

MONITORING, COMPLIANCE AND ENFORCEMENT AGREEMENT

Effective upon execution of this Agreement, the Michigan Department of Attorney General ("Attorney General"), MGH Wind Down, Inc. f/k/a Marquette General Hospital, Inc. ("MGH"), DLP Marquette Holding Company, LLC ("DLP"), LifePoint Hospitals, Inc. ("LifePoint"), Superior Health Foundation (the "Foundation"), and Stout Risius Ross, Inc. ("Monitor") (collectively, "the Parties" and each individually, a "Party"), agree as follows:

RECITALS

WHEREAS, MGH and DLP are parties to an Asset Purchase Agreement dated as of June 28, 2012 (the "Purchase Agreement"), pursuant to which MGH sold substantially all its assets to DLP (the "Transaction");

WHEREAS, pursuant to Section 7.13 of the Purchase Agreement, DLP was required to gain the Attorney General's approval of the Transaction as a condition to Closing;

WHEREAS, the Attorney General, in its review and approval of the Transaction, required the continued monitoring, reporting and enforcement of certain Post-Closing Covenants (as hereinafter defined) set forth in the Purchase Agreement;

WHEREAS, the Attorney General, MGH, Foundation, DLP and LifePoint entered into that certain Monitoring, Compliance and Enforcement Agreement dated as of August 29, 2012 (the "Original Monitoring Agreement"), pursuant to which Superior Health Foundation (the "Foundation") agreed to perform certain monitoring, reporting and enforcement duties following the Closing of the Transaction;

WHEREAS, the Parties have determined that the monitoring and reporting duties of the Post-Closing Covenants may be best fulfilled by the Monitor, provided that certain provisions pursuant to this Agreement are implemented to ensure that any concerns expressed by the community served by Foundation are reported to the Attorney General;

WHEREAS, the parties to the Original Monitoring Agreement have agreed that the Original Monitoring Agreement be and hereby is terminated, and the Monitor has been engaged to replace the Foundation in the continued monitoring, reporting and enforcement of the Post-Closing Covenants;

NOW, THEREFORE, for and in consideration of the premises, agreements and covenants, hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of all of which are forever acknowledged and confessed, the Parties hereby agree as follows:

TERMS

1. Defined Terms

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

AG Enforceable Provisions: Sections 9.9 (Indigent Care), 9.10 (Capital Commitment), 9.11 (Physician Recruitment Commitment), 9.15 (Continuation of Services), 9.16 (Restrictions on Seller Transfers), 9.17 (Restrictions on Sale of the Hospital), 11.12 (No Third-Party Beneficiaries), 11.13 (Enforcement) and 11.17 (Entire Agreement/ Amendment) of the Purchase Agreement, as any of the aforesaid Sections may be modified by Section 6 (Attorney General as Third-Party Beneficiary) and Section 7 (Attorney General's Written Consent Required to Materially Amend Purchase Agreement) of this Agreement.

Agreement: This Monitoring, Compliance and Enforcement Agreement among the Michigan Department of Attorney General, Marquette General Hospital, Inc., DLP Marquette Holding Company, LLC, LifePoint Hospitals, Inc. Superior Health Foundation and Stout Risius Ross, Inc.

DLP Affiliate: Any corporation, limited liability company or other business entity that directly or indirectly owns, is owned by or is under common ownership with DLP.

Post-Closing Covenants: Sections 9.9 (Indigent Care), 9.10 (Capital Commitment), 9.11 (Physician Recruitment Commitment), 9.15 (Continuation of Services), 9.16 (Restrictions on Seller Transfers) and 9.17 (Restrictions on Sale of the Hospital) of the Purchase Agreement.

Required Documents: The reports and documents specified on **Appendix 1** to this Agreement, being those the Parties have agreed are necessary for the Monitor to perform its obligations under this Agreement.

2. Responsibilities of DLP or DLP Affiliate

A. DLP shall have the following reporting responsibilities:

- i. DLP shall annually report, in writing, to the Attorney General on the status of each of the Post-Closing Covenants. The Attorney General intends to post such report (the "Annual Report") to its public website. By February 15 each year, DLP shall submit its Annual Report to both the Attorney General and the Monitor. The first Annual Report due hereunder, however, shall be delivered to Monitor by **February 15, 2015**, and shall report on the period from January 1, 2014 through December 31, 2014. DLP's annual reporting requirement shall end with its submission of its tenth (10th) annual report in accordance with this Agreement, which shall report on the period from January 1, 2022 through August 31, 2022; provided, however, that upon full performance of any Post-Closing Covenant no additional Annual Report need address that particular Post-Closing Covenant.

