its policies;

(b) any mortgage, deed of trust, indenture, contract, agreement, lease or other instrument to which Landlord is a party or by which it or any of its properties or assets may be bound; or

(c) any judgment, decree or order applicable to it; except for violations that either singularly or in the aggregate do not and are not expected to have a material adverse effect on the financial condition, properties, business, results of operations or prospects of Landlord. Landlord is not in default or in violation of any term, condition or provision with respect to any indebtedness for borrowed money.

13.6 Property. Except as set forth in Disclosure Schedule 13.6, Landlord is not in default or in violation of any term, condition or provision of any lease of real property for Landlord Ancillary Premises. All material notices received by Landlord with respect to the Leased Premises and the Landlord Ancillary Premises of violations of any laws, ordinances, orders or regulations issued by any state, county, municipal or local department having jurisdiction over or affecting any of such real property and such fixtures and equipment have been satisfied.

13.7 Brokers or Finders. No broker or finder is entitled to any brokerage or finder's fee or other commission or fee based upon arrangements made by or on behalf of Landlord relating to the transactions contemplated by this Agreement.

13.8 Disclosure. No Disclosure Schedule delivered to Tenant pursuant to this Agreement or attached hereto contains any untrue statement of any material fact or omits to state any material fact required to be stated or necessary in order to make the statements, in light of the circumstances in which they were made, accurate and not misleading.

ARTICLE XIV
REPRESENTATIONS AND WARRANTIES OF THE TENANT

14.1 Organization. Tenant is a nonprofit public benefit corporation, duly organized and existing and in good standing under the laws of the State of California, and has the full corporate right, power and authority to own its leasehold interest in the Leased Premises and to carry on its business. Tenant holds and will hold on the Commencement Date all necessary licenses, contracts, and approvals required by local, state and federal government, and any other regulatory agency necessary to lawfully conduct the business of the Hospital.

14.2 Authorization; Noncontravention. Tenant has the power to enter into this Agreement and to carry out its obligations under this Agreement. Tenant has taken all required action to approve and adopt this Agreement and this Agreement is a legally valid and binding agreement of Tenant, enforceable in accordance with its terms (except as may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting creditors' rights generally or by the

application of equitable principles) and no other proceeding on the part of Tenant is necessary to authorize this Agreement and the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement do not and will not conflict with any provision of the Tenant's Articles of Incorporation or Bylaws or (ii) conflict with, violate or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance or claim of any nature whatsoever upon any properties or assets of Tenant or upon its interest in the Leased Premises pursuant to any provision of any indenture, mortgage, deed of trust, lien, lease, agreement, instrument, order, arbitration award, judgment or decree to which Tenant is a party or to which Tenant or any of its properties or assets are bound or pursuant to any applicable law, ordinance, regulation, decree or order of any court or governmental entity.

14.3 Consents. Tenant has obtained all consents, releases and permissions, whether from public authorities or otherwise, which may be required in connection with this Agreement and with respect to any performance by Tenant of its obligations under this Agreement. Landlord agrees to use all reasonable effort and due diligence to assist Tenant in procuring and maintaining such licenses, authorizations and consents from all appropriate agencies.

14.4 Tax Status. Tenant has obtained a determination from the Internal Revenue Service that it is an organization described in Section 501(c) (3) of the Internal Revenue Code and a determination from the Franchise Tax Board of the State of California that it is an organization described in Section 23701(d) of the Revenue and Taxation Code of the state of California.

14.5 Hospital License. Tenant is duly licensed by the State of California to operate the Hospital and is certified for participation in the Medicare program.

14.6 Brokers or Finders. No broker or finder is entitled to any brokerage or finder's fee or other commission or fee based upon arrangements made by or on behalf of Tenant relating to the transactions contemplated by this Agreement.

ARTICLE XV
TERMINATION

15.1 Voluntary Termination of Auto-Renewal by Tenant. In order to voluntarily terminate the automatic renewal provisions of Section 2.2(b) above, Tenant shall timely deliver an Early Termination Notice and pay the Termination Fee in accordance with the terms of Section 2.2(b) above.

15.2 Termination by Mutual Consent. This Agreement may be terminated at any time by the mutual consent of Tenant and Landlord expressed by action of their respective Boards of Directors.

