

**ASSET PURCHASE AGREEMENT**

**BY AND BETWEEN**

**MCHS HOSPITALS, INC.**

**AND**

**RUSK COUNTY, WISCONSIN**

## TABLE OF CONTENTS

	<b>Page</b>
ARTICLE I PURCHASE AND SALE OF ASSETS .....	1
1.1 Assets to be Transferred.....	1
1.2 Excluded Assets .....	4
1.3 Insurance Proceeds.....	5
ARTICLE II ASSUMPTION OF LIABILITIES .....	5
2.1 Liabilities to be Assumed.....	5
2.2 Liabilities Not to be Assumed.....	6
ARTICLE III PURCHASE PRICE - PAYMENT.....	8
3.1 Purchase Consideration.....	8
3.2 Determination of Net Working Capital.....	8
3.3 Excess County Retained Cash .....	9
3.4 Prorations .....	10
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF COUNTY.....	10
4.1 Corporate Organization.....	10
4.2 Authority .....	11
4.3 No Violation.....	11
4.4 Financial Statements .....	11
4.5 Tax Matters .....	11
4.6 Accounts Receivable.....	12
4.7 Inventory .....	12
4.8 Absence of Certain Changes; Conduct in Ordinary Course .....	13
4.9 Absence of Undisclosed Liabilities .....	15
4.10 No Litigation.....	15
4.11 Compliance With Laws and Orders.....	15
4.12 Health Care Regulatory Compliance .....	16
4.13 HIPAA and HITECH Act Compliance.....	19
4.14 Health Care Professional Licensure; Accreditation .....	20
4.15 Exclusion by Federal Healthcare Programs .....	20
4.16 Licenses and Permits; Accreditation and Participation in Programs .....	21
4.17 Environmental Matters.....	21
4.18 Title to and Condition of Properties.....	22
4.19 Insurance .....	23
4.20 Contracts and Commitments.....	24
4.21 Labor Matters.....	26
4.22 Employee Benefit Plans .....	27
4.23 Employment Compensation.....	28
4.24 Proprietary Rights .....	28

## TABLE OF CONTENTS

(continued)

	<b>Page</b>
4.25 Medical Staff Matters .....	29
4.26 No Brokers or Finders.....	29
<b>ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER.....</b>	<b>29</b>
5.1 Organization.....	29
5.2 Authority .....	29
5.3 No Violation.....	29
5.4 No Brokers or Finders.....	30
<b>ARTICLE VI CERTAIN COVENANTS AND AGREEMENTS OF THE PARTIES .....</b>	<b>30</b>
6.1 Reasonable Efforts .....	30
6.2 Exclusivity .....	30
6.3 Access and Information; Inspections .....	30
6.4 Confidential Information .....	31
6.5 Public Announcements .....	31
6.6 County's Affirmative Covenants .....	32
6.7 County's Negative Covenants.....	32
6.8 Control Over RCMH Business .....	33
6.9 Consents and Estoppels.....	33
6.10 Certain Employee Matters .....	34
6.11 Provision of Benefits.....	35
6.12 License to Use Provider Numbers .....	36
6.13 Cost Report Matters .....	37
6.14 Collection Procedure for Government Accounts Receivable .....	37
6.15 Post-Closing Discovery of Contracts.....	38
6.16 Former CEO Agreements .....	38
<b>ARTICLE VII CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS.....</b>	<b>39</b>
7.1 Representations and Warranties.....	39
7.2 Performance .....	39
7.3 Absence of Certain Changes .....	39
7.4 Absence of Litigation.....	39
7.5 Unfavorable Action or Proceeding .....	39
7.6 Governmental Authorizations.....	39
7.7 Required Consents .....	40
7.8 Payor Agreements.....	40
7.9 EHR System.....	40
7.10 APNP Program Compliance .....	40
7.11 CAO Contract .....	40

**TABLE OF CONTENTS**

(continued)

	<b>Page</b>
ARTICLE VIII    CONDITIONS PRECEDENT TO COUNTY’S OBLIGATIONS .....	40
8.1    Representations and Warranties.....	40
8.2    Performance .....	41
8.3    Unfavorable Action or Proceeding .....	41
8.4    Governmental Authorizations .....	41
ARTICLE IX     INDEMNIFICATION.....	41
9.1    Indemnification .....	41
9.2    Method of Asserting Claims .....	42
9.3    Payment.....	44
9.4    Survival of Representations, Warranties, Covenants and Agreements.....	44
9.5    Limitations on Indemnification.....	44
ARTICLE X     CLOSING .....	44
10.1    The Closing.....	44
10.2    Closing Deliveries of County.....	45
10.3    Closing Deliveries of Buyer.....	46
ARTICLE XI    TERMINATION.....	46
11.1    Right of Termination Without Breach .....	46
11.2    Termination for Breach.....	47
11.3    Effect of Termination.....	47
ARTICLE XII   MISCELLANEOUS .....	47
12.1    Disclosure Schedule.....	47
12.2    Further Assurances.....	48
12.3    Assignment; Parties in Interest .....	48
12.4    Law Governing Agreement; Consent to Jurisdiction; Waiver of Jury Trial.....	48
12.5    Amendment; Modification; Waiver; Remedies Cumulative .....	48
12.6    Notice.....	48
12.7    Expenses .....	49
12.8    Entire Agreement; Severability.....	49
12.9    Counterparts; Signatures .....	50
12.10    Headings .....	50
12.11    Gender and Number; Construction .....	50
12.12    Third Party Beneficiary.....	50
12.13    Definitions.....	50

## **EXHIBITS**

Exhibit A - Facility Lease

Exhibit B - Operating Agreement

Exhibit C - Legal Opinion of Quarles & Brady LLP

Exhibit D - Power of Attorney

## ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT (this “*Agreement*”) dated \_\_\_\_\_, 2018, by and between MCHS Hospitals, Inc., a Wisconsin non-stock corporation (“*Buyer*”) and Rusk County, Wisconsin, a body corporate existing pursuant to Chapter 59 of the Wisconsin Statutes (the “*County*” or “*Seller*”).

### RECITALS

A. The County owns and operates a critical access acute care hospital in Ladysmith, Wisconsin known as “Rusk County Memorial Hospital” (the “*Hospital*”), and in connection with the Hospital operates medical clinics known as the “Clinics at Rusk” and the “Rusk County Memorial Hospital Clinic” (collectively, the “*Clinics*” and together with the Hospital, the “*RCMH Business*”). The County wishes to transfer the RCMH Business and substantially all of its assets related thereto (other than the “Real Estate” as defined below) to Buyer, and Buyer wishes to acquire the RCMH Business from the County and thereafter operate the Hospital and the Clinics, subject to an agreement between the parties to be entered into at the Closing (as defined below) governing Buyer’s operation of the RCMH Business and its construction of a new hospital facility (“*Replacement Facility*”) in the County (the “*Operating Agreement*”).

B. Buyer intends to lease from the County the land and buildings comprising the RCMH Business (as more fully described herein, the “*Real Estate*”) pursuant to a lease agreement in the form attached hereto as Exhibit A (the “*Facility Lease*”).

NOW THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements and conditions hereinafter set forth, and intending to be legally bound hereby, the parties hereto agree as follows:

### ARTICLE I PURCHASE AND SALE OF ASSETS

1.1 Assets to be Transferred. Subject to the terms and conditions of this Agreement, on the Closing Date (as hereinafter defined) County shall sell, transfer, convey, assign, and deliver to Buyer, and Buyer shall purchase and accept all of the business, properties, rights, claims and assets (of every kind, nature, character and description, whether real, personal or mixed, whether tangible or intangible, whether accrued, contingent or otherwise, and wherever situated) of County used or intended for use in the operation of the RCMH Business, together with all rights and privileges associated therewith, other than the Excluded Assets (as hereinafter defined) (collectively, the “*Purchased Assets*”). The Purchased Assets shall include, but not be limited to, the following:

(a) all of the tangible personal property owned by the County and used or intended for use in or with respect to the operation of the RCMH Business, including all equipment (including all medical equipment, computers and other data processing equipment and related software), furniture, fixtures, machinery, vehicles, office furnishings, and leasehold improvements (the “*Personal Property*”), including, without limitation, the Personal Property described in Schedule 1.1(a);

(b) all of County's rights, to the extent assignable or transferable, to all licenses, provider numbers (including Medicare and Medicaid provider numbers), Medicare, Medicaid and TRICARE provider agreements, permits, approvals, applications, certificates of need, certificates of exemption, franchises, accreditations and registrations and other Licenses issued to or held by Seller with respect to the operation, development or expansion of the RCMH Business, including, without limitation, the Licenses described in Schedule 1.1(b);

(c) all of County's interest, to the extent assignable or transferable, in and to those certain Real Estate Leases with respect to the operation of the RCMH Business under which County is the lessor or the lessee (each an "**Assigned Real Estate Lease**") that are described in Schedule 1.1(c);

(d) all interest, to the extent assignable or transferable, in and to those certain Personal Property Leases with respect to the operation of the RCMH Business (each an "**Assigned Personal Property Lease**") that are described in Schedule 1.1(d);

(e) all interest, to the extent assignable or transferable, in and to all Contracts other than the Assigned Real Estate Leases and the Assigned Personal Property Leases (including, but not limited to, purchase orders) with respect to the operation of the RCMH Business (the "**Assigned Contracts**"), that are described in Schedule 1.1(e);

(f) all of those advance payments, prepayments, prepaid expenses, deposits and the like which exist as of the Effective Closing Time, subject to the prorations provided in Section 3.4 of this Agreement, which were made with respect to the operation of the RCMH Business (the "**Prepays**"), the current accounting categories and amounts of which are set forth on Schedule 1.1(f);

(g) all supplies, drugs, food, janitorial and office supplies and other disposables and consumables located at the RCMH Business or used with respect to the operation of the RCMH Business (the "**Inventory**");

(h) the amount of "Acquired RCMH Cash" required by section 3.2, and the following depository bank accounts of Seller used in the RCMH Business: (1) CCF Bank – General Checking Account – Account No. 2330606002; (2) CCF Bank – Payroll Checking Account – Account No. 2330606010; [(3) Ladysmith Federal Savings & Loan – CD'S – Account No. 170000181, 170000185, 170000203, 170000204; and (4) Local Government Investment Pool – State of Wisconsin – Depositor No. 854901].

(i) all documents, records, operating manuals, files and computer software relating or with respect to the operation of the RCMH Business, including, without limitation, all patient records, medical records, the chargemaster of the Hospital, employee records of Hired Employees, medical staff files, financial records relating to or with respect to the operations of the RCMH Business, equipment records, construction plans and specifications, historical patient, certification and accreditation data relating to the RCHM Business, and medical and administrative libraries, manuals, marketing materials, policy and procedure manuals, standard operating procedures and marketing brochures, data and studies or analyses, except as excluded pursuant to applicable Law;

(j) to the extent assignable or transferable, all rights in all warranties of any manufacturer or vendor relating to or in connection with the Personal Property;

(k) all goodwill of the RCMH Business;

(l) the telephone numbers, software, firmware and embedded microcontrollers in any equipment used with respect to the operation of the RCMH Business;

(m) any current assets with respect to the operation of the RCMH Business not otherwise specifically described above in this Section 1.1 which are included in the Working Capital Accounts.

(n) except as excluded by Section 1.2(j) or Section 1.2(m), all “**Accounts Receivable**” of Seller, which for purposes of this Agreement shall mean: all accounts, notes, interest and other receivables of Seller, and all claims, rights, interests and proceeds related thereto, arising from the rendering of services to inpatients and outpatients at the RCMH Business, billed and unbilled, recorded and unrecorded (including any accounts previously written off or charged off as bad debts), for services provided by Seller while owner of the Purchased Assets whether payable by private pay patients, private insurance, third party payors, Medicare, Medicaid, TRICARE, Blue Cross, or by any other source, and specifically including all Accounts Receivable included in Working Capital Accounts; and including the right to receive, consistent with Section 6.14, an amount equal to the value of all accounts receivable arising from the rendering of services and provision of medicine, drugs and supplies to patients at the RCMH Business through the Effective Closing Time and relating to Medicare, Medicaid, TRICARE and other third party patient claims of Seller due from beneficiaries or governmental third party payors (“**Government Accounts Receivable**”); provided, however, the term “Accounts Receivable” shall not include the right to receive positive cost report settlements or retroactive adjustments on the Seller Cost Reports (defined below) in respect of time periods prior to the Effective Closing Time;

(o) all claims, causes of action, choses in action, rights of recovery, rights of set off, rights of recoupment and any other rights related to or associated with the physical condition of any Purchased Asset;

(p) to the extent assignable or transferable, all Intellectual Property Rights, including computer software, programs and hardware or data processing equipment, data processing system manuals and licensed software materials, owned by and proprietary to Seller and used primarily in the operation of the RCMH Business;

(q) the names “Rusk County Memorial Hospital”, “Clinics at Rusk,” “Rusk County Memorial Hospital Clinic,” the worldwide web address Ruskhospital.org and any other name or web address set forth on Schedule 1.1(q), and any other trade name used in connection with the RCMH Business and, with respect to any of the foregoing, all abbreviations and variations thereof, and trademarks, trade names, service marks, copyrights and any applications therefor, symbols and logos related thereto (collectively, the “**Assigned Proprietary Rights**”), together with any promotional material, stationery, supplies or other items of inventory bearing such names or symbols or abbreviations or variations thereof;

(r) all the proprietary manuals, marketing materials, policy and procedure manuals, nursing order sets, clinical protocols, standard operating procedures and marketing brochures, data and studies or analyses that are used in the operation of the Hospital;

(s) the depository bank account or accounts of Seller listed on Schedule 1.1(s);  
and

(t) all other assets and properties of County used or held for use in connection with the RCMH Business, except as otherwise provided in Section 1.2.

1.2 Excluded Assets. The provisions of Section 1.1 notwithstanding, County shall not sell, transfer, assign, convey or deliver to Buyer, and Buyer will not purchase or accept the following assets of County (collectively the “Excluded Assets”):

(a) Cash and Cash Equivalents. Except as provided in Section 1.1(h) and Section 3.2(c), all restricted and unrestricted cash and cash equivalents, commercial paper, investments in marketable securities, certificates of deposit and other bank deposits;

(b) Vehicles. The motor vehicles listed on Schedule 1.2(b);

(c) Real Estate. The real estate and buildings and improvements thereon comprising the Hospital facility and owned by the County, located at 900 College Avenue West, Ladysmith, Wisconsin (the “*Real Estate*”).

(d) Excluded Contracts and Licenses. Subject to Section 6.15, the rights of County in, to and under any Contract of any nature, which is not listed on Schedule 1.1(c), 1.1(d) or 1.1(e), and the obligations of County under which expressly are not assumed by Buyer pursuant to Section 2.1.

(e) This Agreement. Any of the rights of the County under this Agreement or any other agreement or instrument entered into between the County and Buyer in connection herewith;

(f) Rights Relating to Retained Liabilities or Excluded Assets. All rights, claims or causes of action of the County against third parties relating to the assets, prospects, business or operations of County that arise in connection with the discharge by the County of the Retained Liabilities or that relate to the Excluded Assets;

(g) Benefit Plan Assets. All funds and accounts of all employee retirement, deferred compensation, health, welfare or benefit plans and programs, including assets representing a surplus or overfunding of any Seller Benefit Plan;

(h) all claims, rights, interests and proceeds with respect to state or local Tax refunds (including, but not limited to, property Taxes or payments in lieu of property Taxes) resulting from periods prior to the Effective Closing Time and the right to pursue appeals of same, which are not included in Working Capital Accounts, if any;

(i) all rights in bequests, donor-restricted gifts and other similar assets that by their terms are not transferable to Buyer and which are specifically described on Schedule 1.2(i);

(j) all claims, rights, interests and proceeds (whether received in cash or by credit to amounts otherwise due to a third party) with respect to amounts overpaid by Seller with respect to the RCMH Business to any third party with respect to periods prior to the Effective Closing Time (e.g., such overpaid amounts as may be determined by billing audits undertaken by Seller or Seller's consultants), which are not included in Working Capital Accounts;

(k) all bank accounts of Seller (other than those bank accounts listed on Schedule 1.1(h));

(l) all writings and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other legally cognizable privilege or protection;

(m) any receipts (i) relating to the Seller Cost Reports or Agency Settlements (whether resulting from an appeal by Seller or otherwise) with respect to time periods prior to the Effective Closing Time, (ii) which result from Seller's pursuit of one or more appeals pertaining to Medicare, Medicaid (including, without limitation, disproportionate share hospital program payments) or TRICARE or (iii) attributable to any receivables which are expressly excluded from the definition of Accounts Receivable;

(n) any assets identified in Schedule 1.2(n); and

(o) County Receivables. Any amounts reflected as due to or owed to the RCMH Business by the County;

1.3 Insurance Proceeds. If any of the Purchased Assets are destroyed or damaged or taken in condemnation prior to or on the Closing, the insurance proceeds or condemnation award with respect thereto shall be a Purchased Asset. At the Closing, County shall assign to or assert for the benefit of Buyer all of its rights against any insurance companies and others with respect to such damage, destruction or condemnation, and pay to Buyer the amount of any such insurance proceeds or condemnation awards received by it on or prior to the Closing. The provisions of this Section 1.3 shall not affect the right of Buyer not to consummate the transactions contemplated by this Agreement if the condition to its obligations hereunder contained in **Article VII** hereof have not been fulfilled.

## **ARTICLE II ASSUMPTION OF LIABILITIES**

2.1 Liabilities to be Assumed. Subject to the terms and conditions of this Agreement, on the Closing Date, Buyer shall assume and agree to perform and discharge the following Liabilities (as hereinafter defined), and only the following Liabilities, of County arising in connection with the operation of the Business and the Purchased Assets, as the same shall exist on the Closing Date (collectively the "Assumed Liabilities"), and no others:

(a) Working Capital Liabilities. The current liabilities reflected in the Working Capital Accounts, but only in the amounts so reflected or reserved as of the Closing Date;

(b) Contracts. The Assigned Contracts listed on Schedule 1.1(e), but only to the extent of the obligations arising thereunder with respect to obligations arising and attributable to the

period on and after the Effective Closing Time and that do not relate to any failure to perform, improper performance, or other breach, default or violation by Seller on or prior to the Effective Closing Time;

(c) Leases. The Assigned Real Estate Leases and the Assigned Personal Property Leases listed on Schedules 1.1(c) and 1.1(d), but only to the extent of the obligations arising thereunder with respect to obligations arising and attributable to the period on and after the Effective Closing Time and that do not relate to any failure to perform, improper performance, or other breach, default or violation by Seller on or prior to the Effective Closing Time;

(d) Taxes. All real and personal property Taxes, if any, that are attributable to the Assets, but only to the extent prorated to Buyer at Closing as provided for in Section 3.4;

(e) Other. Any other obligations and liabilities identified in Schedule 2.1(e);

2.2 Liabilities Not to be Assumed. Except as and to the extent specifically set forth in Section 2.1, Buyer shall not assume by virtue of this Agreement or the transactions contemplated hereby, and shall have no Liability for, any Liabilities of County or the RCMH Business of any kind, character or description whatsoever, including, without limitation, any Liabilities relating to:

(a) Employment Contracts. Employment contracts to which County is a party not specifically listed on Schedule 1.1(e);

(b) Environmental Liabilities. Any environmental Liabilities arising out of or relating to the Business, the Purchased Assets or the Real Estate to the extent that the same are attributable to conditions or circumstances that existed, or were caused on or before the Closing Date;

(c) Debt. All liabilities and obligations of County which constitute debt, loans or credit facilities or other indebtedness for borrowed money;

(d) Taxes. Except as provided in Section 2.1(d), all Liabilities with respect to unpaid Taxes (as defined below) (including, without limitation, any interest, penalties or late fees relating thereto) of County for all tax periods prior to the Closing Date;

(e) Transaction Taxes. any taxes applicable to, imposed upon or arising out of the sale or transfer of the Purchased Assets to Buyer and the other transactions contemplated by this Agreement, including but not limited to any income, transfer, value added, sales, use, gross receipts, fees, surcharges or documentary or stamp taxes; and

(f) Litigation. Any Liability with respect to any Action, whether or not described in Schedule 4.10.