- ii. By February 15 each year, DLP shall submit to the Monitor the Required Documents.
 - iii. DLP shall provide the Monitor with reasonable access, shall cooperate with the Monitor during its review, and shall participate in good faith in all Non-Compliance Discussions referenced in Sections 3.B and 4.A hereof.
 - iv. iv. Monitor's annual fee for the services described in this Agreement (the "Monitor Fee") will be \$20,000 for the first Monitor Report (as defined in Section 3) and \$10,000 for the second (2nd) through ninth (9th) Monitor Reports, plus, for each Monitor Report, actual out-of-pocket expenses as more fully described below. The annual Monitor Fee includes all professional and administrative time and expenses required to perform Monitor's annual obligations under this Agreement through and including issuance of each Monitor Report to the Attorney General; provided, however, that Monitor's documented reasonable out-of-pocket expenses (including transportation, lodging, meals, communications, supplies, research charges, copying, etc.) will be billed to and paid by DLP at the actual amounts incurred. DLP shall pay Monitor the annual Monitor Fee and reimbursement for the aforementioned out-of-pocket costs within thirty (30) days after DLP's receipt of Monitor's invoice therefor and documentation of applicable out-of-pocket expenses. Commencing January 1, 2019, should Monitor deem that it cannot adequately perform the Monitor's services under this Agreement for the Monitor Fee specified herein, the Parties shall negotiate in good faith to determine whether there should be an appropriate adjustment to the Monitor Fee.
 - v. Any work required by the Attorney General of the Monitor beyond its annual obligations under this Agreement, including but not limited to arbitration, litigation, testimony or preparation for testimony, etc., will be billed at Monitor's then-current standard hourly rates, and the Attorney General shall pay Monitor for such other work within thirty (30) days after receipt of Monitor's invoices. Current hourly rates for the Monitor's professional staff range from \$75 to \$550. The standard hourly rates are reconsidered annually with changes effective January 1 of each year.
- B. Absent prior written approval of the Attorney General granting a time extension, DLP's failure to submit an Annual Report or the corresponding Required Documents by the due dates specified herein shall be deemed Reporting Non-Compliance.
- C. DLP's material non-compliance with any of the Post-Closing Covenants shall be deemed Covenant Non-Compliance.
- D. Within fourteen (14) days after the execution of this Agreement, DLP will cause a bank or other financial institution acceptable to the Attorney General (an "Acceptable Financial Institution") to issue an irrevocable, standby letter of credit

with a face amount of Two Hundred Fifty Thousand and 00/100 (\$250,000) Dollars (“Face Amount”) naming the Attorney General as the beneficiary (the “Initial LOC”). The Initial LOC will expire one year after its issuance but shall automatically renew in accordance with its terms for successive one-year terms through August 31, 2024.

- E. In the event that any Reporting Non-Compliance by DLP continues and remains uncured sixty (60) days after DLP’s receipt of written notice of Non-Compliance from the Monitor specifying the alleged Non-Compliance, the Attorney General may draw upon the Initial LOC in an amount equal to the Attorney General’s reasonable enforcement costs in ensuring DLP’s compliance with the obligations under Section 2.A.
- F. In the event of material Non-Compliance with any Post-Closing Covenant that is not cured within the sixty (60) day period specified in Section 5.A, DLP shall cause an Acceptable Financial Institution to issue to the Attorney General an additional irrevocable, standby letter of credit with a face value of Two Hundred Fifty Thousand and 00/100 (\$250,000) Dollars (the “Additional LOC”). The Parties specifically intend that Non-Compliance during any year with a specific Post-Closing Covenant shall in all cases constitute a single event of Covenant Non-compliance.
- G. Six (6) months after issuance of a Monitor Report (as defined in Section 3) finding Covenant Non-Compliance, DLP shall report to the Attorney General on its efforts to cure each event of Covenant Non-Compliance. DLP shall have one (1) year after the end of the sixty (60) day period specified in paragraph 5.A in which to cure each event of Covenant Non-Compliance, unless such Covenant Non-Compliance involves Continuation of Services or Restriction on the Sale of Hospital in which the DLP shall have until the end of the sixty (60) day period specified in Paragraph 5.A to cure such non-compliance. The Attorney General may not draw upon any LOC unless the Covenant Non-Compliance is not cured within the period of time allowed to cure. However, the Attorney General retains the right to commence an enforcement action upon expiration of the sixty (60) day period specified in Section 5.A.
- H. If the Monitor Report regarding DLP’s next Annual Report documents compliance with all Post-Closing Covenants, the Additional LOC shall be returned to DLP. Conversely, if the Monitor Report regarding DLP’s next Annual Report documents Non-Compliance with any Post-Closing Covenant, the Attorney General may draw upon the Initial LOC and, if the Initial LOC is exhausted, the Additional LOC, in an amount equal to the Attorney General’s actual enforcement costs with respect to the event of Covenant Non-Compliance.
- I. DLP shall comply with the Strategic Capital Plan (“Capital Plan”), the basic format of which is set forth in Appendix 3 and which DLP and MGH shall finalize by September 1, 2014. The Parties agree that, unless a shorter period is specified in the Purchase Agreement, the Capital Commitment may be fulfilled at

any time during the ten (10) year period Post-Closing, and that DLP's compliance therewith does not require that the Capital Commitment be fulfilled on a pro-rated basis each year.