15.3 Landlord Re-Purchase Obligation Upon Termination. Upon any termination or expiration of this Lease, unless Landlord exercises its option to

purchase all of the equity interests in Tenant pursuant to the Equity Transfer Agreement entered into concurrently herewith, Landlord shall purchase from Tenant all of the Hospital Assets respecting the Combined Premises (but excluding any Effective Date Hospital Assets as described in the Supplemental Property Agreement) in accordance with Section 4.4(b) above.

15.4 Post-Termination Transition Cooperation. Exhibit C shall generally govern the parties' respective rights and obligations with respect to transition of the Hospital operations.

ARTICLE XVI
MUTUAL INDEMNIFICATION

To the fullest extent allowable under the law, Tenant and Landlord (as applicable, the "Indemnitor") shall, at the Indemnitor's sole expense and with counsel reasonably acceptable to the other party (as applicable, the "Indemnitee"), indemnify, defend, and hold harmless the Indemnitee and the Indemnitee's shareholders, members, directors, officers, employees, partners, affiliates, agents, successors, and assigns from and against and with respect to all third party Claims to the extent arising out of or resulting from or in connection with (a) the release of any Hazardous Material in, under or about the Leased Premises, or the violation of any Environmental Law, by the Indemnitor or the Indemnitor's agents, assignees, sublessees, contractors or invitees, (b) the Indemnitor's use of the Leased Premises (including Landlord's use of the Licensed Space); (c) any default by the Indemnitor in the performance of any of its covenants or agreements in this Agreement; (d) any negligence or willful misconduct of Indemnitor (including Indemnitor's officers, agents, employees and invitees); (d) as to Landlord, any accident, injury, occurrence or damage in or to the Licensed Space during the period of Landlord's use of the Licensed Space; and (e) to the extent caused by the Indemnitor (or its officers, agents, employees or invitees), any accident, injury, occurrence or damage in, on, about or to the Leased Premises, in each case, except to the extent caused by the Indemnitee's negligence or willful misconduct. This indemnification shall survive the expiration or termination of this Lease.

ARTICLE XVII
MISCELLANEOUS

17.1 Modification or Amendment. No amendment or modification of this Lease, and no approvals, consents or waivers by Tenant or Landlord under this Lease, shall be valid and binding unless in writing and executed by the party to be bound thereby. The parties shall have the maximum authority allowed under California Health and Safety Code Section 32121(p) to amend this Lease by mutual agreement without any additional approval of the voters of Landlord, which authority shall include, without limitation:

(a) Subject to the approval of any lender or bond issuer with respect thereto, any amendment needed to meet the requirements of any financing entered into by Tenant and approved by Landlord;

(b) Any amendment that corrects technical, typographical or other minor errors in this Lease;

(c) Any amendment required by any lender of Landlord; provided that such amendment does not increase any of Tenant's costs or expenses hereunder or does not materially or adversely modify Tenant's rights and obligations hereunder; and

(d) Any amendment that does not materially increase the costs or liabilities of, or reduce the payments or benefits to, Landlord, or modifies the uses of the Leased Premises, or decreases or modifies the time periods provided for, or the rights of review or approval of Landlord.

17.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17.3 Invalidity. In the event that any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired. To the extent permitted by applicable law, each party to this Agreement waives any provision of law which renders any provision of this Agreement invalid, illegal or unenforceable in any respect. In the event any provision of this Agreement shall be held invalid, illegal or unenforceable, the parties shall use all reasonable efforts to substitute a valid, legal and enforceable provision which implements the purposes and intents of this Agreement.

17.4 Dispute Resolution. Except as otherwise provided in this Agreement, any dispute, claim or controversy arising out of or relating to this Agreement, or the breach, termination, enforcement, interpretation, or validity thereof (collectively, a "Dispute") shall be settled in accordance with the following procedures. Notwithstanding anything that may be construed to the contrary herein, each of the parties expressly acknowledges that (i) it has an affirmative duty to expedite the process and procedures described below to the extent reasonably practical in order to facilitate a prompt resolution of any Dispute and (ii) each party has a mission of serving their communities, and all communications and proposed resolutions of the Dispute shall take these missions into consideration.