(g) Pre-Closing Obligations. All liabilities of County arising out of or relating to any act, omission, event or occurrence connected with the use, ownership or operation by County of the RCMH Business or any of the Purchased Assets prior to the Effective Closing Time, other than as specifically included in the Assumed Liabilities;

(h) Professional Liabilities. All liabilities and obligations of County in connection with professional liability claims or claims of professional malpractice, to the extent arising out of or relating to acts, omissions, events or occurrences prior to the Effective Closing Time;

(i) Cost Reports. All Liabilities of Seller relating to the Seller Cost Reports and Agency Settlements with respect to periods ending prior to the Effective Closing Time, including without limitation any Liabilities relating to Seller's Advance Practice Nurse Practitioner hospitalist program;

(j) Excluded Assets. All liabilities of Seller relating to any Excluded Assets;

(k) Benefit Plans. All liabilities under or in connection with the Seller Benefit Plans and/or any other employee benefit plans or programs or arrangements ever maintained by and/or contributed to by County or in which the employees and/or former employees of County participate or have ever participated, including without limitation, (i) all benefits and administrative costs associated with any such plans, (ii) any liabilities under any change of control, retention, bonus, termination, severance, employment or similar plan or agreement providing for payments to current or former employees of County which arise as a result of the consummation of the transactions contemplated by this Agreement or otherwise and (iii) any liabilities imposed by Law and/or Contract, including, without limitation, withdrawal liability arising under or with respect to such plans, provided that MCHS shall assume liability for all Accrued PTO;

(l) Contract Breaches. All liabilities or obligations of County arising from or attributable to any pre-Effective Closing Time breach of or failure to perform or comply with any Assigned Real Estate Lease, Assigned Personal Property Lease, License or other Assigned Contract;

(m) Payor Obligations. All liabilities or obligations of Seller in respect of periods prior to the Effective Closing Time arising under the terms of Medicare, Medicaid, Blue Cross, TRICARE or any other Third Party Payor Programs;

(n) County Payables. Any amounts due or owed to the County by the RCMH Business;

(o) Transaction Costs. Any liabilities for any costs or expenses incurred by County in connection with this Agreement or the transactions contemplated hereby, including without limitation all liabilities of County for commissions or fees owed to any finder, broker, financial advisor or the like in connection with the transactions contemplated hereunder;

(p) Employee Obligations. Except for the Accrued PTO and except to the extent included in Working Capital Accounts, any liabilities or obligations of County to any current or former employees, retirees, independent contractors or consultants of County, including, without limitation, any liabilities or obligations associated with any claims for wages or other benefits (including all claims for medical, dental, life insurance, health, accident or disability benefits brought by or in respect of current or former RCMH Business Employees, officers, directors, independent contractors or consultants of the RCMH Business or the spouses, dependents or beneficiaries thereof), bonuses, accrued vacation, workers' compensation claims, retention, termination, severance, change of control, or other compensation triggered by the transactions

contemplated hereby or arising from the County's employment or engagement of such persons, and/or the acts or omissions of County, prior to the Effective Closing Time;

(q) Non-Assigned Contracts. Any liabilities or obligations under any Assigned Contracts which are not validly and effectively assigned to Buyer pursuant to this Agreement (subject to Section 6.11);

(r) Violations of Laws. Any liabilities or obligations arising out of, in respect of or in connection with the failure by County to comply with any Law (including, without limitation, those pertaining to Medicare and Medicaid fraud or abuse, and Environmental Laws) or Permit or any Order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, but only to the extent such liability or obligation arises from an act or omission of Seller, or circumstances existing, prior to the Effective Closing Time; (collectively, the "Retained Liabilities"). All such Retained Liabilities shall be and remain the responsibility of County. Except for any Retained Liabilities that are disputed by County in good faith, County shall discharge in a timely manner or shall make adequate provision for all Retained Liabilities.

### **ARTICLE III PURCHASE PRICE - PAYMENT**

3.1 Purchase Consideration. The cash purchase price (the "Purchase Price") for the Purchased Assets shall be One Dollar (\$1.00), to be paid in cash at the Closing, subject to Section 3.2(a).

(a) As additional consideration for the Purchased Assets, Buyer shall (i) assume the Assumed Liabilities and (ii) enter into the Operating Agreement.

3.2 Determination of Net Working Capital.

(a) Adjustment to Cash at Closing. If the amount of cash and cash equivalents of the RCMH Business as of the Closing Date (the "***Closing Date Cash***") is between \$3,000,000 and \$3,500,000, such Closing Date Cash shall (subject to Section 3.2(b) and Section 3.3) be excluded from the Purchased Assets and retained by the County. If the Closing Date Cash less than \$3,000,000, Buyer shall transfer to the County an amount of cash sufficient to cause the Closing Date Cash to equal \$3,000,000, such transfer to be made not later than the final determination of Closing Date Cash pursuant to this Section 3.2. If the Closing Date Cash is greater than \$3,500,000, the excess over \$3,500,000 shall be included in the Purchased Assets and transferred to Buyer. All Closing Date Cash excluded from the Purchased Assets and retained by the County pursuant to this Section, including any cash to be contributed by Buyer pursuant to first sentence of this Section 3.2(a), is referred to herein as "***County Retained Cash***". All Closing Date Cash included in the Purchased Assets and transferred to Buyer is referred to herein as the "***Acquired RCMH Cash***"

(b) Determination of Final Closing Cash Amount.

(i) Within ninety (90) days after the Closing Date, Buyer shall deliver to County a calculation of the Closing Date Cash ("***Final Closing Date Cash***"), as of the close of

business on the Closing Date (the “**Final Cash Statement**”). County will permit Buyer and its representatives, during normal business hours, to have access to any books and records of County in order to enable Buyer to prepare the Final Cash Statement.

(ii) After receipt of the Final Cash Statement and the Buyer’s calculation of the Final Closing Date Cash, County shall have thirty (30) days to review such statement and calculation (the “**Review Period**”). During the Review Period, County and its authorized representatives shall have reasonable access to computations and work papers of Buyer used in the preparation of the Final Cash Statement. Unless County delivers written notice to Buyer on or before the thirtieth (30th) day after receipt of the Final Cash Statement indicating with reasonable specificity County’s disagreement as to any item included in the Final Cash Statement and any differences between County’s and Buyer’s calculation of the Final Closing Date Cash (a “**County Objection**”), the parties shall be deemed to have accepted and agreed to such Final Cash Statement and the calculation of the Final Closing Date Cash, at which time the same shall be deemed final, binding and conclusive. Any item included in the Final Cash Statement and the calculations of the Final Closing Date Cash that is not objected to by County in accordance with Section 3.2(d)(ii) and which do not reasonably relate to a County Objection shall be deemed to be accepted by County (“**Resolved Items**”) and any amounts included within such item shall be deemed to be final, binding and conclusive.

(iii) County and Buyer shall, within thirty (30) days (or such longer period as the parties may agree in writing) following Buyer’s receipt of a County Objection (the “**Resolution Period**”), attempt to resolve their differences, and any written resolution by them as to any disputed amounts shall be final, binding and conclusive. If any amounts remain in dispute at the conclusion of the Resolution Period (“**Unresolved Items**”), such disputed items shall be submitted to an accounting firm of nationally or regionally recognized standing (such firm being referred to as the “**Adjustment Auditor**”), mutually selected by County and Buyer within ten (10) days after the expiration of the Resolution Period. The Adjustment Auditor shall not have rendered services to either County or Buyer or their respective Affiliates within the two (2) year period prior to the Closing Date. The Adjustment Auditor shall act as an arbitrator to determine, based solely on presentations by Buyer and County, only those issues still in dispute. Each party agrees to execute, if requested by the Adjustment Auditor, an engagement letter with the Adjustment Auditor containing reasonable terms. All fees and expenses relating to the work, if any, to be performed by the Adjustment Auditor shall be borne pro rata by Buyer and County in proportion to the difference between the Adjustment Auditor’s determination of any Unresolved Items and County’s and Buyer’s respective determinations of such amounts. The Adjustment Auditor’s determination of the Unresolved Items shall be made within thirty (30) days of the submission of the Unresolved Items to the Adjustment Auditor, and, together with a calculation of the Final Closing Date Cash (based on the amount of Resolved Items and the Adjustment Auditor’s determination of the Unresolved Items) shall be set forth in a written statement delivered to County and Buyer by the Adjustment Auditor (the “**Auditor Statement**”) and shall be final, binding and conclusive on the parties.

(iv) Following the determination of Final Closing Date Cash pursuant to the foregoing provisions, the parties shall transfer cash to or from each other as necessary such that the amount of County Retained Cash or Acquired RCMH Cash, as the case may be, comports with the requirements of Section 3.2(a) based on the Final Closing Date Cash amount

as finally determined, it being the intent of the parties that the amount of County Retained Cash, as finally determined pursuant to this Section 3.2, shall not be less than \$3,000,000 nor greater than \$3,500,000.

3.3 Excess County Retained Cash. The County Retained Cash shall be transferred to a separate, segregated account in the name of the County, and thereafter used by the County only for the payment of Transaction Costs and Wind-Down Expenses. Upon completion of the Wind-Down Period, any County Retained Cash that has not been expended for Transaction Costs and Wind-Down Expenses during the Wind-Down Period will be transferred to Buyer as its property, for its use in the operation of the RCMH Business; provided, that if Buyer or its affiliate is then in breach or default (or if County, in good faith, asserts that Buyer or its affiliate is in such breach or default), in any material respect, under the Facility Lease or the Operating Agreement, such excess County Retained Cash may be retained by County until such breach or default is cured or, if not cured and County is determined to be entitled to compensation or damages as a result of such breach or default, an amount of such excess County Retained Cash equal to the compensation or damages so determined may be retained by County as a payment towards such compensation or damages.

3.4 Prorations. The following prorations relating to the Assumed Liabilities will be made as of the Closing Date, but only to the extent such prorations are not reflected in the Working Capital Accounts or otherwise accounted for under the Facility Lease, with County liable for prompt payment thereof to the extent such items relate to any time period up to and including the Closing Date and Buyer liable for payment thereof to the extent such items relate to periods subsequent to the Closing Date. The net amount of these adjustments, if in the County's favor, shall be an increase in the Current Assets for purposes of Section 3.2, and if in the Buyer's favor, shall be treated as an additional Assumed Current Liability for purposes of Section 3.2:

(a) rents and taxes and other items payable by County under any Assigned Real Estate Lease, Assigned Personal Property Lease, Assigned Contract, or any other License, Permit, Contract or other agreement or arrangement to be assigned to or assumed by Buyer;

(b) the amount of charges for sewer, water, fuel, telephone, electricity and other services and utilities payable by the County; provided that if practicable, meter readings shall be taken at the Closing Date and the respective obligations of the parties determined in accordance with such readings; and

(c) all other items normally adjusted in connection with similar transactions. If the actual expense of any of the above items for the billing period within which the Closing Date falls is not known at the Closing Date, the proration shall be made based on the expense incurred in the previous billing period, for expenses billed less often than quarterly, and on the average expense incurred in the preceding three billing periods, for expenses billed quarterly or more often. County agrees to furnish Buyer with such documents and other records as shall be reasonably requested in order to confirm all proration calculations.

## ARTICLE IV REPRESENTATIONS AND WARRANTIES OF COUNTY

Except as set forth on the Disclosure Schedules, County makes the following representations and warranties to Buyer, each of which is true and correct on the date hereof and shall remain true and correct to and including the Closing Date.

4.1 Corporate Organization. County is a body corporate existing pursuant to Chapter 59 of the Wisconsin Statutes and a political subdivision of the State of Wisconsin. County has all requisite corporate power and authority to own, operate the RCMH Business and its assets and properties, as and where such RCMH Business is now being conducted, to enter into this Agreement and the other documents and instruments to be executed and delivered by County pursuant hereto and to carry out the transactions contemplated hereby and thereby.

4.2 Authority. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by County pursuant hereto and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the Board of Supervisors of County (the "**County Board**"). No other or further act or proceeding on the part of County or any of its officials is necessary to authorize this Agreement or the other documents and instruments to be executed and delivered by County pursuant hereto or the consummation of the transactions contemplated hereby and thereby. This Agreement constitutes, and when executed and delivered, the other documents and instruments to be executed and delivered by County pursuant hereto will constitute, valid, binding agreements of County, enforceable in accordance with their respective terms.

4.3 No Violation. Neither the execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by County pursuant hereto, nor the consummation by County of the transactions contemplated hereby and thereby (i) will violate any applicable Law or any Order, (ii) will require any authorization, consent, approval, exemption or other action by or notice to any Governmental Authority (other than the County Board, which has taken all necessary action required by it) (collectively, "**Governmental Authorizations**"), or (iii) subject to obtaining the consents referred to in Schedule 4.3(a) ("**Third Party Consents**"), will violate or conflict with, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or will result in the termination of, or accelerate the performance required by, or result in the creation of any Lien (as hereinafter defined) upon any of the Purchased Assets under, any term or provision of any Contract (including without limitation any Third Party Payor Program), Personal Property Lease, License, Real Estate Lease or restriction of any kind or character to which County is a party or by which County or any of its assets or properties may be bound or affected or whereby timely performance by County according to the terms of this Agreement may be prohibited, prevented or delayed.

4.4 Financial Statements. County has provided to Buyer true and complete copies of the financial statements of the RCMH Business, consisting of (a) the audited balance sheets of the RCMH Business as of December 31, 2015 and 2016, and the related statements of income and cash flows for the fiscal years then ended (including the notes contained therein or annexed thereto) (the "**Historical Financial Statements**"), and (b) the unaudited balance sheet of the RCMH Business as of September 30, 2017, and the related unaudited statements of income and cash flows for the 9 months then ended (the "**Recent Financial Statements**"). All of such financial statements (including

all notes and schedules contained therein or annexed thereto) are true, complete and accurate in all material respects, have been prepared on a consistent basis in accordance with the books and records of County regularly maintained by it, and fairly present, on a consistent basis, the assets, liabilities, financial condition, results of operations and cash flows of the RCMH Business as of the dates and for the years and periods indicated. The books and records of County as they relate to the RCMH Business will be kept and maintained through the Closing Date on a basis consistent with the Historical Financial Statements and the Recent Financial Statements and will be true, complete and accurate in all material respects.

#### 4.5 Tax Matters.

(a) County is a political subdivision of the State of Wisconsin, exempt from federal and state income taxation.

(b) County has filed, or has caused to be filed, on a timely basis and subject to all permitted extensions, all Tax Returns that it was required to file relating to the RCMH Business in all jurisdictions, in each case with the appropriate Governmental Authority, and all such Tax Returns were correct and complete. No claim has ever been made by any Governmental Authority in a jurisdiction where County does not file Tax Returns that County is or may be subject to taxation by that jurisdiction. All Taxes that are shown as due on such Tax Returns or that were otherwise payable, if any, have been timely paid, or delinquencies cured with payment of any applicable penalties and interest. There are no liens on any of the Purchased Assets that arose in connection with any failure (or alleged failure) to pay any Tax.

(c) Except as set forth on Schedule 4.5(c), no audits or other examinations are being conducted with respect to any Tax return relating to the RCMH Business and no adjustment of or deficiency in any Tax or claim for additional Taxes relating to the RCMH Business has been proposed, asserted, assessed or, to the Knowledge of County, threatened against County and there is no basis therefor. County has no disputes with any Governmental Authority as to Taxes of any nature.

(d) County has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, or other third party in connection with the RCMH Business, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(e) County has no obligation for Taxes pursuant to any Assigned Contract. County has not extended any statute of limitations relating to Taxes, or agreed to any extension of time with respect to a Tax assessment or deficiency, for which Buyer could be liable under this Agreement or pursuant to applicable Law. There are no unpaid or proposed assessments for Taxes of County relating to the RCMH Business. County is not liable for Taxes of any other Person as a result of successor liability, transferee liability, joint or several liability, contractual liability or otherwise.

(f) Seller is not obligated under any Contract, plan or arrangement to make a “gross-up” or similar payment or indemnify any employee or independent contractor for any Taxes, including those imposed under Code Sections 4999 or 409A.

4.6 Accounts Receivable. All Accounts Receivable included among the Purchased Assets (a) represent bona fide indebtedness owing to County for services actually performed or for goods or supplies actually provided in the Ordinary Course of Business of the RCMH Business, in the amounts at which such Accounts Receivable are reflected on the books and records of the RCMH Business, and (b) to the Knowledge of County (i) are collectible (net of the reserves for doubtful accounts reflected in Working Capital Accounts) in the Ordinary Course of Business without the necessity of commencing legal proceedings; (ii) are not subject to any counterclaim, deduction, compromise, reduction or setoff; and (iii) are not in dispute. County has provided to Buyer an accurate aging schedule of accounts receivable included in the Recent Balance Sheet.

4.7 Inventory. All Inventory included among the Purchased Assets consists of a quality and quantity usable and saleable in the Ordinary Course of Business and is carried on the books of the RCMH Business at the lower of cost or market. The quantities of Inventory are and will be not in excess of reasonable quantities for anticipated sale or use in the ordinary course. All Inventory is located on the Real Estate

4.8 Absence of Certain Changes; Conduct in Ordinary Course.

(a) Except for the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, since the date of the Recent Financial Statements, there has not been any material adverse change, or any event or development (or threatened event or development) which, individually or together with such other events, could reasonably be expected to result in a material adverse change, in the RCMH Business or the assets, Liabilities, condition (financial or otherwise), or results of operations of the RCMH Business (collectively, a “Material Adverse Effect”); provided, however, that none of the following shall in themselves constitute, and none of the following shall be taken into account in determining whether there has been or will be a Material Adverse Effect: (i) any change, effect or circumstance to the extent arising primarily by reason of a deterioration in the financial markets, the general economy or the industries in which the RCMH Business operates; (ii) any change, effect or circumstance to the extent directly arising out of action taken by Buyer or any of its Affiliates, the announcement of this transaction and the consummation of the transactions contemplated hereby; (iii) any change, effect or circumstance to the extent attributable primarily to any acts of war involving the United States or hostilities or terrorist activity involving the United States, including without limitation, any continuation or material worsening of hostilities involving the combat of terrorism or other national security issues involving the United States; (iv) general economic, regulatory or political conditions or changes, (v) changes in Laws affecting the RCMH Business after the date of this Agreement; or (vi) compliance with the terms of this Agreement.