- J. If on the tenth (10th) anniversary of the Closing, DLP has failed to fully satisfy the capital commitment Post-Closing Covenant, DLP shall immediately pay to a local charitable foundation for healthcare purposes designated by the Attorney General all funds necessary to fully satisfy DLP's capital commitment Post-Closing Covenant.
- K. If on the tenth (10th) anniversary of the Closing, DLP has fully satisfied all of the Post-Closing Covenants, the Additional LOC shall be returned to DLP.
- L. In the event that a final, nonappealable judgment finding DLP in uncured, material Non-Compliance, DLP shall reimburse the Attorney General for that portion of all actual costs, including attorneys' fees, incurred by the Attorney General in procuring such judgment in excess of the Initial LOC and the Additional LOC.
- M. Simultaneous with the execution of this Agreement, DLP shall execute the Confidentiality Agreement by and between Monitor, Foundation, and DLP attached hereto and incorporated herein by reference (the "Confidentiality Agreement").
- N. All the requirements of Section 2 are primarily the responsibility of DLP, but are secondarily the responsibility of DLP Affiliates and may be satisfied by DLP Affiliates.

3. Responsibilities of Monitor

- A. A. Commencing on April 30, 2015 and April 30 of each of the subsequent eight (8) years, Monitor shall issue to the Attorney General, DLP and the Foundation a written report (the "Monitor Report") either confirming that DLP has satisfied each Post-Closing Covenant as of December 31 of the year to which the Monitor Report applies or specifying in reasonable detail, with supporting documentation, each event of Non-Compliance with any Post-Closing Covenant as of December 31 of the year to which the Monitor Report applies. Such Monitor Reports shall be prepared in accordance with **Appendix 2** to this Agreement ("Monitor Scope of Work"). Prior to issuance of each Monitor Report, Monitor shall provide a draft copy of the Monitor Report to the Foundation's Chair to obtain any input the Foundation may have with regard to DLP's satisfaction of the Post-Closing Covenants and to receive any objective evidence the Foundation believes supports a finding of material Covenant Non-Compliance.
- B. If, at any time prior to issuance of its Monitor Report, Monitor believes that there has been an event of material Reporting Non-Compliance or material Covenant Non-Compliance, Monitor shall immediately, and in no case later than seven (7) days after Monitor becoming aware of such Non-Compliance, give DLP written

notice of such belief and a reasonable explanation of the basis for such belief. Within seven (7) days thereafter, representatives of DLP and Monitor shall meet or otherwise confer regarding the alleged material Non-Compliance and shall diligently cooperate to resolve any alleged Non-Compliance prior to issuance of the Monitor Report on April 30. During and after such Non-Compliance Discussions, Monitor shall consider in good faith all additional explanation and documentation DLP may provide in an effort to establish its compliance with each Post-Closing Covenant in question and with its reporting obligations. Monitor shall include in its Monitor Report all such additional explanation and documentation provided by DLP.

- C. In the event of any dispute between DLP and Monitor as to whether any Non-Compliance exists or has been cured, the Attorney General's decision on that issue shall be binding as between DLP and Monitor. The foregoing notwithstanding, should the Attorney General bring an enforcement action, DLP retains the right to challenge, defend and/or appeal any allegation by the Attorney General of the existence of DLP's Non-Compliance or of an alleged failure to cure any Non-Compliance.
- D. Simultaneous with the execution of this Agreement, Monitor shall execute the Confidentiality Agreement.
- E. Monitor shall invoice DLP for the annual Monitor Fee on the date upon which Monitor delivers its Monitor Report to the Attorney General.
- F. DLP, MGH and LifePoint shall provide Monitor with such access as is reasonably necessary to perform its duties hereunder and Monitor shall conduct its inquiry so as to reasonably minimize disruption to DLP, MGH, and LifePoint personnel and proceed expeditiously to avoid unnecessary delay in the completion of its review and the issuance of each Monitor Report.
- G. In performing this Agreement, the Monitor and any of the Monitor's subcontractors, agree not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. This covenant is required by the Elliott-Larsen Civil Rights Act, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, MCL 37.1101 et seq., and any breach of the Act may be regarded as a material breach of the Agreement. The Monitor agrees to comply with the provisions of the Federal Civil Rights Act of 1964, 42 USC §2000d, in performing the services under this Contract.