(a) Informal Process for Minor Disputes. For those Disputes that are minor in nature (that, for example, do not pose a threat to patient care) and are unlikely to require mediation or arbitration, the following informal dispute resolution process shall be conducted: (i) Landlord's Executive Director/Chief Executive Officer and Tenant's Chief Executive Officer shall meet promptly after a party delivers a Dispute Notice to try to resolve the Dispute and (ii) if the parties' representatives identified in subsection (i) above are not able to resolve the Dispute within fifteen (15) business days, then the highest ranking member of Landlord's Board of Directors who is not then serving on Tenant's Board of Directors and the executive officer of Tenant's parent responsible for Tenant's operations shall then have fifteen (15) business days to meet and attempt

to resolve the Dispute, measured from the date they received notice from the sub-section (i) representatives of their inability to resolve the Dispute.

(b) Dispute Notice. Notice by either party of the existence of a Dispute shall (i) be delivered in writing, (ii) specify what provision of the Agreement such party believes is under Dispute and (iii) recommend a course of action to resolve the Dispute (the "Dispute Notice").

(c) Meet and Confer. If, within fifteen (15) days after receipt by the applicable party of a Dispute Notice, the parties do not resolve such Dispute, then the Dispute shall be referred to the designated senior executives with authority to resolve the Dispute from each party for further negotiation (the "Meet and Confer"), but subject to Landlord's Board of Directors' approval or voter approval as may be required under applicable law. The obligation to conduct a Meet and Confer pursuant to this Section 17.4(c) does not obligate any party to agree to any compromise or resolution of the Dispute that such party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable laws protecting statements, disclosures, or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such laws, including California Evidence Code Section 1152.

(d) Mediation/Arbitration. If any Dispute is not resolved to the mutual satisfaction of the parties within thirty (30) days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the parties in writing), the parties may, by mutual agreement, submit the Dispute to mediation in Sacramento County, California, in a manner consistent with the terms and conditions described in this subparagraph 17.4(d) below.

(i) If the parties agree, they may commence mediation by providing to JAMS a written request for mediation, setting forth the subject of the Dispute and the relief requested.

(ii) The parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation proceedings. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.

(iii) All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

(iv) Whether or not the parties agree to mediate the Dispute, either party may initiate arbitration with respect to the Dispute by filing a written demand for arbitration ("Arbitration Notice") at any time following either party's refusal to mediate (which refusal shall be deemed to have occurred if a party requests mediation of a Dispute, and the other party does not respond to or does not expressly approve such request within ten (10) business days) or at any

time following forty five (45) days after the date the parties submit the Dispute to mediation, whichever occurs first ("Earliest Initiation Date"). If the parties have agreed to mediate, the mediation may continue after the commencement of arbitration if the parties so desire.

(v) At no time prior to the Earliest Initiation Date shall either party initiate an arbitration or litigation related to this Lease except to pursue a provisional remedy that is authorized by law or by JAMS Rules or by agreement of the parties as set forth in subparagraph 17.4(e) below. However, this limitation is inapplicable to a party if the other party refuses to comply with the requirements of subparagraph 17.4(d)(ii) above.

(vi) All applicable statutes of limitation and defenses based upon the passage of time shall be tolled from the date of the request for mediation until fifteen (15) days after the Earliest Initiation Date. The parties will take such action, if any, required to effectuate such tolling.

(vii) The arbitration shall be conducted in Sacramento County and in accordance with the commercial arbitration rules and procedures of JAMS and the California Arbitration Act (or other applicable state arbitration act), to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS or California Arbitration Act on the one hand, and the rules and/or procedures set forth in this Section on the other hand, the rules and/or procedures set forth in this Section shall govern.

(viii) The arbitration shall be conducted before a single impartial retired judge who is a member of the JAMS panel of arbitrators covering Sacramento County (the "JAMS Panel"). The parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each party shall select one arbitrator from the JAMS Panel, and such arbitrators shall select a single impartial retired judge from the JAMS Panel to serve as arbitrator of the Dispute.

(ix) The parties shall have the rights of discovery as provided for in Part 4 of the California Code of Civil Procedure (the "CCP"), and the provisions of Section 1283.05 of the CCP are incorporated by reference into this Lease. In the event that Section 1283.05 is amended in a manner that limits or reduces the discovery rights contained in such Section as of the Commencement Date, said amendment shall not be deemed to apply to this Lease unless the parties agree in writing that the same shall apply. In the event that Section 1283.05 is repealed, the provisions of Section 1283.05 shall nevertheless continue to apply, and the parties shall have the discovery rights as provided therein as of the Commencement Date.