(b) Without limiting the foregoing, except as specifically set forth in Schedule 4.8(b), and except as expressly authorized by this Agreement to accomplish the transactions contemplated hereby, since the date of the Recent Financial Statements, County has conducted (and from the date hereof through the Effective Closing Time, will continue to conduct) the RCMH Business and its operations only in the ordinary course and consistent with past practice in all material respects. Without limiting the generality of the foregoing, since the date of the Recent Financial Statements, and, except as specifically set forth on Schedule 4.8(b) and, except for transactions required to effect this Agreement, County has not (and from the date hereof through the Effective Closing Time, will not):

(i) created or suffered to exist any liens, encumbrances or other restrictions with respect to any of the Purchased Assets;

(ii) sold, leased to others, licensed to others, disposed of, or otherwise transferred any of the material assets or properties of the RCMH Business, except for (i) sales or use of inventory in the usual and ordinary course of the Business, (ii) sales of old or obsolete equipment that has been replaced with equipment that is functionally equivalent and (iii) sales of other obsolete equipment with an aggregate value of less than \$50,000;

(iii) transferred any cash or cash equivalents from the accounts of the RCMH Business to the County's other accounts except in the ordinary course of business and consistent with past practice, or made any other disbursements or expenditures of cash or cash equivalents not required by agreements or obligations of the RCMH Business existing as of the date hereof or obligations entered between the date hereof and Closing that are entered in the ordinary course of business;

(iv) suffered any material loss, or material interruption in use, of any material asset or property of the RCMH Business (whether or not covered by insurance) on account of fire, flood, riot, strike or other hazard or act of God in excess of \$25,000;

(v) (A) increased the rate or terms of compensation (including termination and severance pay), commission, bonus or other direct or indirect remuneration (or the rate thereof) payable or to become payable to any of the RCMH Business's employees, officers, directors or persons otherwise serving in such capacities, other than regularly scheduled increases in base salary in the ordinary course and consistent with past practice in all material respects; or (B) adopted, amended or terminated any Seller Benefit Plan;

(vi) waived any rights relating to the RCMH Business or arising under or in connection with any of the Purchased Assets;

(vii) acquired any assets or properties relating to the RCMH Business individually or in the aggregate in excess of \$25,000 other than in the ordinary course and consistent with past practice;

(viii) failed to replenish inventories and supplies in the ordinary course and consistent in all material respect with prior practice, or made any purchase commitment materially in excess of the usual requirements and past practice of the RCMH Business or at any price materially in excess of the then-current market price or upon terms and conditions more onerous than those usual and customary in the industry;

(ix) made any change in its general pricing practices or policies or any change in its credit or allowance practices or policies;

(x) entered into any transaction, agreement, contract or understanding with any Person (other than Buyer) affecting the Business, or altered the terms of any

transaction, agreement, contract or understanding with any Person (other than Buyer) affecting the Business, in either case which involves annual expenditure in excess of \$100,000;

(xi) without limiting the foregoing, entered into any material transaction resulting in a liability or expenditure in excess of \$100,000;

(xii) entered into any material amendment, modification, termination (partial or complete) or granted any material waiver under or given any material consent with respect to any Assigned Contract, Assigned Personal Property Lease or Assigned Real Estate Lease;

(xiii) made any change in any method of accounting or accounting practice applicable to the RCMH Business;

(xiv) made any capital expenditure in a single transaction or series of related transactions in excess of \$100,000;

(xv) experienced any labor dispute or disturbance, other than routine individual grievances which are not material to the RCMH Business; and

(xvi) except for this Agreement, entered into any oral or written agreement, contract, commitment, arrangement or understanding with respect to any of the matters described in this Section 4.08(b).

4.9 Absence of Undisclosed Liabilities. Except as and to the extent specifically disclosed in the Recent Financial Statements or in Schedule 4.9, County does not have any Liabilities relating to or affecting County or any of its assets and properties, other than (i) commercial liabilities and obligations incurred since the date of the Recent Balance Sheet in the Ordinary Course of Business and consistent with past practice and (ii) contractual and other Liabilities and obligations of a sort that are not required to be reflected on a balance sheet or financial statements under generally accepted accounting principles, that were incurred in the Ordinary Course of Business and are consistent in their nature and amount with the RCMH Business's past practice. None of the Liabilities in (i) and (ii) above, individually or in the aggregate, has or, to the Knowledge of County, will have a Material Adverse Effect on the business, financial condition or results of operations of the RCMH Business. Except as and to the extent described in the Recent Balance Sheet or in Schedule 4.9, County has no Knowledge of any basis for the assertion against County (in relation to the RCMH Business or the Purchased Assets) of any Liability and, to the Knowledge of County, there are no circumstances, conditions, happenings, events or arrangements, contractual or otherwise, which may give rise to Liabilities relating to or affecting the RCMH Business or the Purchased Assets, except Liabilities described in (i) or (ii) above.

4.10 No Litigation. Except as set forth in Schedule 4.10, there is no Action relating to or involving or having the potential to affect the RCMH Business, whether civil, criminal or administrative (collectively, "Litigation") pending or, to County's Knowledge, threatened against County, its officials (in such capacity), the RCMH Business or any of its assets or properties, nor does County know, or have grounds to know, of any basis for any such Litigation. Schedule 4.10 also identifies all Litigation relating to or involving or affecting the RCMH Business to which County or any of its officials (in such capacity) have been parties since January 1, 2010. The County

is not subject to any Order relating to or involving or having the potential to affect the RCMH Business or the Purchased Assets.

4.11 Compliance With Laws and Orders. With respect to the RCMH Business and the Purchased Assets, County is, and the Purchased Assets and the Real Estate are, in compliance in all material respects with all Laws and Orders, including, without limitation, those applicable to discrimination in employment, occupational safety and health, trade practices, competition and pricing, product warranties, zoning, building and sanitation, employment, retirement and labor relations, product advertising and Environmental Laws. Except as set forth on Schedule 4.11, County has not received written notice of any violation or alleged violation of, and is not subject to any Liability for past or continuing violation of, any Laws or Orders. All reports and returns required to be filed by County with any Governmental Authority have been filed, and were accurate and complete when filed. The operation of the RCMH Business as it is now conducted does not, nor does any condition existing at the Real Estate, in any manner constitute a nuisance or other tortious interference with the rights of any person or persons in such a manner as to give rise to or constitute the grounds for a suit, Action, claim or demand by any such person or persons seeking compensation or damages or seeking to restrain, enjoin or otherwise prohibit any aspect of the conduct of such business or the manner in which it is now conducted. The County is not, and has not been, with respect to the RCMH Business, a party to any injunction, Order or decree restricting the method of the conduct of the RCMH Business or the marketing of any the RCMH Business's services, and to County's Knowledge no governmental agency has investigated or requested (other than on a routine basis) information with respect to such methods of business or marketing, except as set forth on Schedule 4.11.

#### 4.12 Health Care Regulatory Compliance

(a) County is certified for participation and reimbursement under its Third Party Payor Programs and has current provider numbers and/or provider agreements for such Third Party Payor Programs under which it is presently receiving payments. Set forth on Schedule 4.12(a) is a true, correct and complete list of such provider numbers and provider agreements (or similar arrangements) under all Third Party Payor Programs, true, correct and complete copies of which have been provided to Buyer. True, correct and complete copies of all surveys of the RCMH Business conducted in connection with any Third Party Payor Programs or licensing or accrediting bodies during the past three years and in the possession of County have been provided or made available to Buyer. To the extent that County participates or receives reimbursement from Third Party Payor Programs, County has submitted claims to such Payors in compliance with any and all applicable Laws and rules and regulations governing such Third Party Payor Programs.

(b) County has not received any written notice of any Action pending or recommended by any Governmental Authority having jurisdiction over any Third Party Payor Program either to revoke, withdraw or suspend the County's participation therein. Except as set forth on Schedule 4.12(b), no event has occurred that, with either the giving of notice, the passage of time, or both, would constitute grounds for a violation, Order or deficiency with respect to the County's participation in any such Third Party Payor Programs or would constitute grounds to revoke, withdraw, terminate, suspend or modify the participation of County in any Third Party Payor Programs. County has not failed to renew any provider or

Payor agreement, County has not received any written notice from any provider or Payor that it intends to terminate, limit or reduce its business relations with County, and, to the Knowledge of County, no counterparty to any such provider or Payor agreement has made a decision to not renew any such agreement.

(c) County has timely filed all reports and submitted all claims for reimbursement that are required to be filed prior to the date hereof in accordance with the Third Party Payor Programs, all Medicare administrative contractors, fiscal intermediaries (including, but not limited to, National Government Services (“NGS”)) and other insurance carriers and all billing and coding practices by County, and all such reports and invoices are complete and accurate and have been prepared in compliance in all material respects with the Laws, rules and regulations governing reimbursement and payment of claims in effect at the time of filing. True, correct and complete copies of those reports and invoices filed for the three most recent years have been made available to Buyer. Except as set forth on Schedule 4.12(c), County has paid or caused to be paid all known refunds or overpayments which have become due whether pursuant to such reports and invoices or otherwise, and has no Liability to any Payor for any refund or overpayment. To the Knowledge of County, there are no overpayments that have not been refunded within sixty (60) days of identification as required by the Patient Protection and Affordable Care Act and, except for potential overpayments that may be identified in connection with the matter set forth on Schedule 4.12(c), County does not have any reason to suspect that any such overpayment may exist. Except as set forth on Schedule 4.12(c), there are no pending appeals, adjustments, challenges, audits, claims, or notices of intent to audit such prior reports or invoices, and during the last three years, County has not been audited or examined by any Payor. There are no other reports required to be filed by County in order to be paid under any Third Party Payor Program for services rendered in connection with its businesses, operations and assets, except for reports not yet due.

(d) Except as set forth on Schedule 4.12(d): (i) County’s right or the right of any licensed professional or other individual employed by or under contract with Seller as of the date hereof and as of Closing to receive reimbursements pursuant to any Third Party Payor Program has not been terminated or otherwise materially adversely affected as a result of any investigation or Action by any Governmental Authority; (ii) neither County nor any individual currently employed by or under contract with County has been excluded, suspended or been otherwise determined to be, or identified as, ineligible to participate in any Third Party Payor Program; (iii) County has not, during the past three (3) years, been the subject of any non-routine: (A) inspection, (B) survey, (C) audit, or (D) to the Knowledge of County: (1) investigation, (2) monitoring, or (3) other form of review by any Governmental Authority, professional review organization, or certifying agency based upon any alleged illegal or inappropriate activity on the part of County, nor has County received any written notice of deficiency (other than those that have been cured) during the past three (3) years in connection with the RCMH Businesses, operations and assets, and (iv) there are not currently, and at the Closing Date there will not be, any outstanding deficiencies or corrective action plans of any Governmental Authority requiring conformity to any applicable agreement, statute, regulation, ordinance or bylaw, including the Third Party Payor Programs. Copies of all reports, internal investigations, correspondence, notices and other documents relating to any matter described or referenced on Schedule 4.12(e) have been provided to Buyer. In addition, County has not

performed an internal inspection, investigation, survey, audit, monitoring or other form of review based upon any specific allegation of illegal or improper activity.

(e) Except as permitted under the Healthcare Laws, County has not, with the intent to induce referrals or otherwise generate business for or on behalf of the RCMH Business:

(i) offered, paid, solicited or received anything of value, paid directly or indirectly, overtly or covertly, in cash or in kind ("Remuneration") to or from any physician or referral source, Family Member of a physician or referral source, or an entity in which a physician or referral source or Family Member of a physician or referral source has a direct or indirect ownership or investment interest, including by way of illustration and not limitation:

(a) payments for personal or management services pursuant to a medical director agreement, consulting agreement, management contract, personal services agreement, or otherwise;

(b) payments for the use of leased premises; or

(c) payments for the acquisition or lease of equipment, goods or supplies.

(ii) except for lawful discounts, rebates or reductions in price offered in the Ordinary Course of Business and consistent with industry practice, offered, paid, solicited or received any Remuneration (excluding fair market value payments for equipment or supplies) to or from any healthcare provider, pharmacy, drug or equipment supplier, distributor or manufacturer on a good or service received by County;

(iii) except for lawful discounts, rebates or reductions in price offered in the Ordinary Course of Business and consistent with industry practice, offered, paid, solicited or received any Remuneration to induce referrals of patients, or the purchasing, leasing, ordering or arrangement for any good, facility, service or item payable by a state or federal Third Party Payor Program;

(iv) entered into any other arrangement involving any ownership or investment interest by any physician, or Family Member of a physician, or an entity in which a Family Member of a physician has an ownership or investment interest, directly or indirectly, through equity, debt, or other means, including an interest in an entity providing goods or services to County;

(v) entered into any joint venture, partnership, co-ownership or other arrangement involving any ownership or investment interest by any Person, including a hospital, pharmacy, drug or equipment supplier, distributor or manufacturer, that is or was in a position to make or influence referrals, furnish items or services to, or otherwise generate business for County; or

(vi) entered into any agreement providing for the referral of any patient for the provision of goods or services by County, or payments by County as a result

of any referrals of patients to County (excluding commercial Payor contracts providing for such referrals and payments).

(f) Neither Seller nor, to Seller's Knowledge, any licensed health care professionals, including, but not limited to, physicians, physician assistants, nurses and other mid-level providers, who are employees or independent contractors of County (collectively, "**Health Care Professionals**"), has/have engaged in any activity or contractual relationship or omitted to take required action, such as the filing or submission of any claim for reimbursement, report or other documentation, in violation of any applicable federal, state or local Law, including the Healthcare Laws, the Criminal and Federal False Claims Act, or other federal or state statutes related to false or fraudulent claims, the Health Care Fraud Statute (18 U.S.C. §1347), the Civil Monetary Penalty Law (42 U.S.C. §1320a-7a), the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations at 45 C.F.R. Parts 160, 162 and 164, as amended, (collectively, "**HIPAA**") the Anti-Kickback Statute, the Stark Law, or any rules or regulations promulgated thereunder by the U.S. Department of Health and Human Services or any other Governmental Authority or any comparable self-referral or fraud and abuse Laws promulgated by any other federal, state or local agency. Neither Seller nor, to Seller's Knowledge, the Health Care Professionals has/have: (i) knowingly and willfully made or caused to be made a false statement or representation of a material fact in any application for any benefit or payment; (ii) knowingly and willfully made or caused to be made any false statement or representation of a material fact for use in determining rights to any benefit or payment; (iii) failed to disclose knowledge by a claimant of the occurrence of any event affecting the initial or continued right to any benefit or payment on its own behalf or on behalf of another, with intent to fraudulently secure such benefit or payment; (iv) solicited or received any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offered to pay or receive such remuneration (A) in return for referring an individual to a Person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare, Medicaid, or Tricare, or (B) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part by Medicare, Medicaid, or Tricare, in violation of the Federal Anti-Kickback Statute or other applicable law or regulation; and (v) failed to timely return Medicare, Medicaid or Tricare overpayments.

(g) Neither Seller nor, to Seller's Knowledge, any Health Care Professionals has/have engaged in any activities that are prohibited under the Federal Controlled Substances Act, 21 U.S.C. § 801 et seq., the Federal Food, Drug and Cosmetic Act, 21 U.S.C. § 301 et seq., or the regulations promulgated pursuant to such statutes or any related state or local statutes or regulations concerning the dispensing and sale of controlled substances.

(h) County has made available to Buyer a copy of the Hospital's current compliance program materials, including without limitation all program descriptions, compliance officer and committee descriptions, ethics and risk area policy materials, training and education materials, auditing and monitoring protocols, reporting mechanisms and disciplinary policies. No validation review or program integrity review related to the RCMH Business has been conducted by any commission, board or agency in connection with Medicare, Medicaid or any other healthcare (state or federal) program, and to the Knowledge of County, no such reviews are scheduled, pending or threatened against or affecting the RCMH Business, any of the Purchased Assets or the consummation of the transactions described herein. County is not a party to any outstanding Corporate Integrity Agreement with the Office of Inspector General of HHS or other governmental

entity, and does not have any reporting obligations pursuant to any settlement agreement entered into with any governmental entity. For purposes of this Agreement, the term “compliance program” refers to provider programs of the type described in the compliance guidance published by the Office of Inspector General of HHS.

4.13 HIPAA and HITECH Act Compliance.

(a) County is in compliance with the applicable privacy, security, transaction standards, breach notification, and other provisions and requirements of HIPAA, the Health Information Technology for Economic and Clinical Health Act (the “**HITECH Act**”) and any comparable state Laws, in effect as of the date hereof in all material respects. County has established and implemented such policies, programs, procedures, contracts and systems as are necessary to comply with HIPAA and the HITECH Act as in effect as of the date hereof except as would not have or be reasonably likely to have, individually or in the aggregate, a Material Adverse Effect.

(b) As of the date hereof, County has not received any written communication from any Governmental Authority that alleges that Seller is not in compliance with HIPAA or the HITECH Act.

(c) As of the date hereof: (i) except as would not have or be reasonably likely to have, individually or in the aggregate, a Material Adverse Effect, no HIPAA Breach has occurred with respect to any unsecured Protected Health Information (including electronic Protected Health Information) maintained by or for County that is subject to the notification requirements of 45 C.F.R. Part 164, Subpart D, and (ii) no information security or privacy HIPAA Breach event has occurred that would require notification under any comparable state Laws. For the purposes of this Section 4.13, “**HIPAA Breach**” means a breach of unsecured Protected Health Information as defined in 45 C.F.R. §164.402, and “**Protected Health Information**” means individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium as defined in 45 C.F.R. §160.103.

4.14 Health Care Professional Licensure; Accreditation.

(a) Except as set forth on Schedule 4.14(a), at all times during which a Health Care Professional has provided any health care services to or on behalf of County, such Health Care Professional has been and is duly licensed to practice in each applicable jurisdiction. County has provided Buyer with access to complete copies of all such professional licenses and registrations of the Health Care Professionals. To County’s Knowledge, no event has occurred and no fact, circumstance or condition exists that has or reasonably may be expected to result in the denial, loss, revocation, or rescission of or to any such professional license, United States Drug Enforcement Administration registration or accreditation application.