4. Responsibilities of Foundation

- A. Simultaneous with the execution of this Agreement, Foundation shall execute the Confidentiality Agreement.
- B. SHF shall complete the monitoring of DLP's compliance with the Post-Closing Covenants for calendar year 2013 based on the criteria set forth in this Agreement, and generate a report on such compliance by August 15, 2014.
- C. Annually, Foundation, through its Chair, shall consult in good faith with Monitor prior to issuance of the Monitor Report to provide input the Foundation may have with regard to DLP's satisfaction of the Post-Closing Covenants and any objective evidence the Foundation believes supports a finding of material Covenant Non-Compliance. If Foundation notifies Monitor of a belief that DLP has failed to satisfy any of the Post-Closing Covenants, Foundation shall provide the same notification in writing to DLP, together with all objective evidence the Foundation believes supports a finding of material Covenant Non-Compliance.
- D. All input provided by Foundation to the Attorney General regarding the Monitor Report shall be provided in good faith.

5. Responsibilities of Attorney General

- A. A. If the Attorney General believes that DLP has violated in any material respect one of the AG Enforceable Provisions or any other material provision of this Agreement, the Attorney General will give DLP sixty (60) days' written notice of, and opportunity to cure, the alleged material violation within that sixty (60) day period, before commencing legal action against DLP to enforce this Agreement. During such sixty (60) day period, representatives of DLP and the Attorney General shall meet or otherwise confer regarding the alleged material violation. During and after such Non-Compliance Discussions, DLP shall be permitted to furnish additional explanation and documentation in an effort to establish its compliance with each AG Enforceable Provision in question and with this Agreement, and the Attorney General shall receive and consider in good faith all such additional explanation and documentation. Prior to June 30 of each year, or as otherwise agreed to by DLP and the Attorney General, no Monitor Report regarding the preceding year shall be published or made available to anyone other than DLP, MGH, LifePoint, Monitor, Foundation and the Attorney General.
- B. On the date of each draw upon any of the Initial LOC or Additional LOC pursuant to Section 2.E or 2.G hereof, the Attorney General shall give DLP written notice of such draw.

- C. The Attorney General will pay Monitor for any work required by the Attorney General of the Monitor beyond its annual obligations under this Agreement, as specified in Section 2.A(v) of this Agreement.
- D. The Attorney General may seek input from the Foundation regarding the Monitor Report.
- E. In the event that the Attorney General determines in its reasonable discretion that the Monitor has not performed its duties under this Agreement, the Attorney General may require the replacement of the Monitor with a new monitor. Such new monitor shall be selected by the Attorney General, with DLP's consent, and agree to terms substantially similar to those of this Agreement. DLP's consent shall not be unreasonably withheld.

6. Attorney General as Third-Party Beneficiary

Notwithstanding any provision to the contrary contained in the Purchase Agreement, the Parties agree:

- A. The Attorney General has standing as an intended third-party beneficiary solely with respect to the AG Enforceable Provisions, with express authority to independently enforce the AG Enforceable Provisions;
- B. Not to contest the Attorney General's authority or standing to initiate an appropriate action in any state court of competent jurisdiction to enforce any of the AG Enforceable Provisions;
- C. Any action brought by the Attorney General to enforce any of the AG Enforceable Provisions must allege in good faith that DLP or a DLP Affiliate has violated in any material respect one of the AG Enforceable Provisions and has failed to pursue curative action within the time periods specified in this Agreement for such curative action;
- D. Procedural terms of the Purchase Agreement do not apply to the Attorney General's exercise of its rights as third-party beneficiary with respect to the AG Enforceable Provisions. The procedure governing an action by the Attorney General as third-party beneficiary with respect to the AG Enforceable Provisions shall be governed by generally-applicable laws and court rules.

7. Attorney General Written Consent Required to Materially Amend Purchase Agreement

Notwithstanding any provision to the contrary contained in the Purchase Agreement, the Parties agree that in no event shall the terms of any of the AG Enforceable Provisions, or their related schedules and exhibits, be amended in any material manner after the Closing without obtaining the prior written consent of the Attorney General, which shall not be unreasonably withheld.

MGH and DLP shall provide the Attorney General with a copy of any amendment of the Purchase Agreement not described in the preceding paragraph promptly after the execution of such amendment.