(x) The arbitration hearing shall commence no later than six (6) months after the appointment of the arbitrator. The law of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator.

(xi) As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall

be reduced to writing, signed by the arbitrator and mailed to each of the parties and their respective legal counsel. The award of the arbitrator shall be final and binding upon the parties without appeal or review except as permitted by the Arbitration Act of the State (i.e. the California Arbitration Act or other applicable state arbitration act). Any party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award.

(xii) The cost and expense of JAMS and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, and the costs and expenses of a party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration shall be awarded by the arbitrator in accordance with Section 17.4(f).

(e) Provisional Measures. Notwithstanding any other provision of this Section 17.4, the parties shall each have the right to file with a court of competent jurisdiction an application for temporary or preliminary injunctive relief, writ of attachment, unlawful detainer, writ of possession, temporary protective order, or appointment of a receiver if the arbitration award to which the applicant may be entitled may be rendered ineffectual in the absence of such relief or if there is no other adequate remedy. This application shall not waive a party's mediation or arbitration rights under this Lease.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'DISPUTE RESOLUTION' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'DISPUTE RESOLUTION' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'DISPUTE RESOLUTION' PROVISION TO NEUTRAL ARBITRATION.

_____ _____

Landlord Tenant

(f) Fees and Costs. Subject to Section 17.4(a) – (e) above, if either party brings an action or proceeding arising out of or relating to this Lease, the non-prevailing party shall pay to the prevailing party reasonable attorneys' fees and costs incurred in such action. Any judgment or order entered shall contain a provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment. The prevailing party shall be the party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction or the arbitrator), whether or not the action or proceeding proceeds to final judgment or award.

(g) Survival. This Section 17.4 shall survive the expiration or termination of this Lease.

17.5 Notices. All notices or communications required or permitted under this Lease shall be given in writing and shall be delivered to the party to whom notice is to be given either (a) by personal delivery (in which cases such notice shall be deemed given on the date of delivery), (b) by next business day courier service (e.g., Federal Express, UPS or other similar service) (in which case such notice shall be deemed given on the business day following date of deposit with the courier service), or (c) by United States mail, first class, postage prepaid, registered or certified, return receipt requested (in which case such notice shall be deemed given on the third (3rd) day following the date of deposit with the United States Postal Service). In each case, notice shall be delivered or sent to the address noted below, or to such other address as provided by a party to the other party, from time to time, pursuant to this Section.

Landlord Address:

MARK TWAIN HEALTH CARE DISTRICT
P.O. Box 95
768 Mountain Ranch Road
San Andreas, CA 95249

Tenant Address:

Board of Trustees
MARK TWAIN MEDICAL CENTER
768 Mountain Ranch Road
San Andreas, CA 95249
Attn: Chairperson

and

MARK TWAIN MEDICAL CENTER
768 Mountain Ranch Road
San Andreas, CA 95249
Attn: President and CEO

With copy to:

Michael B. Peterson, Esq.
Brown Gee & Wenger
Two Walnut Creek Center
200 Pringle Avenue, Suite 400
Walnut Creek, CA 94596

With copies to:

Dignity Health
10901 Gold Center Drive
Rancho Cordova, CA 95670
Attn: Corporate Real Estate

and

Dignity Health
3400 Data Drive
Rancho Cordova, CA 95670
Attn: Legal Department

17.6 Entire Agreement. This Agreement (including any exhibits, documents and instruments referred to in this Agreement, including, without limitation, the Transition Agreements and the Supplemental Agreement):

(a) constitutes the entire agreement, supersedes all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Agreement;

(b) is not intended to confer upon any person other than the parties to this Agreement any rights or remedies under this Agreement; and

(c) shall not be assignable by operation of law or otherwise, except as provided in Section 5.7.

17.7 Captions. The article and paragraph captions in this Agreement are for convenient reference only, do not constitute part of this Agreement and shall not limit or otherwise affect any of-the provisions of this Agreement.

17.8 Consent. Except as otherwise provided in the Lease, any time Tenant is required to obtain the Landlord's approval or consent of Landlord or an agent of Landlord's under the terms of the Lease, Landlord and/or its agent shall not unreasonably withhold, condition or delay its approval or consent. Except where a different response period is expressly set forth in this Lease, Landlord's failure to respond within thirty (30) days of receipt of request for approval or consent shall be deemed approval. Whenever the lease grants Landlord or Tenant the right to take action, exercise discretion, establish rules and regulations or make allocations or other determinations (other than decisions to exercise expansion, contraction, cancellation, termination or renewal options), Landlord and Tenant shall act reasonably and in good faith and take no action which might result in the frustration of the reasonable expectations of a sophisticated tenant or landlord concerning the benefits to be enjoyed under the Lease.