(b) To County’s Knowledge, during the time the applicable Health Care Professional provided or provides services on behalf of the Hospital, no Health Care Professional: (i) has been reprimanded, sanctioned or disciplined by any licensing board or any federal or state Governmental Authority, professional society, hospital, third-party payor or specialty board; (ii) is currently under review by the medical staff of any hospital, including the Hospital; (iii) has had a final judgment or settlement without judgment entered against him or her in connection with a malpractice or similar action; (iv) used drugs or any controlled substances (other than those

medications lawfully prescribed by a medical doctor that do not interfere with that person's capacity to perform his or her duties) or abused alcohol in an unlawful manner; (v) has been the subject of any criminal complaint, indictment or criminal proceedings; (vi) has been the subject of any investigation or proceeding, whether administrative, civil or criminal, relating to an allegation of filing false health care claims, violating Healthcare Laws, or engaging in other billing improprieties; or (vii) has been the subject of any allegation, or any investigation or proceeding based on any allegation of violating professional ethics or standards, or engaging in illegal, immoral or other misconduct (of any nature or degree), relating to his or her profession.

4.15 Exclusion by Federal Healthcare Programs. Except as set forth on Schedule 4.15, neither County nor any of the RCMH Employees or former RCMH Employees while they were employed by County in the RCMH Business or any other of the County's officials or agents involved in the RCM Business have ever been listed by any federal agency (including, but not limited to, Medicare or TriCare) as debarred, suspended or excluded or has ever been suspended or excluded from any Medicaid program or other state program for the reimbursement of healthcare, and there are no Actions or, to the Knowledge of County, no pending investigations by any Governmental Authority to debar, suspend or exclude County, including but not limited to, the RCMH Employees, former RCMH Employees while they were employed by County in the RCMH Business, or any other of the County's officials or agents. County has timely filed, in a complete and correct manner, all requisite claims and other reports required to be filed in connection with all state and federal Third Party Payor Programs or in connection with any contract, agreement or arrangement to which County is a party or by which it is bound, in any case, which are due on or before the date hereof. There are no pending Medicare, Medicaid, or other Payor audits with respect to any billing for the services of the RCMH Business. Except as set forth on Schedule 4.15, there are no claims, Actions, payment reviews, or appeals pending or threatened before any commission, board or agency, including, without limitation, any intermediary or carrier, CMS, NGS, the Wisconsin Office of the Commissioner of Insurance, or any other state or federal agency with respect to any Medicare, Medicaid or any other claims filed by County on or before the date hereof or program compliance matters, which would constitute a Material Adverse Effect affecting the RCMH Business, the Purchased Assets, the operation or utility thereof, or the consummation of the transactions described herein. To the Knowledge of County, neither County nor any of the RCMH Employees, former RCMH Employees while they were employed by County, or any other of the County's officials or agents have engaged in any billing, coding or documentation practice which would give rise to any overpayment Liability to Medicare, Medicaid or any other Payor or patient and all appropriate patient refunds have been promptly made. Except as set forth on Schedule 4.15, to the Knowledge of County, neither County nor any of the RCMH Employees, former RCMH Employees while they were employed by the RCMH Business, or any other of the County's officials or agents has ever engaged in any conduct which would give rise to any Liability to County (or to Buyer as a consequence of this transaction) under any Healthcare Law.

4.16 Licenses and Permits; Accreditation and Participation in Programs.

(a) All Licenses and other approvals that are necessary to operate the RCMH Business by County ("**Hospital License(s)**") are listed on Schedule 4.16(a-1) and are valid and in full force and effect, and no Hospital License is subject to any lien, limitation, restriction, probation or other qualification and there is no, and has been no, default with respect thereto or, to County's Knowledge, any basis for the assertion of any default thereunder. The County is the holder of each Hospital License. There is no Action pending, or to County's Knowledge, threatened, that could result in the termination, revocation, limitation, suspension, restriction or impairment of any

Hospital License or the imposition of any fine, penalty or other sanctions for violation of any legal or regulatory requirements relating to any Hospital License or any basis therefor. County has, and has had at all times, all Hospital Licenses that County is or was required to have under applicable Laws, which are or were necessary in order to permit County to own the Purchased Assets, to operate the RCMH Business, to be paid or reimbursed for medical services provided to its patients and to occupy the Real Estate.

(b) County has made available to Buyer, with respect to the operations of the RCMH Business, true and exact copies of all cost reports which Seller filed with Medicare and Medicaid for the last six (6) years, as well as all material correspondence and other material documents relating to any disputes or settlements with Medicare or Medicaid within the last six (6) years.

(c) The RCMH Business is in compliance with 42 C.F.R. §413.65 and its various requirements with respect to all departments, units or locations that are located outside of the acute care “hospital” licensed space of the primary/main provider inpatient care hospital, including but not limited to, any outpatient clinics that provide outpatient hospitals services billable under the Hospital’s provider number.

(d) The Hospital is a “Critical Access Hospital” in compliance with the requirements of 42 CFR Part 485 Subpart F, Chapter DHS 124 Subchapter VI of the Wisconsin Administrative Code and other applicable state and federal requirements, and County has no reason to believe that the Hospital’s status as such will not continue following the Closing.

4.17 Environmental Matters. Without limiting the generality of Section 4.11(a), County is, with respect to the RCMH Business, and the Real Estate and Purchased Assets are, in compliance in all material respects with all Environmental Laws and any regulations, code, plan, Order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder. There is no Litigation nor any demand, claim, hearing or notice of violation pending or, to County’s Knowledge, threatened against County relating in any way to the Environmental Laws or any Order issued, entered, promulgated or approved thereunder with respect to the RCMH Business or the Real Estate or the Purchased Assets. Except as set forth in Schedule 4.13, there are no past or present (or, to the best of County’s Knowledge, future) events, conditions, circumstances, activities, practices, incidents, actions, omissions or plans which may interfere with or prevent compliance or continued compliance with the Environmental Laws or with any Order issued, entered, promulgated or approved thereunder, or which may give rise to any material Liability, including, without limitation, Liability under CERCLA or similar state or local Laws, or otherwise form the basis of any Litigation, hearing, notice of violation, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, or the emission, discharge, Release or threatened Release into the environment, of any Waste. The applicable Laws relating to pollution or protection of the environment, including Laws relating to emissions, discharges, generation, storage, Releases or threatened Releases of pollutants, contaminants, chemicals or industrial, toxic, hazardous or petroleum or petroleum-based substances or wastes (“*Waste*”) into the environment (including, without limitation, ambient air, surface water, ground water, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Waste including, without limitation, the Clean Water Act, the Clean Air Act, the Resource Conservation and Recovery Act, the Toxic Substances Control Act and the

Comprehensive Environmental Response Compensation Liability Act (“CERCLA”), as amended, and their state and local counterparts are herein collectively referred to as the “Environmental Laws.”

4.18 Title to and Condition of Properties.

(a) Marketable Title. County has good and marketable title to all the Purchased Assets, free and clear of all mortgages, liens (statutory or otherwise), security interests, claims, pledges, licenses, equities, options, conditional sales contracts, assessments, levies, easements, covenants, reservations, restrictions, rights-of-way, exceptions, limitations, charges or encumbrances of any nature whatsoever (collectively, “Liens”), except Liens for taxes not yet due and payable. Except as set forth on Schedule 4.14(a), and subject to obtaining the Third Party Consents, none of the Purchased Assets are subject to any restrictions with respect to the transferability thereof, and County has complete and unrestricted power and right to sell, assign, convey and deliver the Purchased Assets to Buyer as contemplated hereby. Subject to obtaining the Third Party Consents, at Closing Buyer will receive good and marketable title to all the Purchased Assets, free and clear of all Liens of any nature whatsoever.

(b) Condition. All tangible assets constituting Purchased Assets hereunder are in good operating condition and repair, free from any defects (except such minor defects as do not interfere with the use thereof in the conduct of the normal operations of the RCMH Business).

(c) Sufficiency of Assets. The Purchased Assets constitute all of the assets and properties, tangible and intangible (with the exception of the Excluded Assets) which are held or used by County in the conduct of the RCMH Business. The Purchased Assets constitute all assets and properties, tangible and intangible (with the exception of the Excluded Assets), that are necessary for Buyer to conduct the RCMH Business as the same is currently conducted. The sale of the Purchased Assets by County to Buyer pursuant to this Agreement will effectively convey to Buyer the entire RCMH Business and all of the tangible and intangible assets and properties used by County (whether owned, leased or held under contract or license by County or by others) in connection with the conduct of the RCMH Business as heretofore conducted by County (except for the Excluded Assets). There are no shared facilities or services which are used in connection with any business or other operations of County other than the RCMH Business.

(d) Real Property. The Real Estate is the only real property used or occupied by the RCMH Business and there are no real property leases or any other Contracts relating to the ownership, use or occupation of the Real Estate, other than the Assigned Real Estate Leases. The Facility Lease contains an accurate legal description of the Real Estate. There are now in full force and effect duly issued certificates of occupancy permitting the Real Estate and improvements located thereon to be legally used and occupied as the same are now used in the RCMH Business. The Real Estate has permanent rights of access to dedicated public highways. No fact or condition exists which would prohibit or adversely affect the ordinary rights of access to and from the Real Estate from and to the existing highways and roads and, to County’s Knowledge, there is no pending or threatened restriction or denial, governmental or otherwise, upon such ingress and egress. No public improvements have been commenced, and to County’s Knowledge none are planned, which in either case may result in special assessments against or otherwise adversely affect the Real Estate or its use in the RCMH Business. County has no notice or Knowledge of any (i) Order requiring repair, alteration, or correction of any existing condition affecting the Real Estate or the systems or improvements thereat, (ii) condition or defect which could give rise to an Order of the sort referred to in “(i)” above, or (iii) any structural, mechanical, or other defects of material

significance affecting the Real Estate or the systems or improvements thereat (including, but not limited to, inadequacy for normal use of mechanical systems or disposal or water systems at or serving the Real Estate).

(e) No Condemnation or Expropriation. Neither the whole nor any portion of the Real Estate or any other assets relating to the RCMH Business is subject to any Order to be sold or is being condemned, expropriated or otherwise taken by any Governmental Authority with or without payment of compensation therefor, nor to the best of County's Knowledge has any such condemnation, expropriation or taking been proposed.

4.19 Insurance. Set forth in Schedule 4.19 is a complete and accurate list and description of all (a) policies of fire, liability, professional liability, workers compensation, health and other forms of insurance currently in effect with respect to the RCMH Business and the assets and properties of County and the employees of County relating to the RCMH Business, true and correct copies of which have heretofore been delivered to Buyer and (b) unpaid claims and all paid claims (along with a brief description of each such unpaid or paid claim) made under all such professional liability and any general coverage liability or umbrella insurance policies since January 1, 2010. Schedule 4.15 includes, the carrier, the description of coverage, the limits of coverage, retention or deductible amounts, amount of annual premiums, date of expiration and the date through which premiums have been paid with respect to each such policy, and any pending claims. Schedule 4.15 also sets forth a complete and accurate list of the carriers of every professional liability and any general liability coverage or umbrella insurance policies in effect with respect to the RCMH Business and assets and properties of County related thereto for the past five (5) years. All such policies are valid, outstanding and enforceable policies and provide insurance coverage for the properties, assets and operations of the RCMH Business, of the kinds, in the amounts and against the risks customarily maintained by organizations similarly situated. No notice of cancellation or termination has been received with respect to any such policy, and County has no Knowledge of any act or omission of County which could result in cancellation of any such policy prior to its scheduled expiration date. County has not been refused any insurance with respect to any aspect of the operations of the RCMH Business nor has its coverage been limited by any insurance carrier to which it has applied for insurance or with which it has carried insurance since January 1, 2010. County has duly and timely made all claims and notices it has been entitled or required to make under each policy of insurance. Except as set forth on Schedule 4.15, there is no claim by County pending under any such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies, and County knows of no basis for denial of any pending claim under any such policy. County has not received any written notice from or on behalf of any insurance carrier issuing any such policy that there will hereafter be a cancellation or an increase in a deductible (or an increase in premiums in order to maintain an existing deductible) or nonrenewal of any such policy.

#### 4.20 Contracts and Commitments.

(a) Schedule 4.20(a) contains a true and complete description of each of the following contracts, agreements or arrangements to which County is a party in connection with the operation of the RCMH Business or by which any of the Purchased Assets is bound (collectively, "**Contracts**");

- (i) any contract with a Payor;

(ii) all leases of the Real Estate or any portion thereof under which the County is the lessor (each, a “Real Estate Lease”);

(iii) all leases of personal property leased by County (the “Personal Property Leases”);

(iv) all Agreements with Health Care Professionals, their Family Members, or other healthcare providers, or entities in which Health Care Professionals or their Family Members are equity owners, involving services, supplies, payments or any other type of Remuneration, whether such services or supplies are provided by a Health Care Professional to County, or by County to a Health Care Professional, and all leases of personal or real property with any such person or entity (collectively, “*Healthcare Provider Contracts*”);

(v) all Contracts (excluding Seller Benefit Plans) providing for a commitment of employment or consultation services for a specified or unspecified term to, or otherwise relating to employment or the termination of employment of, any employee of County and the expiration date of each such Contract, if any;

(vi) all Contracts with any person containing any provision or covenant prohibiting or limiting the ability of County to engage in any business activity or compete with any person in connection with the Business or prohibiting or limiting the ability of any person to compete with County in connection with the Business;

(vii) all joint venture or other similar Contracts relating to strategic alliances, partnerships, licensing arrangements, or sharing of profits with any person;

(viii) contracts containing covenants of any other Person, including employees or independent contractors, not to compete with Seller in any line of business or in any geographical area, not to solicit any business or referrals for business from any Person, or not to solicit or hire any individual with respect to employment;

(ix) contracts relating to the incurrence, assumption or guarantee of any Debt or imposing a lien on any of the assets of County, including indentures, guarantees, loan or credit agreements, sale and leaseback agreements, purchase money obligations incurred in connection with the acquisition of property, mortgages, pledge agreements, security agreements, or conditional sale or title retention agreements;

(x) contracts under which County has made advances or loans to any other Person;

(xi) contracts providing for severance, retention, change in Control or other similar payments;

(xii) management contracts and contracts with independent contractors or consultants (or similar arrangements), including medical director contracts, skilled

nursing facility contracts, assisted living facility contracts, professional services agreements, and other clinical contracts;

(xiii) contracts providing for the referral of any patient for the provision of goods or services by Seller, or payments by Seller as a result of any referrals of patients to Seller (excluding commercial payor contracts providing for sue referrals and payments;

(xiv) contracts relating to the sale or purchase of any of the assets or properties of the RCMH Business material to the operation of the RCMH Business other than in the Ordinary Course of Business, or for the grant to any Person of any options, rights of first refusal, or preferential or similar rights to purchase any of such assets or properties;

(xv) any contract to which County is a party or by which it is bound, the ultimate contracting party of which is a Governmental Authority;

(xvi) all Contracts with vendors and suppliers with whom County deals in connection with the Business, including all purchase and sale commitments (other than purchase orders from the County to its vendors on the County's standard forms, terms and conditions, entered into in the Ordinary Course of Business consistent with past practice);

(xvii) all Contracts relating to the future disposition or acquisition of any assets, other than dispositions or acquisitions of inventory in the Ordinary Course of Business consistent with past practice;

(xviii) all collective bargaining agreements with any unions, guilds, shop committees or other collective bargaining groups; and

(xix) all Contracts with any third-party Payor or other party that reimburses County for the provision of medical services; and

(xx) all other Contracts with respect to the RCMH Business that (A) involve the payment or potential payment of more than \$100,000 annually and (B) cannot be terminated within thirty (30) days after giving notice of termination without resulting in any material cost or penalty to County.

(b) Complete and correct copies of each Contract required to be disclosed on Schedule 4.20(a) (including all modifications, amendments and supplements thereto and waivers thereunder) have been provided to Buyer.

(c) Each Assigned Personal Property Lease, Assigned Real Estate Lease and Assigned Contract is in full force and effect and constitutes the legal, valid and binding agreement of County and each counterparty thereto, enforceable in accordance with its terms. Neither County nor, to the Knowledge of County, any other party to any Assigned Personal Property Lease, Assigned Real Estate Lease or Assigned Contract is (or with notice or lapse of time or both, would be) in violation or breach of or default under any such Contract in any material respect. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of

default under any Assigned Personal Property Lease, Assigned Real Estate Lease or Assigned Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. No counterparty to any Assigned Personal Property Lease, Assigned Real Estate Lease or Assigned Contract has threatened or indicated its intent, or asserted any right, to terminate such Contract or deny the Buyer any of the benefits thereof as result of this transaction or any breach or default on the part of County thereunder. Except for the Third Party Consents, the assignment and transfer to and assumption by Buyer of each Assigned Personal Property Lease, Assigned Real Estate Lease and Assigned Contract does not require the consent or approval of, or notice to, the counterparty to such Contract (or any other Person), nor will such assignment, transfer or assumption give rise to any violation or breach thereof or a default (or an event that, with or without notice or lapse of time or both, would constitute a default) thereunder, or result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel such Contract or result in the loss of any benefit thereunder.

4.21 Labor Matters. Since January 1, 2013, County has not experienced any labor disputes, union organization attempts or any work stoppage due to labor disagreements in connection with its business. With respect to the RCMH Business: (a) County is in compliance in all material respects with all applicable Laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and is not engaged in any unfair labor practice; (b) there is no unfair labor practice charge or complaint against County pending or, to County's Knowledge, threatened; (c) there is no labor strike, dispute, request for representation, slowdown or stoppage actually pending or, to County's Knowledge, threatened against or affecting the RCMH Business; (d) no question concerning representation has been raised or is threatened respecting the employees of County; (e) no grievance which might have a material adverse effect on the RCMH Business, nor any arbitration proceeding arising out of or under collective bargaining agreements, is pending and no such claim therefor exists; and (f) there are no administrative charges or court complaints against County concerning alleged employment discrimination or other employment related matters pending or, to County's Knowledge, threatened before the U.S. Equal Employment Opportunity Commission or any Governmental Authority.

4.22 Employee Benefit Plans.

(a) Disclosure. Schedule 4.22(a) sets forth a listing of all pension, thrift, savings, profit sharing, retirement, incentive, bonus, medical, dental, vision, life, accident, disability, cafeteria, educational assistance, dependent care, discount, executive or deferred compensation, hospitalization, employment, consulting, "golden parachute," severance, vacation and leave plans, programs, arrangements and policies and any other fringe or employee benefit plans, programs, arrangements and policies, including, without limitation, all "employee benefit plans" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), all employee manuals, and all written or binding oral statements of policies, practices or understandings relating to employment, which are maintained, sponsored or provided by County or to which County contributes on behalf of, or for the benefit of, any persons employed or formerly employed by County in connection with the RCMH Business ("**RCMH Business Employees**"), or under which County has any Liability or obligation (collectively, "**Seller Benefit Plans**," and individually "**Seller Benefit Plan**").

(b) Payments and Compliance. With respect to each Seller Benefit Plan: (i) all payments due from County to date have been made and all amounts properly accrued to date as Liabilities of County which have not been paid have been properly recorded on the books of County

and are reflected in the Recent Financial Statements; (ii) County has complied with, and the Seller Benefit Plan conforms in form and operation to, all applicable laws and regulations, including but not limited to ERISA and the Code (to the extent the same apply), in all material respects; (iii) all reports and information relating to the Seller Benefit Plan required to be filed with any governmental entity have been timely filed and are true, correct and complete; (iv) all reports and information relating to the Seller Benefit Plan required to be disclosed or provided to participants or their beneficiaries have been timely disclosed or provided and are true, correct and complete; (v) each Seller Benefit Plan which is intended to qualify under Section 401 of the Code is so qualified, and its related trust is exempt from taxation under Section 501(a) of the Code; (vi) there are no Actions pending (other than routine claims for benefits) or, to the Knowledge of County, threatened with respect to the Seller Benefit Plan or against the assets, administrators or fiduciaries of the Seller Benefit Plan; and (vii) each Seller Benefit Plan has been administered in accordance with its terms.