Any post-Closing amendment of an AG Enforceable Provision requiring the prior written consent of the Attorney General will be provided to the Attorney General not less than fourteen (14) days prior to its execution by the parties thereto (or such shorter period as is acceptable to the Attorney General in his reasonable discretion). Any Attorney General approval of any post-Closing amendment required by this Section 6 shall be deemed to have been given if the Attorney General does not object in writing to the proposed post-Closing amendment within fourteen (14) days after the Attorney General's receipt of the proposed post-Closing amendment.

8. Notice

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

Overnight:

Attorney General
525 W. Ottawa – 7th Floor
Lansing, MI 48933

and

Department of Attorney General
Corporate Oversight Division
Charitable Trust Section attorney – Time Sensitive
525 W. Ottawa, 6th Floor
Lansing, MI 48933

OR

US Mail:

Attorney General
P.O. Box 30212
Lansing, MI 48909

and

Department of Attorney General
Corporate Oversight Division
Attn: Charitable Trust Section attorney – Time Sensitive
P.O. Box 30213
Lansing, MI 48909

All written notices to any other Party required under this Agreement must be addressed to:

MGH: MGH Wind Down, Inc.
420 West Magnetic Street
Marquette, MI 49855
Fax No.: 906-225-3084
Attention: Scott Herioux

with a copy (which shall not constitute notice) to:

Steward & Sheridan, P.L.C.
205 South Main Street
Ishpeming, Michigan 49849
Attention: Brian D. Sheridan, Esq.
Fax No.: 906-485-1929

DLP: DLP Marquette Holding Company, LLC
c/o LifePoint Hospitals
103 Powell Court
Brentwood, TN 37027
Fax No.: 615-372-8572
Attention: General Counsel

with copies (which shall not constitute notice) to:

Duke University Health System, Inc.
3100 Tower Blvd., Suite 600, Box 80
Durham, NC 27707
Fax No.: 919-493-9159
Attention: Paul Lindia

Waller Lansden Dortch & Davis, LLP
Nashville City Center
511 Union Street, Suite 2700
Nashville, TN 37219
Fax No. 615-244-6804
Attention: W. Kenneth Marlow, Esq.

Duke University Health System, Inc.
Office of Counsel
310 Blackwell Street, 4th Floor
Durham, NC 27701
Fax No.: 919-684-8725
Attention: Christy M. Gudaitis, Esq.

Plunkett Cooney
38505 Woodward Ave., Ste. 2000
Bloomfield Hills, MI 48304
Fax No. 248-901-4040
Attention: Mark S. Kopson, Esq.

LifePoint Hospitals:

LifePoint Hospitals
103 Powell Court
Brentwood, TN 37027
Fax No.: 615-372-8572
Attention: General Counsel

with copies (which shall not constitute notice) to:

Waller Lansden Dortch & Davis, LLP
Nashville City Center
511 Union Street, Suite 2700
Nashville, TN 37219
Fax No. 615-244-6804
Attention: W. Kenneth Marlow, Esq.

and

Plunkett Cooney
38505 Woodward Avenue, Suite 2000
Bloomfield Hills, MI 48304
Fax No. 248-901-4040
Attention: Mark S. Kopson, Esq.

Monitor:

Stout Risius Ross
4000 Town Center, 20th Floor
Southfield, MI 48075
Fax No. 248-208-8822
Attention: Jay B. Wachowicz, CFA

Foundation

Superior Health Foundation
121 North Front Street.
Marquette, MI 49855
Fax No. 906-225-6916
Attention: Chairman

with a copy (which shall not constitute notice) to:

Clark Hill PLC
151 Old Woodward Ave, Suite 200
Birmingham, MI 48009
Attention: Gregory W. Moore, Esq.

or to such other address, and to the attention of such other person or officer as any Party may designate by giving at least thirty (30) days' notice to the other Parties; provided, however, that delivery of a copy of a notice to the persons identified above to receive a copy shall not constitute satisfaction of the notice requirements of this Section 8.

9. Remedies

DLP and LifePoint recognize that monetary damages will be inadequate for breach of the obligations contained in this contract. Subject to the provisions of Section 5 of 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 contract, without the requirement to post any bond in connection therewith.

10. 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 contract; (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.

11. Amendment

This Agreement may be amended only by a writing executed by each of the Parties; provided, however, that any amendment proposed after the dissolution and winding up of MGH shall not require execution by or on behalf of MGH.

12. 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.

13. Execution

This contract may be executed in any number of counterparts, all of which taken together constitute one contract, and any of the Parties may execute this contract by signing any one counterpart. The exchange of copies of this Agreement and of signature pages by facsimile transmission or Portable Document Format (PDF) shall constitute effective execution and

delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile and PDF shall be deemed to be their original signatures for any purposes whatsoever.

