

## PROTECTION OF CHARITABLE ASSETS AGREEMENT

This Agreement is effective upon execution, by and between the Michigan Department of Attorney General (“Attorney General”) and Superior Health Foundation, a Michigan nonprofit corporation (“Foundation”).

### RECITALS

A. Marquette General Hospital, Inc., a Michigan nonprofit corporation (“MGH”) and DLP Marquette Holding Company, LLC, a Michigan limited liability company (“DLP”) are parties to an Asset Purchase Agreement, dated June 28, 2012 (the “Purchase Agreement”) pursuant to which MGH is selling substantially all of its assets to DLP (the “Transaction”).

B. The Foundation, formerly Marquette General Foundation, is currently a wholly owned subsidiary of MGH but will, prior to or as of the Closing Date of the Transaction, be converted to a Michigan nonprofit directorship corporation.

C. As part of the Transaction, certain funds will be transferred to the Foundation by MGH to be used to further the charitable purposes of the Foundation.

D. Section 7.13 of the Purchase Agreement requires the Attorney General to approve or not object to the Transaction as a condition precedent to the Closing of the Transaction.

E. In order to protect and ensure proper disposition of the charitable assets that will be transferred by MGH to the Foundation (the “Transferred Assets”), the Attorney General requires special assurances from the Foundation as set forth in this Agreement.

For and in consideration of the premises, agreements, covenants and representations set forth herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to the following:

### TERMS

#### I. Defined Terms

All capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Purchase Agreement.

**DLP:** DLP Marquette Holding Company, LLC, a Michigan limited liability company.

**Foundation:** Superior Health Foundation, a Michigan nonprofit corporation exempt from federal income tax as a 501(c)(3) organization and formerly known as Marquette General Foundation.

**MGH:** Marquette General Hospital, Inc., a Michigan nonprofit corporation.

**Purchase Agreement:** Asset Purchase Agreement by and between MGH and DLP dated June 28, 2012.

**Transaction:** The sale by MGH of substantially all of its assets to DLP pursuant to the terms and conditions of the Purchase Agreement.

**Transferred Assets:** All charitable assets transferred to the Foundation by MGH as of or after the Closing Date.

II. **Attorney General Approval of Amendment to Foundation Organization Documents**

A. The Attorney General acknowledges that it has received and approved the restated Articles of Incorporation and restated Bylaws of the Foundation to be effective as of the Closing Date of the Transaction.

B. Foundation agrees that it will submit to the Attorney General for its review and approval, any proposed amendment to or restatement of the Foundation's Articles of Incorporation or Bylaws which changes the purposes of the Foundation or in any way adversely affects the administration of the charitable assets transferred from MGH to the Foundation.

III. **Foundation Covenants**

A. The Foundation will prepare a budget on an annual basis for the operation of the Foundation, including all known costs and expenses related to the Foundation obligations for the oversight, monitoring and enforcement of the obligations and commitments of DLP set forth in the Purchase Agreement and in a separate Monitoring, Compliance and Enforcement Agreement by and among the Attorney General, MGH, the Foundation, DLP and LifePoint Hospitals, Inc. dated the date hereof.

B. The Foundation will maintain a conflict of interest policy governing its trustees, officers and key employees.

C. The Foundation agrees that it will use any donor restricted funds solely for the purpose(s) designated or approved by the donor.

IV. **Transfer of the Transferred Assets**

A. After the Closing Date, the Foundation agrees not to transfer the Transferred Assets without prior approval of the Attorney General, except as follows:

1. To make grants, scholarships, donations and other similar expenditures in furtherance of the Foundation's charitable purposes;
2. To make payments in the ordinary course of business in order to satisfy the operating and administrative expenses of the Foundation, including without limitation:

- a. expenses related to monitoring, compliance and enforcement of DLP obligations and commitments as described above
- b. payroll and benefits;
- c. office and occupancy expenses;
- d. supplies and office furnishings;
- e. information technology expenses;
- f. fundraising expenses; and
- g. professional services.

B. The Attorney General acknowledges and agrees that the Foundation may make any required payments to any State, Federal or local government in the ordinary course of business.