(c) Post-Retirement Benefits. No Seller Benefit Plan provides benefits, including, without limitation, death or medical benefits (whether or not insured) with respect to current or former RCMH Employees beyond their retirement or other termination of service other than (i) coverage mandated by applicable law, including COBRA continuation coverage, (ii) death or retirement benefits under any Seller Benefit Plan that is an employee pension benefit plan, (iii) deferred compensation benefits accrued as liabilities on the books of County, (iv) disability benefits under any Seller Benefit Plan that is an employee welfare benefit plan and which have been fully provided for by insurance or otherwise or (v) benefits in the nature of severance pay.

(d) No Triggering of Obligations. The consummation of the transactions contemplated by this Agreement will not (i) entitle any current or former RCMH Employee to severance pay, unemployment compensation or any other payment, (ii) accelerate the time of payment or vesting, or increase the amount of compensation due to any such employee or former employee, (iii) increase the amount of any benefit payable under any Seller Benefit Plan, or (iv) result in any prohibited transaction described in Section 406 of ERISA or Section 4975 of the Code for which an exemption is not available.

4.23 Employment Compensation. Schedule 4.23 contains a true and correct list of all RCMH Employees to whom County is currently paying compensation, including bonuses and incentives for services rendered or otherwise; and in the case of salaried employees such list identifies the current annual rate of compensation for each employee and in the case of hourly or commission employees identifies each such employee's hourly rate or commission arrangement.

4.24 Proprietary Rights.

(a) To the Knowledge of County, County owns all right, title and interest in, to and under, or has a valid and enforceable right to use, all of the Assigned Proprietary Rights, free and clear of all Liens.

(b) With the exception of the Assigned Proprietary Rights, the County does not, with respect to the RCMH Business, own or have any right, title or interest in, and the RCMH Business does not use, any of the following: (i) issued patents or pending patent applications; (ii) registrations and applications for registration of any copyrights; (iii) trade names and unregistered trademarks; (iv) registrations or applications for registration of any trademarks; or (v) Software (as defined below). County is the sole and exclusive owner of each item of Assigned Proprietary Rights, free and clear of all Liens. As used in this Agreement, the term (x) "Software" means, in

any form or medium, any and all (i) Source Code, Object Code, computer readable data and collections of data, (ii) descriptions, schematics, flowcharts and other work product used to design, plan, organize, maintain and develop any of the foregoing, and (iii) documentation and information, including programmer documentation, user documentation, user manuals and training materials, related to any of the foregoing; (y) “Source Code” means one or more statements in human readable form, including comments and definitions, which are generally formed and organized according to the syntax of a computer or programmable logic programming or scripting language, together with any and all descriptions, schematics, flowcharts, data structures, interfaces, work product and other information used to design, plan, organize, maintain and develop any of the foregoing; and (z) “Object Code” means one or more computer instructions in machine readable form (whether or not packaged in directly executable form), including any such instructions that are readable in a virtual machine, whether or not derived from Source Code, together with any partially compiled or intermediate code that may result from the compilation or interpretation of any Source Code. Object Code includes firmware, compiled or interpreted programmable logic, libraries, objects, byte code, machine code, and middleware.

(c) No material claim contesting the validity, enforceability, registerability, patentability, use or ownership of any Assigned Proprietary Rights has been made or is currently outstanding and, to the Knowledge of County, none is threatened; (ii) to the Knowledge of County, County has not infringed, misappropriated or otherwise conflicted with, and the operation of the RCMH Business as currently conducted does not infringe, misappropriate or otherwise conflict with, any Intellectual Property Rights of any third party; (iii) County has not received any written notices of any facts which indicate a likelihood of any infringement or misappropriation by, or conflict with, any third party with respect to Assigned Proprietary Rights (including any demand or request that County license any Proprietary Rights from a third party); and (iv) to the Knowledge of County, no third party is infringing on, misappropriating, or otherwise conflicting with any Assigned Proprietary Rights. There is no Litigation pending or, to the Knowledge of County, threatened to challenge County’s right, title and interest with respect to its continued use and right to preclude others from using any Assigned Proprietary Rights. All Assigned Proprietary Rights are valid, enforceable and in good standing, and there are no equitable defenses to enforcement based on any act or omission of County. Immediately subsequent to the Closing, the Assigned Proprietary Rights will be owned by or available for use by Buyer on terms and conditions identical to those under which County owned or used the Assigned Proprietary Rights in connection with the RCMH Business immediately prior to the Closing.

4.25 Medical Staff Matters. County has provided to Buyer true, correct and complete copies of the bylaws and rules and regulations of the medical staff of the Hospital, and a list of all current members of its medical staff. There are no adverse actions or appeals with respect to any medical staff members of the Hospital pending, and there are no pending, or to the County’s Knowledge, threatened disputes with any applicants or staff members, and County knows of no basis therefor.

4.26 No Brokers or Finders. Except as described in Schedule 4.26, neither County nor any of its officials, employees, or agents have retained, employed or used any broker or finder in connection with the transactions provided for herein or the negotiation thereof.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer makes the following representations and warranties to County, each of which is true and correct on the date hereof and shall remain true and correct to and including the Closing Date.

5.1 Organization. Buyer is a non-stock corporation duly organized, validly existing and in current status under the laws of the State of Wisconsin. Buyer has all requisite corporate power to enter into this Agreement and the other documents and instruments to be executed and delivered by Buyer and to carry out the transactions contemplated hereby and thereby.

5.2 Authority. The execution and delivery of this Agreement and the other documents and instruments to be executed and delivered by Buyer pursuant hereto and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the Board of Directors of Buyer. No other act or proceeding on the part of Buyer or its members is necessary to authorize this Agreement or the other documents and instruments to be executed and delivered by Buyer pursuant hereto or the consummation of the transactions contemplated hereby and thereby. This Agreement constitutes, and when executed and delivered, the other documents and instruments to be executed and delivered by Buyer pursuant hereto will constitute, valid and binding agreements of Buyer, enforceable in accordance with their respective terms, except as such may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally, and by general equitable principles.

5.3 No Violation. Except as set forth on Schedule 5.3, neither the execution and delivery of this Agreement or the other documents and instruments to be executed and delivered by Buyer pursuant hereto, nor the consummation by Buyer of the transactions contemplated hereby and thereby (a) will violate any Laws or Orders or (b) will violate or conflict with, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or will result in the termination of, or accelerate the performance required by under, any term or provision of any Contract to which Buyer is a party or by which Buyer or any of its assets or properties may be bound or affected or whereby timely performance by Buyer according to the terms of this Agreement may be prohibited, prevented or delayed.

5.4 No Brokers or Finders. Neither Buyer nor any of its directors, officers, employees or agents have retained, employed or used any broker or finder in connection with the transactions provided for herein or the negotiation thereof.

## **ARTICLE VI CERTAIN COVENANTS AND AGREEMENTS OF THE PARTIES**

### 6.1 Reasonable Efforts

(a) Buyer shall use its reasonable efforts and shall take such actions, at its own expense, as are required to be taken by Buyer herein to fulfill or obtain the fulfillment of the conditions to Closing, including, without limitation, the execution and delivery of all agreements contemplated hereunder to be so executed and delivered, including, without limitation, obtaining, as promptly as practicable, all material Governmental Authorizations required of Buyer to consummate the transactions contemplated hereby; and reasonably cooperating with County in County's obtaining, as soon as practicable, all material Governmental Authorizations required of County to consummate the transactions contemplated hereby. County shall cooperate with Buyer to enable Buyer to fulfill such conditions.

(b) County shall use its reasonable efforts and shall take such actions, at its own expense, as are required to be taken by County herein to fulfill or obtain the fulfillment of the conditions to Closing including, without limitation, the execution and delivery of all agreements contemplated hereunder to be so executed and delivered, obtaining all consents necessary for the consummation of the transactions contemplated hereby, obtaining, as promptly as practicable, all material Governmental Authorizations required of County (including the authorization of the County Board) to consummate the transactions contemplated hereby; and reasonably cooperating with Buyer in Buyer's obtaining, as soon as practicable, all material Governmental Authorizations required of Buyer to consummate the transactions contemplated hereby. Buyer shall cooperate with County to enable County to fulfill such conditions.

6.2 Exclusivity. From and after the Effective Date until the earlier of the Closing Date or the termination of this Agreement, County shall not (and shall cause its officials, directors, employees, agents, attorneys, investment bankers and other representatives not to), without the prior written consent of Buyer: (i) offer to sell or transfer the Purchased Assets (or any material portion thereof, except for dispositions of Inventory and Supplies in the Ordinary Course of Business) or any interest in or right to operate or conduct the RCMH Business, (ii) solicit offers to acquire any portion of the Assets or any interest in the RCMH Business, (iii) hold discussions with any Person (other than Buyer) looking toward such an offer or solicitation or looking toward any agreement or arrangement under which any other Person would operate or conduct or acquire any right to operate or conduct the RCMH Business or any component thereof or (iv) negotiate, conduct discussions regarding, or enter into any agreement or arrangement with any Person (other than Buyer or any Affiliate of Buyer) with respect to the RCMH Business or the Purchased Assets (or any portion thereof) that is, or if consummated would be, inconsistent with the transactions contemplated by this Agreement or the Operating Agreement.

6.3 Access and Information; Inspections. From the Effective Date through the Effective Closing Time, County shall afford to the officers and agents of Buyer (which shall include accountants, attorneys, bankers and other consultants and agents of Buyer) full and complete access during normal business hours and upon reasonable prior notice to and the right to inspect the plants, properties, books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and operations of the RCMH Business. From the Effective Date through the Effective Closing Time, County shall furnish Buyer with such additional financial and operating data and other information in County's possession as to businesses and properties of the RCMH Business as Buyer or its representatives may from time to time reasonably request, without regard to where such information may be located. Buyer's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of the RCMH Business. Such access shall include consultations with the personnel of County. Further, Buyer may, at its sole cost and expense, undertake noninvasive environmental, mechanical and structural surveys of the RCMH Business and the Purchased Assets. Notwithstanding the foregoing, all access and inspection activities contemplated by this Section 6.3 shall be subject to the prior reasonable approval of County.

6.4 Confidential Information. The parties hereto shall hold in confidence the information contained in this Agreement, and all information related to this Agreement or any of the transactions contemplated hereby or by the Operating Agreement, which is not otherwise known to the public, shall be held by each party hereto as confidential and proprietary information and shall not be disclosed without the prior written consent of the other parties. Accordingly, Buyer and Seller shall not discuss with, or provide nonpublic information to, any third party (except for such party's

attorneys, accountants, lenders, directors, officers and employees, the directors, officers and employees of any Affiliate of any party hereto, and other consultants and professional advisors) concerning this transaction prior to the Effective Closing Time, except: (a) as required in governmental filings or judicial, administrative or arbitration proceedings; provided, however, each party shall consult with the other parties prior to making any such filings and the applicable party shall modify any portion thereof if the other parties reasonably object thereto, unless the same may be required by applicable Law; or (b) pursuant to public announcements made pursuant to Section 6.5 below.

6.5 Public Announcements. Prior to the Closing, no press or other public announcement, or public statement or comment in response to any inquiry, relating to this Agreement or the transactions proposed herein or in the Operating Agreement, shall be issued or made by either party to this Agreement without the prior consent of the other party hereto. Prior to the Closing, the County will not, nor will it allow any of its officers, directors, officials, employees or agents (including professional advisors) to disclose or publicly comment upon any matters relating to the business of the Buyer or relating to this Agreement or the Operating Agreement or the transactions contemplated hereby or by the Operating Agreement, including, without limitation, their terms, timing or progress of the transaction contemplated by this Agreement, or the negotiations, terms, provision, or conditions, including the considerations to be paid for the Purchased Assets, except for disclosure to their respective representatives who are bound by professional standards or duty not to disclose same. Notwithstanding anything contained in this Agreement to the contrary, except (i) in connection with the filings to provide notice or obtain or maintain necessary licenses and authorizations, (ii) in connection with Buyer's obtaining financing for the transactions contemplated hereby and by the Operating Agreement, and (iii) as may be required by any applicable Laws (based on advice of independent counsel), neither Buyer nor County shall, and each shall not allow any of its officers, directors, officials, employees or agents (including professional advisors) to, without the prior written consent of the other party hereto in its sole and absolute discretion, disclose to or otherwise discuss with any person (including without limitation, the Seller's employees, but excluding those employees, trustees, directors or officers of, or advisors to, a party who reasonably need to know the information disclosed for the purpose of advising or performing their responsibilities to such party) or any other entity, the financial terms of the proposed transactions contemplated by this Agreement.

6.6 County's Affirmative Covenants. From the date of this Agreement until Closing, County shall:

(a) Operate the RCMH Business in substantially the same manner as currently conducted, and not make any material change in operations, personnel, finance, accounting policies, real or personal property, except as specifically contemplated by this Agreement;

(b) ensure that the RCMH Business and its operations (including, without limitation, its billing and healthcare claims coding processes and procedures) remain in material compliance with all Healthcare Laws;

(c) Maintain all of the Purchased Assets in substantially the same conditions as they are in as of the date hereof, ordinary wear and tear excepted

(d) Perform in all material respects all of its obligations under all Contracts and other agreements (including all Assigned Contracts, Assigned Real Estate Leases and Assigned Personal Property Leases) relating to or affecting the RCMH Business and the Purchased Assets;

(e) Keep in full force and effect current insurance policies or other comparable insurance and provide to Buyer proof that County has purchased and fully prepaid, at County's sole cost and expense, tail insurance coverage acceptable to Buyer on all such insurance policies covering Seller and the Purchased Assets;

(f) Use its commercially reasonable best efforts to maintain and preserve the Hospital's business operations intact, retain its present employees, maintain its relationships with suppliers, customers, and others having business relations with Seller and the Hospital and take such actions as are necessary and use its commercially reasonable best efforts to cause the smooth, efficient, and successful transition of business operations of the Hospital and employee and other relations to Buyer as of Closing.

(g) preserve and maintain all Hospital Licenses and all other material Licenses reasonably required for the conduct of the RCMH Business or the ownership and use of the Purchased Assets;

(h) use commercially reasonable efforts to maintain and preserve its business organizations intact, retain its current employees at the RCMH Business, and maintain its relationships with physicians, suppliers, Payors, Third Party Payor Programs, patients and others having business relationships with the RCMH Business; and

(i) not take or permit any action that would reasonably be expected to cause any of the changes, events or conditions described in this Section 6.6 to occur.

6.7 County's Negative Covenants. From the date hereof until Closing, County will not, without the prior written consent of Buyer:

(a) amend or terminate any of the Assigned Contracts, the Assigned Lessor Leases or the Assigned Personal Property Leases, enter into any new contract, lease, commitment or other agreement (or renewals or extensions of the term thereof) that would be among the Purchased Assets or incur or agree to incur any liability, except in the Ordinary Course of Business (which ordinary course of business shall include renewals or extensions of the term of any Assigned Contract, Assigned Lessor Lease or Assigned Personal Property Lease), and in no event shall County, with respect to the RCMH Business, enter into any contract, lease, commitment or other agreement (or renewal or extension of the term thereof) or incur any liability as to which the total to be paid in the future under the contract, lease, commitment or liability that would be among the Purchased Assets exceeds seventy-five thousand dollars (\$75,000);

(b) increase compensation payable or to become payable or make any bonus payment to or otherwise enter into one or more bonus agreements with any employee of the RCMH Business, except in the Ordinary Course of Business in accordance with County's customary personnel policies and past practices;

(c) create, assume or permit to exist any debt, mortgage, deed of trust, pledge or other lien or encumbrance upon any of the Assets;

(d) acquire (whether by purchase or lease) or sell, assign, lease, or otherwise transfer or dispose of any property, plant or equipment related to, used in or intended or for use in the RCMH Business, except for dispositions and acquisitions of equipment, Inventory and Supplies in the Ordinary Course of Business;

(e) transfer any cash or cash equivalents from the accounts of the RCMH Business to the County's other accounts except in the ordinary course of business and consistent with past practice, or make any other disbursements or expenditures not in the ordinary course of business and consistent with past practice, or required by agreements or obligations of the RCMH Business existing as of the date hereof or obligations entered between the date hereof and Closing which are entered in the ordinary course of business;

(f) do or omit any act, or permit any omission to act, which may cause a material breach of any representation, warranty, covenant or agreement made by County herein;

(g) cancel, forgive, release, discharge or waive any Accounts Receivable, except in the Ordinary Course of Business pursuant to past practices and policies;

(h) sell or factor any Accounts Receivable;

(i) agree or commit to take any of the actions set forth in this Section 6.7.

6.8 Control Over RCMH Business. Notwithstanding any provision to the contrary contained in this Agreement: (a) neither Section 6.6 nor Section 6.7 shall be construed to prohibit County from engaging in any act that County reasonably believes is necessary for patient safety; provided that County shall give Buyer prompt written notice subsequent to (or if practical, prior to) taking any such act that otherwise would be prohibited by Section 6.6 or Section 6.7; and (b) Buyer shall not have the right, directly or indirectly, to control or direct the operation of the RCMH Business or any aspect thereof prior to the Effective Closing Time.

6.9 Consents and Estoppels. County will use its commercially reasonable efforts to obtain, prior to the Closing Date, the Third Party Consents (which shall include, in the case of the Assigned Real Estate Leases and, to the extent so requested by Buyer, the Assigned Personal Property Leases, estoppel certificates in form reasonably acceptable to Buyer).

6.10 Certain Employee Matters.

(a) Termination of RCMH Business Employees. Effective immediately prior to the Effective Closing Time, the RCMH Business Employees shall cease to be employees of County.

(b) Non-Physician Employees. Subject to Buyer's standard hiring practices and policies (including but not limited to background checks, drug screens and a general prohibition against hiring employees who were previously released for cause) (collectively, the "**Buyer Eligibility Requirements**"), Buyer will make offers of employment to substantially all of the persons who are non-physician "at will" employees of the RCMH Business in good standing as of the Effective Closing Time, in active or leave of absence status (collectively, the "**Non-Physician Employees**"). Any of the Non-Physician Employees who accept an offer of employment with Buyer as of or after the Effective Closing Time are referred to in this Agreement as the "**Hired Employees.**"

(i) The level of compensation offered by Buyer to the Hired Employees as a whole will be not materially less than their current level of compensation at the RCMH Business.

(ii) Buyer will recognize the past service of each Hired Employee with the RCMH Business as service with Buyer for purposes of Buyer's paid time off and other employee recognition programs.

(iii) Buyer shall carry over and give all Hired Employees credit for all Accrued PTO as of the Closing Date.