17.9 Late Charges. If any recurring Rent payment is not received by Landlord within five (5) days after Tenant's receipt of notice from Landlord that the payment is past due, or any non-recurring payment is not received by Landlord within ten (10) days after Tenant's receipt of notice from Landlord that such payment is past due, Tenant shall pay to Landlord a late charge of five percent (5%) of the delinquent Rent amount as liquidated damages, in lieu of actual damages (other than interest under Section 17.10 and attorney fees and costs under Section 17.4(f)). Tenant shall pay this amount for each calendar month in which all or any part of any Rent payment remains delinquent for more

than five (5) days after Tenant's receipt of notice that the payment is past date. The parties agree that this late charge represents a reasonable estimate of the expenses that Landlord will incur because of any late payment of Rent (other than interest and attorney fees and costs). Landlord's acceptance of any liquidated damages shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the rights and remedies available to Landlord under this Lease. Notwithstanding anything to the contrary in the Lease; however, no late charge shall be imposed for the first late payment on which a late charge would otherwise be payable in any twelve (12) month period.

17.10 Interest. If any recurring Rent payment is not received by Landlord within thirty (30) days after that Rent is due, or if any non-recurring payment is not received by Landlord within thirty (30) days after Tenant's receipt of notice from Landlord that such payment is past due, Tenant shall pay to Landlord interest on the past-due amount, from the date due until paid, at the rate of ten percent (10%) per year. Despite any other provision of this Lease, the total liability for interest payments shall not exceed the limits, if any, imposed by the usury laws of the State of California. Any interest paid in excess of those limits shall be refunded to Tenant by application of the amount of excess interest paid against any sums outstanding in any order that Landlord requires. If the amount of excess interest paid exceeds the sums outstanding, the portion exceeding those sums shall be refunded in cash to Tenant by Landlord. To ascertain whether any interest payable exceeds the limits imposed, any non-principal payment (including late charges) shall be considered to the extent permitted by law to be an expense or a fee, premium, or penalty rather than interest.

17.11 Landlord's Right of Entry. Upon at least forty eight (48) hours prior written notice (except in an emergency, in which case such advance verbal notice as is reasonably practicable), Landlord and its authorized representatives shall have the right to enter the Leased Premises at reasonable times to (i) inspect the Leased Premises, for any purpose relating to the maintenance, safety, or preservation of the Leased Premises (including seismic assessments), and Tenant's compliance with this Lease, (ii) supply or perform any service to be provided by Landlord to Tenant under this Lease, (iii) show the Leased Premises to prospective purchasers and mortgagees or, during the last twenty four (24) months of the Term, to prospective tenants or managers, (iv) post notices of non-responsibility or other notices required by law or which Landlord reasonably considers necessary for the protection of Landlord or the Leased Premises, and/or (v) to perform any covenants of Tenant that Tenant fails to perform. Notwithstanding the foregoing, Landlord possession and reentry and rights following a default shall be covered by unlawful detainer statutes and remedies provisions of this Lease, and this provision shall not expand the Landlord's remedies beyond those allowed by statute and the Lease provisions covering Landlord's remedies. Any non-emergency entry following the required advance written notice (a) shall be during regular business hours, (b) shall be subject to any security, health, safety and confidentiality requirements of Tenant or any