14. 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, in any courts other than a court of competent jurisdiction in the State of Michigan. In addition to each Party consenting to the jurisdiction of any court in the State of Michigan, 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.

15. Entire Agreement

This Agreement, together with its Appendices hereto and other written agreements relating to the Purchase Agreement to which the Attorney General is a party, 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.

16. No Effect on Authority of Attorney General or Court Jurisdiction

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

17. Authority to Bind Principal

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

Incorporated Appendices

- Appendix 1 – Required Documents
- Appendix 2 – Monitor Scope of Work
- Appendix 3 – Strategic Capital Plan
- Appendix 4 – Physician Recruitment Methodology

Signatures appear on the following pages

WHEREFORE, the Parties hereto execute this Agreement as of the date first written above.

MGH Wind Down, Inc. (“MGH”)

By: _____

Its: _____
Dated: _____

DLP Marquette Holding Company, LLC (“DLP”)

By: _____

Its: _____
Dated: _____

LifePoint Hospitals, Inc. (“LifePoint”)

The undersigned, LifePoint Hospitals, Inc., a Delaware corporation, executes this Agreement solely for the purpose of agreeing to assure the Post-Closing Covenants obligations of DLP under this Agreement.

By: _____

Its: _____
Dated: _____

Stout Risius Ross, Inc.

By: _____

Its: _____
Dated: _____

Superior Health Foundation

By: _____

Its: _____
Dated: _____

Michigan Department of Attorney General

By: _____
Bill Schuette, Attorney General, or his designee
Dated: _____

Appendix 1 – Required Documents

The following reports and documents specified in this **Appendix 1** have been agreed upon by the Parties as necessary for the Monitor to perform its obligations under the Agreement and are organized by the Post-Closing Covenants that are to be monitored. In addition to the Annual Report submitted by DLP to both the Attorney General and the Monitor, the documents listed below shall be provided to the Monitor on or before February 15 of each year. The first Annual Report, due on February 15, 2014 from the DLP, will report on the period from January 1, 2014 through December 31, 2014. Thereafter, each Annual Report shall report on the preceding calendar year, except that the tenth Annual Report shall report on the period January 1, 2022 through August 31, 2022. The documents detailed in this **Appendix 1** as Required Documents do not constitute an all-inclusive list. It is expected that the Monitor will request additional documents throughout the monitoring process as needed to accomplish the Scope of Work outlined in **Appendix 2**.

Section 9.9: Indigent Care

Documents that provide information that would otherwise be reported in IRS Form 990 if Hospital was a 501(c)(3) recognized non-profit entity (including any documents provided to outside consultants). Information should include any processes identified and completed (i.e., documents detailing internal procedures used to compile the information that crosswalks with the policy for indigent care).

Section 9.10: Capital Commitment

Annual documentation to support the capital spent for the past 2 years for categories set forth in the Strategic Capital Plan including:

- Repayment of capitalized lease obligations;
- Increasing the number and scope of medical service offerings;
- Investments in information systems;
- New equipment (purchased or leased);
- Facilities repair and maintenance, excluding routine expenses;
- Facility renovations;
- New facilities;
- New or renovated medical office space; and
- Other capital improvements.

Section 9.11: Physician Recruitment Commitment

All documents used by DLP to substantiate the Physician Recruitment Expenses reported in the Annual Report in accordance with the Physician Recruitment Methodologies in Appendix 4.

Section 9.15: Continuation of Services

1. A listing of Core Services as set forth in Schedule 9.15 of the Purchase Agreement, provided by the Hospital to residents in the community over the past 12 months.

2. Report, by CPT code by department, for the past 3 years indicating the quantity of procedures performed and the associated dollar amounts charged and received.

Appendix 2 – Monitor’s Scope of Work

Overview

Marquette General Hospital, Inc. (“MGH”) and DLP Marquette Holding Company, LLC (“DLP”) entered into an Asset Purchase Agreement dated as of June 28, 2012 (the “Purchase Agreement”), pursuant to which MGH sold substantially all of its assets to DLP. As a condition to the approval of the transaction, the Michigan Department of the Attorney General (“Attorney General”) required appropriate monitoring, reporting, and enforcement of certain Post-Closing Covenants set forth in the Purchase Agreement. MGH, DLP, LifePoint Hospitals, Inc. (“LifePoint”), and the Attorney General have agreed that Stout Risius Ross, Inc. shall be retained as the independent monitor (“Monitor”) of the Post-Closing Covenants.

The following details the scope of work expected to be carried out by the Monitor.