(iv) Subject to the terms of this Section 6.10(b), all Hired Employees will be employees at will and will be covered by Buyer's standard personnel policies and procedures and the Buyer Eligibility Requirements. Subject to the terms of this Section 6.10(b), Buyer retains the right to change or terminate any compensation or benefits and any policies and procedures at any time and from time to time as Buyer deems appropriate in its sole discretion.

(c) Physician Employment. Each physician practicing at the Rusk Clinics and in good standing ("**Physician Employees**") will be offered employment by an Affiliate of Buyer, subject to the Buyer Eligibility Requirements as they apply to physicians.

(i) Physician Employees who accept such offers of employment ("**Hired Physicians**") will be required to enter into Buyer's Affiliate's standard form of Physician employment contract, including its noncompetition provisions and Buyer's Affiliate's other standard terms and conditions of physician employment; provided, that each Hired Physician will be offered the choice of retaining his or her compensation arrangements as they exist with the RCMH Business as of the Closing Date, in lieu of the physician compensation determined under the standard terms of Buyer's Affiliate's physician employment contract, for a reasonable transition period determined by Buyer (but not longer than the remainder of the current term of such Hired Physician's contract with RCMH Business as in effect immediately prior to the Closing).

(ii) Each Physician Employee who elects not to be employed by Buyer's Affiliate will be offered the opportunity to lease medical office space at the Rusk Clinics and will retain his or her privileges at the Hospital, subject to normal credentialing requirements.

(d) County shall be responsible for providing continuation coverage in compliance with the requirements of COBRA with respect to any and all M&A Qualified Beneficiaries as defined in Treas. Reg. Section 54.4980B-9 Q&A 4(a) with respect to the County's employee health insurance plans as a result of the transactions contemplated by this Agreement. County shall pay and shall assume, indemnify, defend, and hold harmless Buyer from and against and in respect of any and all losses, damages, liabilities, taxes, and sanctions that arise under COBRA and the Code, interest and penalties, costs, and expenses (including, without limitation, disbursements and reasonable legal fees incurred in connection therewith, and in seeking indemnification therefor, in any amounts or expenses required to be paid or incurred in connection with any Action, demand, assessment, or judgment) imposed upon, incurred by, or assessed against

Buyer or its affiliates arising by reason of or relating to any failure of Seller to comply with the continuation of health care coverage requirements imposed by COBRA, to all Persons who qualify as “M&A qualified beneficiaries” with respect to the transactions contemplated by this Agreement under 26 C.F.R. §54.4980B-9. As between Seller, on the one hand, and Buyer on the other hand, Buyer shall have no liability under COBRA or related provisions of the Code other than for Hired Employees and Hired Physicians who are employed by Buyer and whose employment with Buyer is terminated after the Closing Date (and not in connection with the transactions contemplated by this Agreement).

(e) County shall be solely responsible for, and shall pay or cause to be paid, any and all liabilities or obligations of County to any current or former employees, officers, directors, retirees, independent contractors or consultants of County, including, without limitation, any liabilities or obligations associated with any claims for wages or other benefits (including all claims for medical, dental, life insurance, health, accident or disability benefits brought by or in respect of current or former RCMH Business Employees, officers, directors, independent contractors or consultants of the RCMH Business or the spouses, dependents or beneficiaries thereof), bonuses, accrued vacation, workers’ compensation claims, retention, termination, severance, change of control, or other compensation triggered by the transactions contemplated hereby or arising from acts or omissions of Seller prior to the Effective Closing Time, other than any liabilities or obligations that are reflected (and limited to the dollar amount at which reflected) in the Working Capital Accounts.

(f) Nothing in this Agreement, express or implied, is intended to confer upon any of County’s employees, former employees, collective bargaining representatives, job applicants, any association or group of such persons or any Hired Employees or Hired Physicians any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement, including, without limitation, any rights of employment.

6.11 Provision of Benefits. If, as of the Effective Closing Time, Seller is unable to obtain any consent to the assignment of Seller’s interest in an Assigned Contract, Assigned Real Estate Lease or Assigned Personal Property Lease, until such consent or new contract is obtained, Seller shall use commercially reasonable efforts to provide Buyer the benefits of any such Assigned Contract, Assigned Real Estate Lease or Assigned Personal Property Lease, cooperate in any reasonable and lawful arrangement designed to provide such benefits to Buyer, and allow Buyer to enforce directly such Assigned Contract, Assigned Real Estate Lease or Assigned Personal Property Lease, against the applicable third parties thereto. Buyer shall use commercially reasonable efforts to perform, on behalf of Seller, the obligations of Seller thereunder or in connection therewith arising on and after the Effective Closing Time, but only to the extent that such action would not result in a material default thereunder or in connection therewith.

6.12 License to Use Provider Numbers.

(a) To the extent permitted by applicable Law, as of the Effective Closing Time, Seller does hereby grant to Buyer a license for Buyer to use Seller’s billing name, Medicare and related Wisconsin and other applicable state Medicaid and TRICARE provider numbers, national provider identifier (“NPI”), federal employer identification number (“EIN”), and other necessary identifying information used by Seller (collectively, “***Seller Billing Identification Information***”) for purposes of Buyer submitting claims to Medicare and Wisconsin and other applicable state Medicaid and TRICARE for services provided at the RCMH Business by Buyer after the Closing.

In reliance upon Medicare provisions for the automatic assignment of a provider agreement when there is a change of ownership as defined in 42 C.F.R. § 489.18, and as a condition precedent to Seller's obligations under this Section 6.12(a) in respect of Medicare, Buyer shall have timely filed all required CMS-855 enrollment applications in compliance with applicable Law with the provider's designated Medicare Administrative Contractor. As a condition precedent to Seller's obligations under this Section 6.12(a) in respect of Medicaid and TRICARE, Buyer shall have timely filed all required notices and filings with applicable state Medicaid programs and TRICARE. Seller shall also make all required CMS, Medicaid and TRICARE filings in connection therewith. The licenses granted pursuant to this Section 6.12(a) are hereinafter referred to as the "**Provider Number License**."

(b) To the extent permitted by applicable Law, the term of the aforementioned Provider Number License shall commence at the Effective Closing Time and, unless otherwise extended by mutual written consent of Seller and Buyer, shall be effective (i) with respect to Medicare until CMS (or the Medicare Administrative Contractor for the RCMH Business, as applicable) approves Buyer's Medicare change of ownership application and issues a tie-in notice acknowledging that Buyer may be reimbursed for claims submitted using Buyer's billing name, NPI, provider numbers, EIN and identification numbers, and (ii) with respect to Medicaid and TRICARE, until the applicable state Medicaid program or TRICARE program approves Buyer's provider enrollment application and/or approves assignment of the applicable provider contract and issues the appropriate notice acknowledging that Buyer may be reimbursed by the Medicaid or TRICARE program or other applicable governmental payor program for claims submitted using Buyer's billing identification information; and in both cases, Buyer shall promptly provide notice thereof to Seller.

(c) So long as the Provider Number License remains in effect, Seller shall not act to: (i) terminate any Seller Billing Identification Information except as required by applicable Law; (ii) close any accounts used by it prior to the Closing Date for purposes of receiving reimbursements; or (iii) cancel any electronic funds transfer ("EFT") agreements with respect to Medicare or Wisconsin or other applicable state Medicaid payments for services provided at the RCMH Business.

(d) Seller and Buyer will work together in good faith to carry out the provisions of this Section 6.12.

#### 6.13 Cost Report Matters.

(a) Seller shall prepare and timely file all cost reports, including the Home Office Cost Statement, relating to the periods ending prior to the Effective Closing Time or required as a result of the consummation of the transactions described in this Agreement, including, without limitation, those relating to Medicare, Medicaid, TRICARE, Blue Cross and other third party payors which settle on a cost report basis (the "**Seller Cost Reports**" which shall also include all reports, including the Home Office Cost Statement, previously filed by Seller relating to Medicare, Medicaid, TRICARE, Blue Cross and other third party Payors which settle on a cost report basis, while Seller owned and operated the RCMH Business). Buyer shall forward to Seller any and all correspondence relating to the Seller Cost Reports or rights to settlements and retroactive adjustments on the Seller Cost Reports ("**Agency Settlements**") within five (5) business days of receipt by Buyer. Buyer will forward any demand for payments with respect to the Agency Settlements or the Seller Cost Reports within five (5) business days of receipt by Buyer. Seller shall

retain all rights to, and shall have sole responsibility for, the appeal of any Medicare, Medicaid or TRICARE determinations relating to any of the Seller Cost Reports including, without limitation, appeals pertaining to disproportionate-share-hospital-program payments. Seller shall retain, for the applicable statute of limitations period, the originals of the Seller Cost Reports, correspondence, work papers and other documents relating to the Seller Cost Reports. Seller will furnish copies of the Seller Cost Reports, correspondence, work papers and other documents to Buyer upon reasonable request, at the sole cost and expense of Buyer. After the Closing Date, Seller will cooperate with Buyer or its agents, at the sole cost and expense of Buyer, to the extent that Buyer has questions concerning, or otherwise requires pertinent information relating to, the Seller Cost Reports. Where reference is made in this Section 6.13 to the “sole cost and expense of Buyer” or words of similar import, the same shall not be construed to require Buyer to reimburse or compensate Seller for the time spent by Seller’s personnel, but instead shall obligate Buyer to reimburse only the direct, out-of-pocket costs incurred by Seller.

(b) Seller shall timely file all Medicare, Medicaid, TRICARE, Blue Cross, Home Office Cost Statement and any other termination cost reports required to be filed as a result of the consummation of (a) the transfer of the Assets to Buyer and (b) the transactions contemplated by this Agreement. All such termination cost reports shall be filed by Seller in accordance with Law. Seller will be solely responsible, financially and otherwise, for the contents of all such termination cost reports.

(c) Upon reasonable notice and during normal business office hours, Buyer will cooperate with Seller in regard to Seller’s preparation and filing of the Seller Cost Reports. Upon reasonable notice and during normal business office hours, Buyer will cooperate with Seller in connection with any cost report disputes and/or other claim adjudication matters relative to governmental program reimbursement.

6.14 Collection Procedure for Government Accounts Receivable. Seller hereby appoints Buyer, and Buyer agrees to act, as collection agent for Seller with respect to all Government Accounts Receivable. In connection therewith, and subject to governmental Payor requirements and authorizations, and the requirements of the financial institutions selected, on or before the Closing Date, Buyer shall establish a “lock box,” where use of such a lock box arrangement is required or desirable, at a financial institution selected by Seller and reasonably acceptable to Buyer, and, after the Effective Closing Time, Buyer shall deposit in such lock box cash, checks, drafts, electronic funds transfers or other similar items of payment allocable to Government Accounts Receivable. Seller hereby assigns, to the extent such amounts are assignable by Law, and permitted under the applicable governmental payment program, all such amounts deposited by Buyer, as collection agent, into the lock box to Buyer to satisfy Seller’s obligation pursuant to Section 1.1(n) to transfer or assign all Accounts Receivable, of which the Government Accounts Receivable is a part, to Buyer. It is understood and agreed that in cases where assignment is permitted or automatic, such as the automatic assignment of a Medicare provider agreement upon a change of ownership, a lockbox arrangement will not be needed. It is the intention of the parties that the collection procedure for Government Accounts Receivable of Seller shall be made in compliance with the requirements of the applicable governmental payment program. In the event that CMS, the Medicaid program, or the RCMH Business’s Medicare Administrative Contractor or Medicare carrier requires a methodology that differs from that provided in this Section 6.14, Government Accounts Receivable will be collected in accordance with the procedures and methodology specified by the government payment program or programs (e.g., Medicare and Medicaid cross-over claims), to which the Government Accounts Receivable relates and Seller and

Buyer shall take all lawful actions, with respect to such Government Accounts Receivable, to satisfy Seller's obligation pursuant to Section 1.1(n) to transfer or assign all Accounts Receivable to Buyer.

6.15 Post-Closing Discovery of Contracts. If, following the Closing Date, Seller or Buyer discovers (through whatever means) one or more Contracts that should have been disclosed on Schedule 4.20(a) but were not so disclosed ("**Undisclosed Contracts**"), the Party having knowledge of such Undisclosed Contract shall notify the other party promptly and Seller shall promptly provide to Buyer a true and complete copy thereof. Buyer, in its sole and absolute discretion, may request that Seller assign and Buyer assume the applicable Undisclosed Contract, and if Buyer so requests Seller shall assign and Buyer shall assume such Undisclosed Contract by an appropriate instrument or instruments, and any such Undisclosed Contracts shall henceforth be among the Assigned Contracts or Assigned Personal Property Leases or Assigned Real Estate Leases, as the case may be (and the obligations thereunder arising and attributable to the period on and after the Effective Closing Time and that do not relate to any failure to perform, improper performance, or other breach, default or violation by Seller on or prior to the Effective Closing Time shall be among the Assumed Liabilities, subject to any limitations on the assumption of such contractual obligations that are applicable hereunder).

6.16 Former CEO Agreements. County is a party to a certain "Separation and Release Agreement" dated October 20, 2017 and a "Consulting Services Agreement" dated October 25, 2017 (collectively referred to as the "Oland Agreements") with Charisse Oland ("Oland"), the former CEO of the Hospital. Neither of the Oland Agreements is an Assigned Contract, and Buyer shall not assume any of the liabilities or obligations of County under the Oland Agreements. County agrees, however, that it will enforce, for the benefit of Buyer, County's rights and Oland's obligations under the Oland Agreements, and under those provisions of Oland's former employment agreement that, by the terms of the Separation and Release Agreement, remain in force and effect. County will not waive or relinquish any of such rights or excuse the performance of any of such obligations without the prior written consent of Buyer.

## **ARTICLE VII CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS**

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of each of the following conditions:

7.1 Representations and Warranties. Each of the representations and warranties made by County in this Agreement, and the statements contained in the Disclosure Schedule or in any instrument, list, certificate or writing delivered by County pursuant to this Agreement, that are qualified as to materiality shall be true and correct in all respects, and the representations and warranties that are not so qualified shall be true and correct in all material respects, on and as of the date hereof and on the Closing Date as though such representations and warranties were made or given on and as of the Closing Date.

7.2 Performance. County shall have performed and complied in all material respects with all of its agreements, covenants and obligations under this Agreement which are to be performed or complied with by it prior to or on the Closing Date, including the execution and delivery of the closing documents specified in Section 10.2.

7.3 Absence of Certain Changes. Since the date hereof, there shall not have occurred, and no facts or circumstances shall have arisen or been discovered which would result in, a Material Adverse Effect on the RCMH Business, its prospects or results of operations, or in the Purchased Assets or the Real Estate.

7.4 Absence of Litigation. No Litigation shall have been commenced or threatened, and no investigation by any Governmental Authority shall have been commenced, against Buyer, County or any of their respective Affiliates with respect to the transactions contemplated hereby or by the Operating Agreement.

7.5 Unfavorable Action or Proceeding. On the Closing Date, no orders, decrees, judgments or injunctions of any Governmental Authority shall be in effect, and no Actions shall be pending or threatened, which challenge or seek to challenge, or which could prevent or cause the rescission of, the consummation of the transactions contemplated in this Agreement or the Operating Agreement.

7.6 Governmental Authorizations. Buyer shall have obtained all material Licenses from all Governmental Authorities and all other Governmental Authorizations that are necessary or required for completion of the transactions contemplated by this Agreement and the operation of the RCMH Business by Buyer (including, without limitation, Buyer's receipt from the Wisconsin Department of Health Services and other appropriate state agencies as applicable, written confirmation, in form and substance reasonably satisfactory to Buyer, that the purchase of the RCMH Business and other Purchased Assets by Buyer, for licensure, Medicare, Medicaid and TRICARE certification and operation is not subject to prior certificate of need review, and that the RCMH Business is fully authorized to operate in the manner in which it was operating immediately prior to the Closing, offering the services it was offering immediately prior to the Closing) including reasonable assurances that any material Licenses not actually issued as of the Closing will be issued following Closing (which may include, in Buyer's reasonable discretion, oral assurances from appropriate governmental agencies or bodies), including that Medicare, Medicaid and TRICARE certification of the RCMH Business for its operation by Buyer will be effective upon the Effective Closing Time and that Buyer may participate in and receive reimbursement from such programs effective upon the Effective Closing Time. Notice shall have been given to the Attorney General of the transaction and, if applicable, the Attorney General shall have completed its review and approved the consummation of the transactions contemplated by this Agreement.

7.7 Required Consents. Buyer shall have received the Third Party Consents (which shall include, in the case of the Assigned Real Estate Leases and, to the extent so requested by Buyer, the Assigned Personal Property Leases, estoppel certificates in form reasonably acceptable to Buyer).

7.8 Payor Agreements. Buyer shall have either (i) negotiated and entered into, on terms reasonably satisfactory to Buyer, or (ii) had assigned to it, with all required consents and approvals of the counterparties thereto, and otherwise on terms reasonably satisfactory to Buyer, third party Payor agreements with Payors that, in Buyer's good faith judgment, are sufficient to support and retain the revenues of the RCMH Business at levels consistent with its recent experience.

7.9 EHR System. Buyer shall have either (a) received any consents or approvals necessary to the assignment to Buyer of the existing Information Services Agreement

between Seller and the current provider of Seller's electronic medical records and practice management system, on terms reasonably acceptable to Buyer, (b) made other arrangements with Seller and the current provider of Seller's electronic medical records and practice management system to continue the use of that system following Closing for a transition period sufficient in Buyer's judgment to permit it to transition the RCMH Business to Buyer's electronic medical records system or (c) completed the development of and be prepared to implement at the Hospital, immediately upon the Closing, Buyer's own electronic medical records system.

7.10 APNP Program Compliance. Buyer shall have concluded to its reasonable satisfaction that no failure (if any) of Seller's Advanced Practice Nurse Practitioner hospitalist program to comply with all applicable Healthcare Laws will have any adverse effect on the Buyer's operation of the RCMH Business after the Closing.

7.11 CAO Contract. Buyer shall have negotiated the terms of an employment agreement between Buyer and Jeffrey Euclid, as Chief Administrative Officer of the Hospital (the "CAO"), the terms of which shall be mutually acceptable to Buyer and the CAO.

## **ARTICLE VIII CONDITIONS PRECEDENT TO COUNTY'S OBLIGATIONS**

Each and every obligation of County to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following conditions:

8.1 Representations and Warranties. Each of the representations and warranties made by Buyer in this Agreement that are qualified as to materiality shall be true and correct in all respects, and the representations and warranties that are not so qualified shall be true and correct in all material respects, on and as of the date hereof and on and as of the Closing Date as though such representations and warranties were made or given on and as of the Closing Date.

8.2 Performance. Buyer shall have performed and complied with all of Buyer's agreements and obligations under this Agreement which are to be performed or complied with by Buyer prior to or on the Closing Date, including the delivery of the closing documents specified in Section 10.3.