governmental agency or insurance requirement relating to the Leased Premises or imposed by law or applicable regulations, including but not limited to the Health Insurance Portability and Accounting Act. and (c) shall be on the condition that Landlord be accompanied by a Tenant representative. For purposes of this Section 17.11, an emergency situation is one that poses a threat of imminent bodily harm or property damage. If Landlord makes an emergency entry onto the Leased Premises when no authorized representative of Tenant is present, Landlord shall provide telephone notice to Tenant as soon as reasonably possible (but in no event later than twenty-four (24) hours) after that entry and shall take reasonable steps to secure the Leased Premises until a representative of Tenant arrives at the Leased Premises. To the extent reasonably practicable, Landlord shall exercise its rights under this Section 17.11 at such times and in such a manner as to minimize the impact on Tenant's business in and occupancy of the Premises, without any material or unreasonable interference. Notwithstanding the above, Landlord and its authorized agents shall have the right to enter public areas of the Leased Premises without prior notice to Tenant or accompaniment during such hours when the Leased Premises are open to the public. Landlord acknowledges that Tenant is subject to various requirements governing the protection of its patients' individually identifiable protected health information ("PHI") under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191) as amended, and the regulations promulgated thereunder by the U.S. Department of Health and Human Services ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act") and California's Confidentiality of Medical Information Act ("CMIA") and similar privacy related laws (collectively, the "Patient Privacy Laws"), and Landlord shall take all prudent action (including, but not limited to, in connection with Landlord's use of the Licensed Space pursuant to Section 5.12 above) to prevent Landlord (and its employees, agents and invitees) from accessing or disclosing PHI, including, but not limited to: (i) entering non-public portions of the Licensed Premises only when accompanied by a Tenant representative and only upon advance notice, and (ii) cooperating with Tenant in connection with the implementation of policies adopted by Tenant to ensure compliance with Patient Privacy Laws.

17.12 Tenant Bylaws. The parties acknowledge that, as of the Commencement Date, the Bylaws of Tenant and the Bylaws of the Hospital Community Board (individually and collectively, the "Bylaws") provide for representation of a District board member ("District Representation"). The parties agree that during the term of the Lease, or any extension or holding over period thereof, neither Tenant nor Dignity Health, Catholic Health Initiatives or any affiliate thereof may amend the portions of the Bylaws providing for District Representation or otherwise change the Bylaws in a way that would dilute that District Representation (such as changing or removing the voting rights of the District board member or providing for an increase in the number of other board members) without the prior written consent of Landlord.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, MARK TWAIN MEDICAL CENTER and MARK TWAIN HEALTH CARE DISTRICT cause this Lease Agreement to be executed as of the date first written above.

"LANDLORD"	"TENANT"
MARK TWAIN HEALTH CARE DISTRICT a political subdivision of the State of California	MARK TWAIN MEDICAL CENTER a California nonprofit public benefit corporation
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

EXHIBIT A

LEASED PREMISES DESCRIPTION

All that certain real property situated in the County of Calaveras, State of California, more particularly described as follows:

PARCEL 8 AS SAME PARCELS ARE DESIGNATED AND DELINEATED ON THAT CERTAIN PARCEL MAP FILED FOR RECORD OCTOBER 19, 1993 IN BOOK 8 OF PARCEL MAPS, PAGE 171, AND AS AMENDED BY MAP FILED APRIL 13, 1994 IN BOOK 8 OF PARCEL MAPS, PAGE 192, CALAVERAS COUNTY RECORDS.

A 60' NON-EXCLUSIVE ROAD ACCESS EASEMENT OVER AND ACROSS PARCEL 6, LEADING TO MOUNTAIN RANCH ROAD, AS SAME EASEMENT IS DELINEATED ON THE PARCEL MAP HEREIN REFERRED TO.

Together with all other appurtenant rights, including, reciprocal parking easements.

EXHIBIT B

Definition of Hazardous Materials/Environmental Law

As used in this Lease, the term "Hazardous Materials" shall mean any hazardous or toxic substance, material, or waste at any concentration that is or becomes or is foreseeable that it will be regulated by the United States, the State of California, or any local government authority or entity having jurisdiction over the Premises. Hazardous Materials include:

1. Any "hazardous substance," as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (42 USC Sections 9601-9675);

2. "Hazardous waste," as that term is defined in the Resource Conservation and Recovery Act of 1976 (RCRA) (42 USC Sections 6901-6992k);

3. "Hazardous Material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "contaminant," "toxic waste" or "toxic substance" under any provision of Environmental Law, and including without limitation petroleum, petroleum products, asbestos, presumed asbestos-containing material or asbestos-containing material and urea formaldehyde;

4. Any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable Laws and Orders (including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect);

5. Radioactive material, including any source, special nuclear, or byproduct material as defined in 42 USC Sections 2011-2297g-4; and

6. Polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs.

"Environmental Laws" means any laws, regulations and orders now in force or hereafter enacted, promulgated or issued that requires or relates to: (a) advising appropriate authorities, employees or the public of intended or actual releases of pollutants or hazardous substances or material, violation of discharge limits or other prohibition and the commencement of activities, such as resource extraction or construction, that could have significant impact on the environment; (b) preventing or reducing to acceptable levels the release of pollutants or hazardous substances or materials into the environment; (c) reducing the quantities, preventing the release or minimizing the hazardous characteristics of wastes that are generated; (d) assuring that products are designed, formulated, packaged and used so that they do not present unreasonable risks to human health or the environment when used or disposed of; (e) protecting resources, species or ecological amenities; (f) reducing to acceptable levels the risks inherent in the transportation of hazardous substances, pollutants, oil or other potential harmful substances; or (g) cleaning up

pollutants that have been released, preventing the threat of release or paying the costs of such clean up or prevention.

EXHIBIT C

Transition/Surrender Protocols

1. Tenant's Transfer of the Leased Premises to Landlord Upon Termination of Lease. Upon expiration or earlier termination of this Lease, Tenant shall surrender the Leased Premises to Landlord in the condition required pursuant to Section 7.1 of the Lease. No act of Landlord or its authorized representatives shall constitute Landlord's acceptance of an early surrender or abandonment of the real property Leased Premises by Tenant unless that intent is specifically acknowledged in a writing signed by both parties.

2. Tenant's Transfer of All Other Hospital Assets to Landlord Upon Termination of Lease. Subject to the terms and conditions of this Exhibit C, upon expiration or earlier termination of this Lease, and regardless of whether Landlord opts to purchase the equity interest in Tenant pursuant to the Equity Transfer Agreement, or Landlord purchases the Hospital Assets pursuant to Section 4.4(b) of this Agreement, Tenant shall reasonably cooperate with Landlord, at no net cost or expense to Tenant, in order to surrender, transfer, convey, assign and deliver to Landlord all of the other Hospital Assets, and to transition the Hospital operations to Landlord (or its designated successor lessee or operator) so as to reasonably limit interruption to patient care and Hospital operations, including all Hospital-affiliated business operations located at the Ancillary Premises; provided, however, that any such transfer, conveyance, assignment and delivery shall be further subject to the terms and conditions of the Supplemental Property Agreement, including Landlord's assumption of the applicable contracts respecting those Hospital Assets. If reasonably deemed necessary by Landlord, and only to the extent permitted under and in accordance with applicable laws, rules, ordinances and regulations of applicable governmental agencies, such cooperation shall include, the transfer of the following upon the expiration or earlier termination of the Lease:

(a) all applicable licenses, approvals, permits, provider numbers, certificates of need, certificates of exemption, franchises, accreditations and registrations required for the continued operation of the Hospital and Hospital-affiliated business operations (as applicable) at the Ancillary Premises, if and to the extent transferable and assumed by Landlord or its designee;

(b) all files, charts, and other records in Tenant's possession or control directly relating to (i) patients that have received healthcare services at the Hospital or Ancillary Premises, (ii) employees of the Hospital and Hospital-affiliated business operations at Ancillary Premises that are transitioning to Landlord or its designee; provided, however, that (i) Landlord shall assume all legal obligations of custody of such records, (ii) Tenant may retain copies of same and continued access to such records as reasonably requested by Tenant and in accordance with legal requirements; and (iii) any such transfer is further subject to Paragraph 3 below; and

(c) all third party agreements, contracts and software licenses related exclusively to the operation of the Hospital and/or Hospital-affiliated business operations at the Ancillary Premises, if and to the extent transferable and assumed by Landlord or its designee; but excluding System Contracts and excluding rights, claims or responsibilities relating to the period of time prior to the transfer; provided, however, any transfer fees shall be the responsibility of Landlord or its designee and is further subject to Paragraph 3 below.

Notwithstanding the foregoing, if there is a conflict between the requirements of this Lease, and the requirements of any leases respecting Tenant Ancillary Premises, the leases for the Tenant Ancillary Premises shall control as to the particular Tenant Ancillary Premises.