C. The Attorney General acknowledges and agrees that the Foundation shall not be subject to any restriction or approval of the Attorney General with respect to any funds or assets held by the Foundation prior to the Closing Date (“Pre-Closing Foundation Assets”), except as set forth in Section XIV hereof. The Attorney General acknowledges and agrees that the Pre-Closing Foundation Assets are not covered by the terms of this Agreement.

V. **Order of Michigan Court Replaces Unreasonably Withheld Attorney General Approval**

In the event the Foundation believes in good faith that the Attorney General has unreasonably withheld written approval of an action under Sections II B or IV A above, the Foundation may seek an order from a Michigan court of competent jurisdiction permitting the action. The Foundation shall provide the Attorney General with twenty-one (21) days written notice prior to any hearing and shall provide the court with a copy of this Agreement with any pleadings.

VI. **Notice**

- A. To the Attorney General

All written notices to the Attorney General required under this Agreement must be addressed to:

**Overnight:** Attorney General  
525 W. Ottawa – 7<sup>th</sup> Floor  
Lansing, MI 48933

**And** Consumer Protection Division  
Attn: Division Chief – Time Sensitive

525 W. Ottawa – 1<sup>st</sup> Floor  
Lansing, MI 48933

Or

**US Mail:** Attorney General  
P.O. Box 30212  
Lansing, MI 48909

And Consumer Protection Division  
Attn: Division Chief – Time Sensitive  
P.O. Box 30213  
Lansing, MI 48909

B. To the Foundation

All written notices to the Foundation under this Agreement must be addressed to:

Superior Health Foundation  
580 West College Avenue  
Marquette, MI 49855

## VII. Remedies

The Foundation recognizes that monetary damages will be inadequate for breach of the obligations contained in this Agreement. In addition to any legal remedies, the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court of competent jurisdiction may deem appropriate for breach of the obligations contained in this Agreement, without the requirement to bond any bond in connection therewith.

## VIII. Severability

If any provision of this Agreement is held or determined to be illegal, invalid, or unenforceable and if the rights or obligations of any party under this Agreement will not be materially and adversely affected thereby; (a) such provisions will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid, or unenforceable provision has never comprised part of this Agreement; (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the severance of the illegal, invalid, or unenforceable provision; and (d) in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as part of this Agreement a legal, valid, and enforceable provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible.

## IX. Amendment

This Agreement may be amended only by a writing executed by authorized representatives of the Attorney General and the Foundation.

X. **Waiver**

Any waiver by any party of any breach by another party shall not be deemed to be waiver against a different party or waiver of any subsequent or continuing breach.

XI. **Execution**

This Agreement may be executed in any number of counterparts, all of which taken together constitute one contract, and any of the parties may execute this Agreement by signing any one counterpart.

XII. **Governing Law and Jurisdiction**

This Agreement shall be subject to, applied, and interpreted according to the laws of the State of Michigan. No action shall be commenced against the Department of Attorney General or the Attorney General, his designee, agents or employees, or against any other party to this Agreement for any matter whatsoever arising out of the Agreement, in any courts other than a court of competent jurisdiction of the State of Michigan. In addition to each party consenting to the jurisdiction of Michigan courts, each party waives any objection to venue laid therein and any defense or inconvenient forum regarding the maintenance of any action or proceeding so brought.

XIII. **Entire Agreement**

This Agreement, together with other written contracts related to the Transaction and to which the Attorney General and the Foundation are parties, represent the entire agreement among the parties and supersede all proposals or other prior agreements, oral or written, and all other communications among the parties relating to the matters described herein.

XIV. **No Effect on Authority of Attorney General or Court Jurisdiction**

The Attorney General's rights and privileges provided in this Agreement are in addition to the Attorney General's existing powers. Nothing in this Agreement shall be construed to impair or restrict the authority of the Attorney General or the jurisdiction of any court with respect to any matter.

XV. **Authority to Bind Principal**

Each individual who signs this Agreement covenants that he or she has the power to bind the principal.

In Witness Whereof, the Attorney General and a duly authorized representative of the Foundation have executed this Agreement as of the day and year first above written.

**Michigan Department Of Attorney General**

Dated: 8/29/12

/s/ Carol Isaacs, Chief Deputy Attorney General  
Bill Schuette, Attorney General or designee

**Superior Health Foundation**

Dated: 8/29/12

/s/ James LaJoie  
James LaJoie,  
Its: Executive Director