8.3 Unfavorable Action or Proceeding. On the Closing Date, no Orders, decrees, judgments or injunctions of any Governmental Authority shall be in effect, and no Actions shall be pending or threatened, which challenge or seek to challenge, or which could prevent or cause the rescission of, the consummation of the transactions contemplated in this Agreement or by the Operating Agreement.

8.4 Governmental Authorizations. Buyer shall have obtained all Governmental Authorizations required for the ownership by Buyer of the Assets and the operation by it of the RCMH Business.

## ARTICLE IX INDEMNIFICATION

### 9.1 Indemnification.

(a) By County. From and after the Closing Date, County shall indemnify, defend and hold harmless Buyer and its Affiliates, agents, representatives, members, managers, officers and employees (hereinafter "Buyer's Affiliates"), from and against all Claims (as hereinafter defined) asserted against, resulting to, imposed upon, or incurred by Buyer, Buyer's Affiliates or the RCMH Business and Purchased Assets transferred to Buyer pursuant to this Agreement, directly or indirectly, by reason of, arising out of or resulting from: (i) the inaccuracy or breach as of the date hereof or on the Closing Date of any representation or warranty of County contained in or made pursuant to this Agreement; (ii) the breach of any covenant of County contained in this Agreement; (iii) any Claim brought by or on behalf of any broker or finder retained, employed or used by County or any of its Affiliates, agents, representatives or employees in connection with the transactions provided for herein or the negotiation thereof, whether or not disclosed herein; or (iv) any Retained Liability. As used in this Article IX, the term "Claim" shall include (w) all Liabilities; (x) all losses, damages (including, without limitation, consequential damages), judgments, awards, penalties and settlements; (y) all demands, claims, suits, Actions, causes of action, proceedings and assessments, whether or not ultimately determined to be valid; and (z) all costs and expenses (including, without limitation, interest (including prejudgment interest in any litigated or arbitrated matter), court costs and fees and expenses of attorneys and expert witnesses) of investigating, defending or asserting any of the foregoing or of enforcing this Agreement. For avoidance of doubt, an indemnifiable Claim pursuant to this Article IX shall include any Retained Liability described in Section 2.2(i) that is offset by the party to which is owed against any Account Receivable included among the Purchased Assets.

(b) By Buyer. From and after the Closing Date, Buyer shall indemnify, defend and hold harmless County and its Affiliates, officials, employees, agents and representatives from and against all Claims asserted against, resulting to, imposed upon or incurred by any such person, directly or indirectly, by reason of, arising out of or resulting from (i) the inaccuracy or breach as of the date hereof or on the Closing Date of any representation or warranty of Buyer contained in or made pursuant to this Agreement; (ii) the breach of any covenant of Buyer contained in this Agreement; or (iii) any Assumed Liability.

9.2 Method of Asserting Claims. In the event that any party or parties to this Agreement shall incur any Claims with respect to which indemnity may be sought by such party or parties pursuant to this Article IX or any other provision of this Agreement, the party or parties to be indemnified (whether one or more, the "Indemnified Party") shall notify the party or parties from whom indemnification is sought (whether one or more, the "Indemnifying Party") promptly and in writing in accordance with the terms and provisions of this Section 9.2. All Claims for indemnification by any Indemnified Party under Section 9.1 will be asserted and resolved as follows:

(a) In the event any Claim or demand in respect of which an Indemnified Party might seek indemnity under Sections 9.1 is asserted against or sought to be collected from such Indemnified Party by a Person other than County, Buyer or their respective Affiliates (a "Third Party Claim"), the Indemnified Party shall deliver a notice (a "Claim Notice") with reasonable promptness to the Indemnifying Party. If the Indemnified Party fails to provide the Claim Notice with reasonable promptness after the Indemnified Party receives notice of such Third Party Claim,

the Indemnifying Party will not be obligated to indemnify the Indemnified Party with respect to such Third Party Claim to the extent that the Indemnifying Party demonstrates that its ability to defend has been irreparably prejudiced by such failure of the Indemnified Party. The Indemnifying Party will notify the Indemnified Party as soon as practicable within the Dispute Period (as defined below) whether the Indemnifying Party disputes its liability to the Indemnified Party under Section 9.1 and whether the Indemnifying Party desires, at its sole cost and expense, to defend the Indemnified Party against such Third Party Claim. For the purpose of this Section 9.2, “Dispute Period” means the period ending thirty (30) days following receipt by an Indemnifying Party of either a Claim Notice or an Indemnity Notice.

(i) If the Indemnifying Party notifies the Indemnified Party within the Dispute Period that the Indemnifying Party desires to defend the Indemnified Party with respect to the Third Party Claim pursuant to this Section 9.2(a), then the Indemnifying Party will have the right to defend, with counsel reasonably satisfactory to the Indemnified Party, at the sole cost and expense of the Indemnifying Party, such Third Party Claim by all appropriate proceedings, which proceedings will be vigorously and diligently prosecuted by the Indemnifying Party to a final conclusion or will be settled at the discretion of the Indemnifying Party (but only with the consent of the Indemnified Party, which consent will not be unreasonably withheld or delayed, in the case of any settlement that provides for any relief other than the payment of monetary damages as to which the Indemnified Party will be indemnified in full). The Indemnifying Party will have full control of such defense and proceedings, including any compromise or settlement thereof; provided, however, that the Indemnified Party may, at the sole cost and expense of the Indemnified Party, at any time prior to the Indemnifying Party's delivery of the notice referred to in the first sentence of this Section 9.2(a)(i), file any motion, answer or other pleadings or take any other action that the Indemnified Party reasonably believes to be necessary or appropriate to protect its interests; and provided further, that if requested by the Indemnifying Party, the Indemnified Party will, at the sole cost and expense of the Indemnifying Party, provide reasonable cooperation to the Indemnifying Party in contesting any Third Party Claim that the Indemnifying Party elects to contest. The Indemnified Party may retain separate counsel to represent it in, but not control, any defense or settlement of any Third Party Claim controlled by the Indemnifying Party pursuant to this Section 9.2(a)(i), and the Indemnified Party will bear its own costs and expenses with respect to such separate counsel except as provided in the preceding sentence. Notwithstanding the foregoing, the Indemnified Party may retain or take over the control of the defense or settlement of any Third Party Claim the defense of which the Indemnifying Party has elected to control if the Indemnified Party irrevocably waives its right to indemnity under Section 9.1 with respect to such Third Party Claim.

(ii) If the Indemnifying Party fails to notify the Indemnified Party within the Dispute Period that the Indemnifying Party desires to defend the Third Party Claim pursuant to Section 9.2(a), or if the Indemnifying Party gives such notice but fails to prosecute vigorously and diligently or settle the Third Party Claim, then the Indemnified Party will have the right to defend, at the sole cost and expense of the Indemnifying Party, the Third Party Claim by all appropriate proceedings, which proceedings will be prosecuted by the Indemnified Party in good faith or will be settled at the discretion of the Indemnified Party (with the consent of the Indemnifying Party, which consent will not be unreasonably withheld or delayed). The Indemnified Party will have full control

of such defense and proceedings, including any compromise or settlement thereof; provided, however, that if requested by the Indemnified Party, the Indemnifying Party will, at the sole cost and expense of the Indemnifying Party, provide reasonable cooperation to the Indemnified Party and its counsel in contesting any Third Party Claim which the Indemnified Party is contesting. The Indemnifying Party may participate in, but not control, any defense or settlement controlled by the Indemnified Party pursuant to this Section 9.2(a)(ii), and the Indemnifying Party will bear its own costs and expenses with respect to such participation.

(iii) If the Indemnifying Party notifies the Indemnified Party that it does not dispute its liability to the Indemnified Party with respect to the Third Party Claim under Section 9.1 or fails to notify the Indemnified Party within the Dispute Period whether the Indemnifying Party disputes its liability to the Indemnified Party with respect to such Third Party Claim, the Claim arising from such Third Party Claim will be conclusively deemed a liability of the Indemnifying Party under Section 9.1 and the Indemnifying Party shall pay the amount of such Claim to the Indemnified Party on demand following the final determination thereof. If the Indemnifying Party has timely disputed its liability with respect to such claim, the Indemnifying Party and the Indemnified Party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved through negotiations, such dispute shall be resolved by litigation in a court of competent jurisdiction.

(b) In the event any Indemnified Party has a claim under Section 9.1 against any Indemnifying Party that does not involve a Third Party Claim, the Indemnified Party shall deliver a notice (the “Indemnity Notice”) with reasonable promptness to the Indemnifying Party. The failure by any Indemnified Party to give the Indemnity Notice shall not impair such party's rights hereunder except to the extent that an Indemnifying Party demonstrates that it has been irreparably prejudiced thereby. If the Indemnifying Party notifies the Indemnified Party that it does not dispute the claim described in such Indemnity Notice or fails to notify the Indemnified Party within the Dispute Period whether the Indemnifying Party disputes the claim described in such Indemnity Notice, the Claim arising from the claim specified in such Indemnity Notice will be conclusively deemed a liability of the Indemnifying Party under Section 9.1 and the Indemnifying Party shall pay the amount of such loss to the Indemnified Party on demand following the final determination thereof. If the Indemnifying Party has timely disputed its liability with respect to such claim, the Indemnifying Party and the Indemnified Party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved through negotiations, such dispute shall be resolved by litigation in a court of competent jurisdiction.

9.3 Payment. The Indemnifying Party shall promptly pay the Indemnified Party any amount due under this Article IX. Upon judgment, determination, settlement or compromise of any third party Claim, the Indemnifying Party shall pay promptly on behalf of the Indemnified Party, and/or to the Indemnified Party in reimbursement of any amount theretofore required to be paid by it, the amount so determined by judgment, determination, settlement or compromise and all other Claims of the Indemnified Party with respect thereto, unless in the case of a judgment an appeal is made from the judgment. If the Indemnifying Party desires to appeal from an adverse judgment, then the Indemnifying Party shall post and pay the cost of the security or bond to stay execution of the judgment pending appeal. Upon the payment in full by the Indemnifying Party of such amounts, the Indemnifying Party shall succeed to the rights of such Indemnified Party, to the extent not waived in settlement, against the third party who made such third party Claim.

9.4 Survival of Representations, Warranties, Covenants and Agreements. All representations and warranties of the parties contained in this Agreement shall survive the Closing for a period ending on the earlier of (i) the second anniversary of the Closing Date or (ii) the 120<sup>th</sup> day following the end of the first full fiscal year of the Hospital that begins following the Closing Date, except that: (a) the representations and warranties set forth in Sections 4.1, 4.2, 4.3, 4.18(a), 5.1, 5.2 and 5.3 shall survive without limitation; and (b) the representations and warranties set forth in Sections 4.12, 4.13, 4.14, 4.15, and 4.16 shall survive for a period ending on the fifth anniversary of the Closing Date; and (c) all representations or warranties shall survive beyond such periods with respect to any inaccuracy therein or breach thereof, notice of which shall have been duly given in good faith within such applicable period in accordance with Article IX hereof. Nothing in the foregoing sentence shall preclude Buyer from bringing an action for fraud (a “**Fraud Claim**”). The covenants and agreements contained herein shall survive the Closing without limitation as to time unless the covenant or agreement specifies a term, in which case such covenant or agreement shall survive for such specified term.

9.5 Limitations on Indemnification. Notwithstanding anything to the contrary contained in this Agreement, County will not be liable for indemnification for any Claims arising solely under Section 9.1(a)(i), unless the amount of such Claims for which County would, but for the provisions of this Section 9.5, be liable exceeds, on an aggregate basis, \$150,000 (the “**Basket**”), in which case County shall be liable for the full amount of all such Claims in excess of the Basket, which will be due and payable in accordance with this Article IX; provided, however, that any Claims arising under Section 9.1(a)(i) relating to a breach of Section 4.1, 4.2, 4.3, 4.5 or 4.18(a) (collectively, “**Fundamental Representations**”) or Fraud Claims shall not be subject to the Basket; and provided further, that a single Claim or series of related Claims that itself exceeds the Basket shall not be subject to the Basket. In no event will the aggregate liability of County pursuant to Section 9.1(a)(i) exceed \$3,000,000; provided, however, that such limitation shall not apply to any indemnification obligations of County for Claims arising as a result of breaches of the Fundamental Representations, the representations set forth in Sections 4.12 through and including 4.16, or Fraud Claims.

## ARTICLE X CLOSING

10.1 The Closing. The closing of this transaction (the “**Closing**”) shall take place at the offices of Husch Blackwell LLP, 555 East Wells Street, Suite 1900, Milwaukee, Wisconsin 53202, at 10:00 a.m. on the fifth business day after the day on which the last of the conditions described in Article VII and Article VIII has been obtained, made, given or waived, as applicable, or at such other time and place as the parties hereto shall mutually upon. Such date is referred to in this Agreement as the “**Closing Date**.” The Closing shall be effective as of 11:59 p.m. on the Closing Date (“**Effective Closing Time**”).

10.2 Closing Deliveries of County. At the Closing, County shall deliver to Buyer the following items and documents, which documents shall be, in each case, duly executed or otherwise in proper form:

(a) Bills of Sale. Bills of sale and such other instruments of assignment, transfer, conveyance and endorsement as will be sufficient in the opinion of Buyer and its counsel to transfer, assign, convey and deliver to Buyer the Purchased Assets (including certificates of title to any motor vehicles included among the Purchased Assets, duly endorsed for transfer to Buyer), free and clear

of all Liens and encumbrances, as contemplated hereby, including, without limitation, an Assignment and Bill of Sale, in the form and substance mutually acceptable to the parties and their counsel.

- (b) Real Estate Lease. The Facility Lease.
- (c) Operating Agreement. The Operating Agreement, in the form of Exhibit B attached hereto.
- (d) TSAs. Such transition services agreements, if any, as the parties may mutually determine to be necessary or appropriate on the terms mutually acceptable to the parties and their counsel (the “TSAs”)
- (e) Compliance Certificates. A certificate signed by the chief executive officer of County, dated the Closing Date, certifying to the fulfillment by County of the conditions specified in Section 7.1 and Section 7.2.
- (f) Opinion of Counsel. A written opinion of Quarles and Brady LLP, special counsel to County, dated as of the Closing Date, addressed to Buyer, substantially in the form of Exhibit C hereto.
- (g) Certified Resolutions. A copy of the resolutions of the County Board, certified by the County Clerk of County, authorizing and approving this Agreement, and the other exhibits and documents contemplated hereby, and the consummation of the transactions contemplated by this Agreement.
- (h) Consents. Copies of the Third Party Consents.
- (i) Lien Releases. UCC termination statements for any and all financing statements (which do not correspond to an Assumed Liability) filed with respect to the Assets;
- (j) DEA Power of Attorney. Limited Power of Attorney for use of DEA and Other Registration Numbers and DEA Order Forms, in the form of Exhibit D (the “Power of Attorney”);
- (k) FIRPTA. Duly executed certificates from Seller, demonstrating non-foreign status in compliance with Section 1445 of the Internal Revenue Code of 1986 (“Code”);
- (l) Intellectual Property. Assignments, in recordable form as appropriate and otherwise in form satisfactory to Buyer, of the Assigned Proprietary Rights;
- (m) Other Documents. All other documents, instruments or writings required to be delivered to Buyer at or prior to the Closing pursuant to this Agreement and such other certificates of authority and documents as Buyer may reasonably request.

10.3 Closing Deliveries of Buyer. At the Closing, Buyer shall deliver to County the following items and documents, which documents shall be, in each case, duly executed or otherwise in proper form:

- (a) Cash Purchase Price. One Dollar.

(b) Compliance Certificate. A certificate signed by an authorized officer of Buyer, dated the Closing Date, certifying to the fulfillment of the conditions specified in Section 8.1 and Section 8.2.

(c) Certified Resolutions. A copy of the resolutions of the Board of Directors of Buyer, certified by the Secretary or an assistance secretary of Buyer, authorizing and approving this Agreement, and the other exhibits and documents contemplated hereby, and the consummation of the transactions contemplated by this Agreement.

(d) Articles of Incorporation; Bylaws; Certificate of Status. A copy of the Bylaws of the Buyer certified by the secretary or other officer of Buyer, a copy of the Articles of Incorporation of Buyer certified by Wisconsin Department of Financial Institutions as of the most recent practicable date, in form and substance reasonably satisfactory to County and its counsel.

(e) Real Estate Lease. The Facility Lease.

(f) Operating Agreement. The Operating Agreement.

(g) Power of Attorney. The Power of Attorney

(h) TSAs. The TSAs, if any.

(i) CAO Contract. The CAO Contract, duly executed by Buyer (and conditioned upon its execution by the CAO).

(j) Other Documents. All other documents, instruments or writings required to be delivered to County at or prior to the Closing pursuant to this Agreement and such other certificates of authority and documents as County may reasonably request.

## **ARTICLE XI TERMINATION**

11.1 Right of Termination Without Breach. This Agreement may be terminated without further liability of any party at any time prior to the Closing by mutual written agreement of Buyer and County, or by either Buyer or County if the Closing shall not have occurred on or before February 28, 2019, provided the terminating party has not, through breach of a representation, warranty or covenant, prevented the Closing from occurring on or before such date.

### 11.2 Termination for Breach.

(a) Termination by Buyer. If (i) there has been a material violation or breach by County of any of its agreements, representations or warranties contained in this Agreement which has not been waived in writing by Buyer, or (ii) there has been a failure of satisfaction of a condition to the obligations of Buyer which has not been so waived, or (iii) County shall have attempted to terminate this Agreement under this Article XI or otherwise without grounds to do so, then Buyer may, by written notice to County at any time prior to the Closing that such violation, breach, failure or wrongful termination attempt is continuing, terminate this Agreement with the effect set forth in Section 11.3 hereof.

(b) Termination by County. If (i) there has been a material violation or breach by Buyer of any of the agreements, representations or warranties contained in this Agreement which has not been waived in writing by County, or (ii) there has been a failure of satisfaction of a condition to the obligations of County which has not been so waived, or (iii) Buyer shall have attempted to terminate this Agreement under this Article XI or otherwise without grounds to do so, then County may, by written notice to Buyer at any time prior to the Closing that such violation, breach, failure or wrongful termination attempt is continuing, terminate this Agreement with the effect set forth in Section 11.3 hereof.

11.3 Effect of Termination. If this Agreement is validly terminated pursuant to this Article XI, this Agreement will forthwith become null and void, and there will be no liability or obligation on the part of County or Buyer (or any of their respective Affiliates, employees, agents or representatives), except as provided in this Section 11.3 and except that the provisions with respect to expenses in Section 12.7 will continue to apply following any such termination. Notwithstanding any other provision of this Agreement to the contrary, if both (a) this Agreement is terminated pursuant to this Article XI and (b) County, on the one hand, or Buyer, on the other hand (as applicable) are in breach in any material respect of any of their respective representations and warranties or their respective covenants or agreements made herein (and Buyer or County, as applicable, is not in breach in any material respect of any of its representations and warranties or its covenants or agreements made herein), the non-breaching party shall have the right to seek monetary damages, and such other equitable relief or remedies as may be available to it. County acknowledges and agrees that in the event County refuses to perform under the provisions of this Agreement (and Buyer is not in breach in any material respect of any of its representations and warranties or its covenants or agreements made herein), money damages alone may not be adequate an adequate remedy and Buyer shall therefore be entitled, in addition to any other remedies which may be available to Buyer, to obtain specific performance of the terms of this Agreement.