3. Notwithstanding the foregoing, Landlord acknowledges that there may be barriers to transferring certain files, charts and other records that are in electronic form. Tenant agrees to use reasonable efforts to assist Landlord or its designee to transfer such data in operational form for use in the transferee's computer application, or if such transfer cannot reasonably be performed electronically, then Tenant will arrange for hard copies of such information to be provided to Landlord or its designee; provided, however, that in either case, any such transfer shall be at Landlord's or its designee's sole cost and expense. Landlord further acknowledges that the Hospital and the Hospital-affiliated business operations at the Ancillary Premises may benefit from System Contracts (as defined in Section 1.17) and that Tenant may receive Overhead and Shared Services (as defined in Section 1.13). As it relates to the operation of the Hospital and the Hospital-affiliated business operations at the Ancillary Premises, such System Contracts are not required to be assigned to Landlord or its designee. However, Tenant will cooperate with Landlord's (or its designee's) efforts to purchase the continued provision of Overhead and Shared Services to the Hospital and Ancillary Premises for a limited period of time following the expiration or earlier termination of the Lease, in order to allow time for Landlord or its designee to transition such services to the new operator; provided, however, that any such cooperation shall be at no net cost or expense to Tenant.

4. Meet and Confer; Agreement to Implement Transfer Obligations. Beginning on the earlier to occur of one party's delivery to the other of a written termination notice or the date that is three (3) years before the expiration of the Term of the Lease without the parties having entered into a new lease for the Leased Premises (the "Pre-Transition Period"), the parties shall meet and confer and negotiate in good faith and with diligence to enter into an agreement setting forth the specific terms and conditions for implementing the matters described in this Exhibit C. Any such agreement would be subject to Landlord's repurchase obligations under Section 4.4(b) of this Lease with respect to Tenant's interest in the Hospital Assets or, if applicable Landlord's purchase of the equity interest in Tenant pursuant to the Equity Transfer Agreement. Nothing herein shall be deemed to require Tenant to provide any specific transition service except as may otherwise be agreed to by the parties during the Pre-Transition Period; provided, however, that if certain Tenant services are reasonably necessary for the effective transition of Hospital operations, and/or patient and/or personnel records (whether electronic or paper), then the parties will negotiate in good faith on the scope of services to be provided by Tenant, including (subject to any antitrust and other legal restrictions) providing access to payroll, employee benefits and collective bargaining agreement information as reasonably necessary for the orderly transition of Tenant's employees providing services at the Hospital and Ancillary Premises, and Tenant shall be entitled to reasonable compensation for all such transition services.

EXHIBIT D

FORM OF ANNUAL REPORT

Tenant shall provide an annual written report which addresses the following:

(1) Tenant's licensure status as a general acute care hospital, which includes any pending regulatory action that would assess any administrative penalties under SB 1312 or would result in revocation of Tenant's hospital license.

(2) Tenant's accreditation status by the Joint Commission, including any pending Commission action that would result in revocation of such accreditation status and threaten Tenant's certification status as a general acute care hospital.

(3) Tenant's certification status as a general acute care hospital under either the Medicare or Medi-Cal program, including any pending regulatory action that would result in revocation of Tenant's certification under said programs.

(4) Tenant's insurance coverage for the Leased Premises as required under Article VI of the Lease is currently in effect.

EXHIBIT E

SUPPLEMENTAL PROPERTY AGREEMENT

[SEE ATTACHED]

SCHEDULE 6.1(b)

Alternative Insurance Coverage as of the Commencement Date

See Attached

SCHEDULE 13.4

EXCEPTIONS TO GOOD AND MARKETABLE TITLE (SEC. 13.4)

[INSERT SCHEDULE B EXCEPTIONS FROM TITLE REPORT]

See attached correspondence from [*CONFIRM*], Esq.

[LETTERHEAD OF LANDLORD LAWYER]

[DATE], 2019

Mark Twain Medical Center
768 Mountain Ranch Road
San Andreas, CA 95249

Re: Title to Leased Property:

Ladies and Gentlemen:

I have examined the title to the real property the subject of this lease, and I find that, except for Calaveras County's right of reversion should the real property cease to be used for health care purposes, Mark Twain Health Care District has title free and clear of all liens, encumbrances, actions, claims, payments or demands of any kind or character, except for the exceptions set forth on Schedule 13.4 of the lease.

[ADD SIGNATURE BLOCK]

DISCLOSURE SCHEDULE 13.5

EXCEPTIONS TO NO DEFAULT (SEC. 13.5)

None.

DISCLOSURE SCHEDULE 13.6

EXCEPTIONS TO NO DEFAULT OF THE TERMS OF ANY LEASE OF REAL PROPERTY; ETC. (SEC. 13.6)

None.