Monitor’s Mandate and Scope of Expected Work

As set forth in Section 3 of the Agreement, and in more detail below, the Monitor has been tasked with monitoring and reporting on certain Post-Closing Covenants set forth in the Purchase Agreement. Those provisions include the following:

- Section 9.9 – Indigent Care – For purposes of the Monitor’s fee, the Monitor’s analysis of Indigent Care is limited to an analysis and conclusion as to DLP’s adherence to the policies for the treatment of indigent patients in effect at MGH on the date of Closing, except as changed during the first five years after Closing with approval of the Foundation or MGH as provided in the Asset Purchase Agreement, or as changed later than five years after Closing with approval of the Board of Trustees (as defined in Section 9.12 of the Purchase Agreement), subject to any changes necessary to comply with applicable Legal Requirements and the implications of healthcare reform legislation,
- Section 9.10 – Capital Commitment – Monitor shall assess whether the capital expenditures reported by DLP in its Annual Report are in accordance with the Capital Plan and have satisfied the total Capital Commitment, subject to any offsets permitted and applied in accordance with Sections 9.18 and 10.7 of the Purchase Agreement.
- Section 9.11 – Physician Recruitment Commitment Monitor shall assess whether the physician recruitment expenditures reported by DLP in its Annual Report are in accordance with the amount and prescribed time frame stated in Section 9.11 of the Purchase Agreement, subject to any offsets permitted and applied in accordance with Sections 9.18 and 10.7 of the Purchase Agreement, and calculated in accordance with the Physician Recruitment Methodologies specified in Appendix 4.
- Section 9.15 – Continuation of Services – Monitor shall assess whether DLP has continued to provide, in all material respects, and enhance important healthcare services and programs described on Schedule 9.15 to the Purchase Agreement in accordance with Section 9.15 of the Purchase Agreement.
- Section 9.16 – Restrictions on Seller Transfers

- Section 9.17 – Restrictions on Sale of Hospital – Monitor shall assess whether DLP sold the assets of the Hospital to a third party not in accordance with Section 9.17 of the Purchase Agreement.

Each of the Post-Closing Covenants is subject to revision permitted by and only in accordance with the Purchase Agreement.

By April 30 of each year, the Monitor will issue to the Attorney General, DLP and the Foundation a written report (the “Monitor Report”) either confirming that DLP has satisfied each Post-Closing Covenant as of December 31 of the year to which the Monitor Report applies (or August 31, 2022 for the tenth Annual Report) or specifying each event of Non-Compliance with any Post-Closing Covenant as of December 31 of the year to which the Monitor Report applies (or August 31, 2022 for the tenth Annual Report).

In preparation of the Monitor Report, the Monitor shall:

- Conduct meetings and interviews with the employees of DLP and MGH (potentially on-site / to be agreed upon mutually by the Monitor and both DLP and the Attorney General in each annual period);
- Seek input, if any, from Superior Health Foundation;
- Review DLP’s files, books, and records utilized to prepare its Annual Report;
- Review DLP’s Annual Report;
- Request additional documents as needed to fully, in the manner specified in this Agreement, DLP’s compliance with the Post-Closing Covenants;
- Conduct analyses, including financial analyses, of the documents received pursuant to **Appendix 1**; and
- Prepare an annual Monitor Report.

The Monitor expects to perform the majority of its procedures during the time period between February 15 and March 31 each year to minimize disruption to DLP’s operations. After conducting the Monitor’s procedures, Monitor will submit a draft Monitor Report to DLP at least thirty (30) days prior to the annual Monitor Report date of April 30 for DLP to respond with any confidentiality or inaccuracy objections it may have.

Appendix 3 – Strategic Capital Plan

[See attached]

**DLP Marquette General Hospital
Capital Expenditure Estimate – Completed and Proposed Projects
As of 1/28/2014**

2012: (Prior to Closing pursuant to Schedule 9.10) \$19,311,358

2013:

1. CAMS Capital projected spend:
 - a. Renovation of Surgery and ICU Waiting: \$249,667
 - b. Replacement Facility (Master plan): \$219,219
2. FAC Capital projected spend: \$417,177

2013 Subtotal = \$886,063

During 2013, the parties collaboratively developed two projects for consideration: 1) a large renovation of the entire campus, including removing older buildings and adding new buildings, and 2) the construction of a new hospital. Final decision based on the attached description and current estimated capital expenditures for the project are described below. The site for the new hospital campus will be the Roundhouse/MSC property located south of Washington Street, west of 7th Avenue and north of US-41. By approval of this capital plan, the parties have agreed that the Core Services may be relocated to the new campus in compliance with Section 9.15 of the Asset Purchase Agreement.