## **ARTICLE XII MISCELLANEOUS**

12.1 Disclosure Schedule. Information set forth in the schedules (each a “Schedule” and, collectively, the “Disclosure Schedule”) specifically refers to the article and section of this Agreement to which such information is responsive. The Disclosure Schedule shall not vary, change or alter the language of the representations and warranties contained in this Agreement and, to the extent the language on any Schedule contradicts or conflicts with the language of such representations and warranties, such language shall be disregarded and be of no force or effect. Notwithstanding the foregoing, each such Schedule contained in the Disclosure Schedule shall be deemed to include the information contained in all other Schedules to which such disclosure reasonably relates.

12.2 Further Assurances. From time to time, at Buyer’s request and without further consideration, County will execute and deliver to Buyer such documents, instruments and consents and take such other action as Buyer may reasonably request in order to consummate more effectively the transactions contemplated hereby, to discharge the covenants of County and to vest in Buyer good, valid and marketable title to the RCMH Business and Purchased Assets being transferred hereunder.

12.3 Assignment; Parties in Interest. Except as expressly provided herein, the rights and obligations of a party hereunder may not be assigned, transferred or encumbered without

the prior written consent of the other parties; provided, however, Buyer may, without consent of any other party, assign in whole or in part, its rights and obligations hereunder to (i) one or more subsidiaries or Affiliates of Buyer, (ii) any lender to Buyer, any subsidiary or Affiliate thereof or any agent on behalf thereof as security for obligations to such lender in respect of its financing agreements and any refinancing, extension, refunding or renewals thereof and (iii) on or after the Closing Date, any successor to Buyer in the event of merger, consolidation or sale of assets of Buyer and to any transferee of all or substantially all of the assets of Buyer or its business. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and permitted assigns of the parties hereto. Nothing contained herein shall be deemed to confer upon any other person any right or remedy under or by reason of this Agreement.

12.4 Law Governing Agreement; Consent to Jurisdiction; Waiver of Jury Trial.

This Agreement shall be construed and interpreted according to the internal laws of the State of Wisconsin, excluding any choice of law rules that may direct the application of the laws of another jurisdiction. Each party hereby submits to the exclusive jurisdiction of the United States District Court for the Western District of Wisconsin or any court of the State of Wisconsin located in Wood County, Wisconsin in any action, suit or proceeding arising under or in connection with this Agreement or any of the transactions contemplated hereby. Process and pleadings mailed to a party at the address provided in Section 12.6 shall be deemed properly served and accepted for all purposes. **Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury.**

12.5 Amendment; Modification; Waiver; Remedies Cumulative.

Buyer and County may amend, modify and supplement this Agreement in such manner as may be agreed upon by them in writing. Any term or condition of this Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. No waiver by any party of any term or condition of this Agreement, in any one or more instance, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

12.6 Notice.

All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopier, facsimile transmission or other electronic means of transmitting written documents; or (c) sent to the parties at their respective addresses indicated herein by certified U.S. mail, return receipt requested and postage prepaid, or by private overnight mail courier service. The respective addresses to be used for all such notices, demands or requests are as follows:

- |     |  |  |
|-----|--|--|
| (a) | If to Buyer, to:   | (with a copy to)   |
|     | Marshfield Clinic Health System, Inc.<br>1000 North Oak Avenue<br>Marshfield, WI 54449<br>Attn: General Counsel<br>Facsimile: (715) 389-4788 | Husch Blackwell LLP<br>555 East Wells Street, Suite<br>Milwaukee, WI 53202-3819<br>Attention: John F. Emanuel<br>Facsimile: (414) 223-5000 |

or to such other person or address as Buyer shall furnish to County in writing.

(b)	If to County, to:	(with a copy to)
	Rusk County Board of Supervisors 311 Miner Ave. E. Ladysmith, WI 54848 Attention: County Board Chair	Quarles & Brady LLP 33 E. Main Street, Suite 900 Madison, WI 53703 Attention: Sarah E. Coyne

or to such other person or address as County shall furnish to Buyer in writing.

If personally delivered, such communication shall be deemed delivered upon actual receipt; if electronically transmitted pursuant to this paragraph, such communication shall be deemed delivered the next business day after transmission (and sender shall bear the burden of proof of delivery); if sent by overnight courier pursuant to this paragraph, such communication shall be deemed delivered upon receipt; and if sent by U.S. mail pursuant to this paragraph, such communication shall be deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service, or, if the addressee fails or refuses to accept delivery, as of the date of such failure or refusal. Any party to this Agreement may change its address for the purposes of this Agreement by giving notice thereof in accordance with this Section.

12.7 Expenses. County shall pay, and shall indemnify, defend and hold Buyer harmless from and against any sales, use, excise, transfer or other similar tax imposed with respect to the transactions provided for in this Agreement, and any interest or penalties related thereto. Except as otherwise provided herein, each of the parties shall bear its own expenses and the expenses of its counsel and other agents in connection with the transactions contemplated hereby; provided, however, that in the event this Agreement is terminated by Buyer in accordance with Section 11.2(a) or County in accordance with Section 11.2(b) hereof, County or Buyer, as applicable, shall pay, and shall indemnify, defend and hold Buyer or County, as applicable, harmless from and against, such party's reasonable fees and expenses incurred in connection with the negotiation of this Agreement and the transactions contemplated hereby, including, without limitation, fees and expenses of legal, accounting and other professional counsel and fees relating to the due diligence examination of County.

12.8 Entire Agreement; Severability. This instrument, and the exhibits and schedules attached hereto, embodies the entire agreement among the parties hereto with respect to the transactions contemplated herein, and supersedes all prior negotiations, discussions and agreements with respect thereto, including, without limitation, the letter of intent among the parties, dated August 8, 2017, as the same may have been amended or extended. If any provision of this Agreement or the application thereof to any party or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other parties or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

12.9 Counterparts; Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute the same Agreement, binding on all of the parties hereto. The parties agree that facsimile or electronic .PDF copies of signatures shall be deemed originals for all purposes hereof and that a party may

produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

12.10 Headings. The headings in this Agreement are inserted for convenience only and shall not constitute a part hereof.

12.11 Gender and Number; Construction. All references to the neuter gender shall include the feminine or masculine gender and vice versa, where applicable, and all references to the singular shall include the plural and vice versa, where applicable. Unless otherwise expressly provided, the word “including” followed by a listing does not limit the preceding words or terms and shall mean “including, without limitation.” The words “herein,” “hereof” and “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular provision of this Agreement. References to a “party” means a party to this Agreement and include references to such party’s successors and permitted assigns; and references to a “third party” means a Person not party to this Agreement nor an Affiliate thereof.

12.12 Third Party Beneficiary. None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement.

12.13 Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms are used in this Agreement with the meanings set forth in this section 12.13:

(a) **“Accrued PTO”** means an amount equal to the accrued but unused vacation, holiday and sick pay of the Hired Employees, as of the Closing Date, determined pursuant to the established plans and policies of the RCMH Business in that regard.

(b) **“Action” or “Actions”** mean any claim, action, cause of action, suit (whether in contract or tort or otherwise) or audit, litigation (whether at law or in equity and whether civil or criminal), controversy, assessment, grievance, arbitration, investigation, audit, opposition, interference, hearing, mediation, charge, complaint, demand, notice or proceeding to, from, by or before any Governmental Authority or any mediator.

(c) **“Affiliate” or “Affiliates”** of a specified entity shall mean any corporation, limited liability company, partnership, sole proprietorship, or other person or entity that directly or indirectly, through one or more intermediaries, Controls or is under common Control with the entity specified.

(d) **“Anti-Kickback Statute”** is defined in the definition of Healthcare Law.

(e) **“CMS”** means the Centers for Medicare and Medicaid Services.

(f) **“COBRA”** means Section 4980B of the Code and Sections 601 through 608, inclusive, of ERISA, and any similar Law applicable to County relating to the provision or offering of health insurance coverage for RCMH Employees.

(g) **“Code”** means the Internal Revenue Code of 1986, as amended.

(h) **“Control”** means the possession, direct or indirect, of the power to direct, or cause the direction of the management and policies of a person or entity.

(i) “**Criminal False Claims Act**” is defined in the definition of Healthcare Law.

(j) “**Environmental Laws**” means all Laws relating to pollution or the protection of human health, safety, the Environment, or damage to natural resources, including Laws relating to Releases and threatened Releases or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Environmental Laws include the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §136 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq.; the Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; the Clean Air Act, 42 U.S.C. §7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; the Oil Pollution Act, 33 U.S.C. §2701 et seq.; the Endangered Species Act, 16 U.S.C. §1531 et seq.; the National Environmental Policy Act, 42 U.S.C. §4321, et seq.; the Occupational Safety and Health Act, 29 U.S.C. §651 et seq.; the Safe Drinking Water Act, 42 U.S.C. §300f et seq.; Emergency Planning and Community Right-to-Know Act, 42 U.S.C. §11001 et seq.; Atomic Energy Act, 42 U.S.C. §2014 et seq.; Nuclear Waste Policy Act, 42 U.S.C. §10101 et seq.; and their state and local counterparts or equivalents, all as amended from time to time, and regulations issues pursuant to any of those statutes.

(k) “**Family Member**” means, with respect to any individual: (a) such Person’s spouse; (b) each parent, brother, sister or natural or adopted child of such Person or such Person’s spouse; (c) each trust created for the benefit of one or more of the Persons described in clauses (a) and (b) above; and (d) each custodian or guardian of any property of one or more of the Persons described in clauses (a) through (c) above in his or her capacity as such custodian or guardian.

(l) “**Federal False Claims Act**” is defined in the definition of Healthcare Laws.

(m) “**Governmental Authority**” means the United States of America and any other federal, state, local, or foreign governmental or regulatory authority, department, agency, tribunal, commission, body, court, or other governmental entity.

(n) “**Hazardous Material**” means (a) any chemicals, materials, substances, or wastes which are now or hereafter defined as or included in the definition of “hazardous substance,” “hazardous material,” “hazardous waste,” “solid waste,” “toxic substance,” “extremely hazardous substance,” or words of similar import under any applicable Environmental Laws; and (b) any petroleum, petroleum products (including crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas useable for fuel (or mixtures of natural gas and such synthetic gas), or oil and gas exploration or production waste, polychlorinated biphenyls, asbestos-containing materials, mercury, and lead-based paints.

(o) “**Healthcare Laws**” means all federal and state Laws, rules or regulations relating to the regulation, provision or administration of, or payment for, healthcare products or services, which are applicable to Seller or any Healthcare Provider or the Business, including, but not limited to: (a) the federal “Anti- Kickback Statute” (42 U.S.C. §1320a- 7b(b)), Sections 1320a- 7 and 1320a- 7a of Title 42 of the United States Code, the Physician Self-Referral Law, commonly known as the “Stark Law” (42 U.S.C. §§1395nn and 1396b), the civil “Federal False Claims Act” (31 U.S.C. §3729 et seq.), the “Criminal False Claims Act” (18 U.S.C. § 287), the False Statements Relating to Health Care Matters law (18 U.S.C. § 1035), Health Care Fraud (18 U.S.C. § 1347), or any regulations promulgated pursuant to such statutes, or similar state or local

statutes or regulations; (b) HIPAA and the regulations promulgated thereunder and similar state or local statutes or regulations governing the privacy or security of patient information; (c) Medicare (Title XVIII of the Social Security Act) and the regulations promulgated thereunder; (d) Medicaid (Title XIX of the Social Security Act) and the regulations promulgated thereunder as well as comparable state Medicaid statutes and regulations; (e) TRICARE (10 U.S.C. Section 1071 et seq.) and the regulations promulgated thereunder; (f) quality and safety Laws relating to the regulation, storage, provision or administration of, or payment for, healthcare products or services, including optical goods, prescription products and controlled substances, or the conducting of clinical research (e.g., Federal Food, Drug & Cosmetics Act (21 U.S.C. §§ 301 et seq.), the Controlled Substances Act (21 U.S.C. §§ 801 et seq.) and the Public Health Service Act, (42 U.S.C. §§ 201 et seq.)); (g) Laws governing the provision of services to employees with workers compensation coverage or licensure or certification as a healthcare organization to provide such services; (h) licensure Laws relating to the regulation, provision or administration of, or payment for, healthcare items, services or goods and the ownership or operation of medical and surgical equipment, supplies or accessories, including Laws relating the so-called “corporate practice of medicine” and fee splitting; (i) any implementing regulations or program guidance of a Third Party Payor Program that has the force of Law, (j) laws affecting participation in Medicare and Medicaid and hospital and physician licensure laws; and (k) Joint Commission or other accreditation standards, or rules affecting the Hospital, each of (a) through (k) as amended from time to time.

(p) **“Intellectual Property Rights”** means the entire right, title, and interest in and to all proprietary rights of every kind and nature however denominated, throughout the world, including: (a) all patents, patent applications, industrial designs, industrial design applications, and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, divisionals, utility models, certificates of invention, extensions, reviews and reexaminations in connection therewith and all improvements thereon; (b) all copyright rights and registrations and applications therefor, together with all translations, adaptations, derivations and combinations therefor, works of authorship, publications, moral rights, and mask work rights; (c) confidential and proprietary information, including trade secrets, concepts, database rights, and all other proprietary rights in Technology, including Software; (d) all trademarks, trade names, service marks, service names, brands, trade dress, logos, slogans, and all other indicia of origin, source, sponsorship, endorsement or certification, whether or not applied for or registered, and all applications, registrations, and renewals in connection therewith, and all of the goodwill and activities associated therewith; (e) all domain names, websites, website content, and social media, including social media accounts and handles; (f) all rights of privacy and publicity, including rights to the use of names, likenesses, images, voices, signatures and biographical information of real persons, as well as all Actions and rights to sue at law or in equity for any past, present or future infringements, misappropriations or other impairment of any of the foregoing in (a) through (f), including the right to receive all proceeds and damages therefrom, and all rights of protection of interest therein under the Laws of all jurisdictions; and (g) all copies and tangible embodiments or descriptions of any of the foregoing (in whatever form or medium).

(q) **“Knowledge of Seller”** or **“Seller’s Knowledge”** or **“Knowledge of County”** or **“County’s Knowledge”** or phrases of similar import means the actual knowledge of the Hospital’s Chief Executive Officer, its Chief Financial Officer, any member of the Hospital’s Board of Trustees or the County’s corporation counsel, together with any knowledge that would have been known by a reasonable person in a similar position after having conducted a due investigation.

(r) **“Legal Requirement”** or **“Law”** means any constitution, law (including common law), statute, standard, ordinance, code, rule, regulation, resolution, or promulgation, or any Order, or any license, franchise, permit, or similar right granted under any of the foregoing, or any similar provision or duty or obligation having the force or effect of law, including, without limitation and for the avoidance of doubt, the Healthcare Laws.

(s) **“Liability”** or **“Liabilities”** means, with respect to any Person, any direct or indirect liability, indebtedness, claim, loss, damage, deficiency, cost, expense, responsibility, or obligation of such Person, whether known or unknown, whether asserted or unasserted, whether determined, determinable or otherwise, whether absolute or contingent, whether accrued or unaccrued, secured or unsecured, whether liquidated or unliquidated, whether incurred or consequential, whether due or to become due, whether or not required under GAAP to be accrued on the financial statements of such Person.

(t) **“Order”** means any order, writ, judgment, injunction, decree, stipulation, ruling, determination, or award entered by or with any third-party or any Governmental Authority.

(u) **“Ordinary Course of Business”** means an action taken by any Person in the ordinary course of such Person’s business which is consistent with the past customs and practices of such Person.

(v) **“Payor”** means any insurer, health maintenance organization, third party administrator, employer, union, trust, governmental program (including but not limited to any Third Party Payor Program), or other consumer or customer of health care services that has authorized Seller as a provider of health care items, services and goods to the members, beneficiaries, participants or the like, thereof or to whom Company has submitted a claim for items, services or goods.

(w) **“License(s)”** means, with respect to any Person, any license, accreditation, bond, franchise, permit, consent, approval, right, privilege, certificate, certificate of need, accreditation or other similar authorization issued by, or otherwise granted by, any Governmental Authority or any other Person to which or by which such Person is subject or bound or to which or by which any property, business, operation, or right of such Person is subject or bound.

(x) **“Person”** means any individual or corporation, association, partnership, limited liability company, joint venture, joint stock, or other company, business trust, trust, organization, labor union, Governmental Authority, or other entity of any kind.

(y) **“Release”** means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the Environment.

(z) **“Tax”** or **“Taxes”** means: (a) any and all federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, built-in gain, withholding, social security (or similar taxes, including FICA), unemployment, disability, real property, personal property, escheat or unclaimed property obligation, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind or any charge of any kind in the nature of (or similar to) taxes imposed by any Governmental Authority,

including any interest, penalty, or addition thereto, in each case whether disputed or not; and (b) any Liability for the payment of any amounts of the type described in clause (a) of this definition as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another Person's taxes as a transferee or successor, by contract or otherwise.

(aa) “**Tax Return**” means any return, declaration, report, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

(bb) “**Third Party Payor Programs**” means all third party Payor programs (including but not limited to, Medicare, Medicaid, TRICARE, workers compensation, or any other federal or state health care programs, as well as Blue Cross and/or Blue Shield, managed care plans, any other private insurance program or administered self-funded employer or union plans).

(cc) “**Transaction Expenses**” means direct expenses incurred by the County in the negotiation and documentation of the transactions contemplated by this Agreement and the Operating Agreement, including legal and financial advisory fees and expenses.

(dd) “**Wind-Down Expenses**” means costs incurred during the Wind-Down Period that are associated with the County's transition of ownership and operation of the RCMH Business, including the costs of purchasing tail insurance coverage, unemployment benefits for any RCMH employees paid for by County, any payments made by the County to RCMH employees in lieu of unvested matching contributions to the Wisconsin Retirement System, costs of disposing of the Real Estate (including demolition costs and rehabilitation costs incurred by the County to the extent that they exceed the proceeds of such disposition), any insurance claims relating to the period prior to the Closing, including without limitation all Workers Compensation claims, all expenses (including fines, penalties, and attorneys' fees) incurred by the County relating to governmental audits and investigations involving the RCMH Business, amounts relating to the Fine Arts Center debt repayment bond and demolition costs, and all indirect out-of-pocket costs relating to the RCMH Business reasonably allocated by the County (consistent with past practices), and post-closing personnel-related expenses incurred by the County as a result of the transactions contemplated by this Agreement.

(ee) “**Wind-Down Period**” means the period commencing on **August 8, 2017** through the date that is two years after the later of the termination of the Facility Lease or the Substantial Completion (as that term is defined in the Operating Agreement) of the Replacement Facility.

(ff) “**Working Capital Accounts**” means those accounts of Seller that are listed on Schedule 12.13(ff).

**[Signature Page Follows]**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

**MCHS HOSPITALS, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**RUSK COUNTY, WISCONSIN**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_