2014:

1. CAMS Capital projected spend:
 - a. Renovation of Surgery and ICU Waiting
 - b. Replacement Facility (design)
2. Rollover of projects approved in 2013: \$0.8M
3. Additional capital projects – normal spend: \$3.5M

2014 subtotal (estimated) = \$10,000,000 - \$15,000,000

2015:

1. CAMS Capital projected spend:
 - a. Replacement Facility (design): \$2M
 - b. Replacement Facility (construction): (\$73-88M)

2015 subtotal (estimated) = \$75,000,000 - \$90,000,000

2016:

1. CAMS Capital projected spend:
 - a. Replacement Facility (design): \$0.9M
 - b. Replacement Facility (construction): \$176,000,000
 - c. MOB (construction): \$40,000,000

2016 subtotal (estimated) = \$175,000,000 - \$215,000,000

Total through 2016 (estimated) = \$280,197,421 - \$340,197,421

Per the capital commitment section (Section 9.10) of the Asset Purchase Agreement between Marquette General Health System and Duke LifePoint, Duke LifePoint is required to spend at least \$180,000,000 in the first five years and a total of \$300,000,000 over ten years. The above capital plan is expected to meet both requirements set forth in the agreement.

Program Information:

Hospital total area estimated between 450,000 to 500,000 SF consisting of:

1. Estimated approx 120,000SF of diagnostic and therapeutic services including:
 - A. Comprehensive cancer center
 - B. Heart and vascular center
 - C. Brain and spine center
 - D. Medical imaging / diagnostics
 - E. Emergency department
 - F. Surgical suite with approx 12 ORs

2. Estimated approx 170,000 SF of patient care services with an initial bed compliment of 200 to 250 beds with shell space to expand and including:
 - A. Critical care unit
 - B. Comprehensive heart unit
 - C. Ortho / neuro patient unit
 - D. Medical / surgical / oncology patient units
 - E. Perinatal / neonatal / neonatal intensive care units
 - F. Rehabilitation patient care unit
 - G. Behavioral health unit.

3. Estimated approx 60,000 SF operational and administrative support services
4. Medical offices – size and content to be determined

Appendix 4 – Physician Recruitment Methodology

[See attached]

PHYSICIAN RECRUITMENT COMMITMENT METHODOLOGIES

The following expenses shall be included in determining the amount which may be claimed against the Physician Recruitment Commitment under Section 9.11 of the Asset Purchase Agreement. The numbers and specialties of physicians to be recruited as initially described in Schedule 9.11 may be updated annually, to meet the changing needs of the community:

Physician Recruitment Department Direct Expenses, including salaries, benefits (calculated as a standard percentage of salary), supplies, purchased services, dues, rents, advertising, direct expenses (e.g., agency fees, etc.), loan amortization (signing bonus of new physicians is a loan, a portion of which is forgiven each month the physician continues to work in the community, and which is treated as a departmental expense as the loan is forgiven), depreciation (relates to equipment and other assets directly used by recruitment personnel), and legal expenses of the department.

Cost of Newly Hired Physicians, including salary, benefits (calculated as a standard percentage of salary), relocation expense, (signing bonus is reflected in loan amortization above) and ACTUAL Incremental Costs (space, equipment and personnel) attributable to the newly hired physician are included. For physicians newly recruited to independent practices, “Incremental Costs” will equal the costs specified in and actually paid out under the contracts and will be reduced by any sum repaid by the physician, e.g., for leaving prior to end of signing bonus earn-out. For newly recruited employed physicians, “Incremental Costs” be calculated the same way they are for purposes of determining income guarantees for non-employed physicians. E.g., includes the cost of support staff designated for use by a physician newly hired into an existing four-physician practice, but does not include 20% of the cost of the receptionist shared by all five physicians. Costs of the newly hired physician shall be offset by the physician’s Net Revenue. For purposes of this calculation, “Net Revenue” is defined as the Gross Charges of the physician’s practice less Contractual Adjustments and Bad Debts per GAAP consistently applied.

Income guaranty or other recruitment agreement with private practices. To the extent funds are expended, such funds will be counted toward the physician recruitment commitment. In the case of an income guaranty or other recruitment promise, which puts funds at risk, such commitment or promise will not be counted toward the physician recruitment commitment until and unless expended.

Contractual Payments for Physician Services. To the extent that a market cannot sustain the services of a full-time employed physician, Buyer’s purchased physician services in the community will be counted toward this commitment (e.g., Specialty Clinics for Children’s Services). Locum tenens physician costs, including temporary physician services hired to meet a need because of an unexpected loss of provider or recognized unmet need in the community, but not including locum tenens coverage required because of vacation or CME absences of physicians. Such expense shall be offset by the physician’s Net Revenue, as defined above, during the period of the contract. This provision does not include expenses incurred as a result of extensions or renewals of contracts in existence as of the Closing of the Purchase Agreement.