

## FIRST AMENDMENT TO CONTRIBUTION AGREEMENT

This Amendment to that certain Contribution Agreement (the “**Amendment**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, by and among Portage Health, Inc., a Michigan nonprofit corporation (“**Portage Health**”), Copper Country Apothecaries, Inc., a Michigan corporation (“**CCA**”), Portage Health Home Services, Inc., a Michigan nonprofit corporation (“**PHH**”), Portage Health Resources, Inc., a Michigan nonprofit corporation (“**PHR**”) (Portage Health, CCA, PHH and PHR are referred to collectively as “**Sellers**”), LifePoint Holdings 2, LLC, a Delaware limited liability company (“**LifePoint Sub**”), and Portage Holding Company, LLC, a Delaware limited liability company (the “**Joint Venture**”).

**WHEREAS**, the parties have entered into a Contribution Agreement, dated as of August 2, 2013 (the “**Agreement**”), by and among Sellers, LifePoint Sub and the Joint Venture, pursuant to which Sellers agreed to contribute, transfer, convey and deliver to the Joint Venture all of Sellers’ right, title and interest in and to the Assets; the Joint Venture agreed to assume the Assumed Liabilities; and LifePoint Sub agreed to contribute the Cash Contribution to the Joint Venture;

**WHEREAS**, Section 11.16 of the Agreement provides that the Agreement may be amended by subsequent written instrument duly executed by the parties hereto; and

**WHEREAS**, the parties desire to amend the Agreement as set forth below.

**NOW, THEREFORE**, in accordance with the terms of the Agreement and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended, and the parties hereby agree as follows:

1. **Amendments.**

(a) Section 1.1 of the Agreement is hereby amended by adding the following subsection:

(r) the PHH Skilled Nursing Assets.

(b) Section 3.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

3.1 Closing. Subject to the satisfaction or waiver by the applicable party of the conditions precedent to Closing specified in Articles 7 and 8 hereof, the consummation of the transactions contemplated by and described in this Agreement (the “Closing”) shall take place on November 30, 2013, or at such later date and/or at such other location as Portage Health and LifePoint Sub may mutually designate in writing (the “Closing Date”). The Closing shall be effective as of 12:01 a.m. on December 1, 2013, or such other date and time as the parties may agree in writing (the “Effective Time”).

(c) Section 3.2(a) of the Agreement is hereby amended as follows, with added text reflected by underline and deleted text reflected by strike through:

(a) ~~one or more Warranty Deed(s)~~ one or more Covenant Deed(s) conveying to the Joint Venture or its designated affiliate good and marketable fee

simple title in the Included Real Property (which, at the discretion of the Joint Venture may describe the Included Real Property by reference to the description contained in the Survey approved by the Joint Venture), subject only to the Permitted Encumbrances, in the form attached as Exhibit 3.2(a) executed by the applicable duly authorized officer of Sellers;

(d) Section 3.2(bb) of the Agreement is hereby deleted in its entirety and replaced with the following:

(bb) [Reserved.]

(e) Section 3.4(a)(vi) of the Agreement is hereby deleted in its entirety and replaced with the following:

(vi) [Reserved.]

(f) Section 3.4(a)(xii) of the Agreement is hereby deleted in its entirety and replaced with the following:

(xii) [Reserved.]

(g) Section 6.10 of the Agreement is hereby amended by adding the following subsection:

(b) Portage Health shall use its commercially reasonable efforts prior to Closing, and shall cause each of its affiliates to use its commercially reasonable efforts, to cause PHH to convey to Portage Health all of its right, title and interest in and to the personal property of PHH necessary for the conduct of the portion of its business which involves the provision of skilled nursing services (the “PHH Skilled Nursing Business”), whether tangible or intangible, owned, leased or licensed by PHH (the “PHH Skilled Nursing Assets”).

(h) The Agreement is hereby amended to add the following section:

7.12 Transfer of Assets. PHH shall have transferred the PHH Skilled Nursing Assets to Portage Health in accordance with Section 6.10(b) in a manner reasonably satisfactory to LifePoint Sub and the Joint Venture.

(i) Section 9.1 of the Agreement is hereby amended as follows, with added text reflected by underline and deleted text reflected by strike through:

As of the Effective Time, Sellers (i) shall terminate all employees of Sellers in connection with the Business (except for those employees listed on Schedule 9.1(a)) and (ii) shall cause PHH to terminate all employees of PHH needed to conduct the PHH Skilled Nursing Business and, as of the Effective Time, Portage Hospital, LLC or an affiliate thereof (either being the “Employer”) shall offer employment to all such employees of Sellers who also are active employees on an at-will basis (or, in accordance with the terms of any applicable Collective Bargaining Agreement) and subject to Employer’s customary employee screening and employment practices, policies and procedures, except with respect to the employed physicians, whose contracts shall be assumed (and

continued for a period of at least one year following Closing) by either the Joint Venture, or, at the Joint Venture's election, by Portage Physician Practices, Inc., a Michigan nonprofit corporation (the "Physician Employer") subject to customary employee screening and employment practices, policies and procedures and compliance with Legal Requirements. In addition, as of the Effective Time, with respect to any existing employment agreement between Sellers and their respective officers, the Employer shall either: (i) assume the existing agreement; or (ii) enter into a new employment agreement between the Employer and the employee; provided, however, in either case, the employee shall consent to the assumption or new agreement provided, however, that the employment of such corporate officers pursuant to the assumption of such employment agreements or new employment agreements shall be subject to Employer's customary employee screening and employment practices, policies and procedures. All currently represented bargaining unit employees of Sellers will likewise be offered employment, subject to Employer's same customary employee screening process referenced above. Bargaining unit employees who successfully complete such screening process will be offered employment under the terms and conditions of employment outlined within the Collective Bargaining Agreements. Such offers shall be for positions and at wages equivalent to those enjoyed by such persons immediately prior to Closing. All such offers of employment described herein will include the opportunity to participate in employee benefit plans provided by Employer or Physician Employer or their affiliates to employees at similar hospitals owned or operated by affiliates of LifePoint Sub, including those benefits set forth on Schedule 9.1(a), subject to the requirements of any Collective Bargaining Agreements. Following the Closing, Employer and Physician Employer shall take the following actions, to the extent permitted by applicable plans and Legal Requirements: (i) waive any limitations regarding waiting periods and pre-existing conditions and (ii) for purposes of determining eligibility and vesting under any benefit plan of Employer, Physician Employer or their affiliates ("Employer Plans"), recognize the seniority and service credit of the Employees with Sellers. The term "Employee" as used in this Agreement shall mean all employees of Sellers who commence employment with the Employer as of the Effective Time.

(j) Section 9.10 of the Agreement is hereby amended as follows, with added text reflected by underline and deleted text reflected by strike through:

9.10 Capital Commitment. During the 10 year period immediately following the Closing, the Joint Venture will make or cause to be made capital expenditures for the benefit of the Facilities in an amount not less than \$60,000,000 in the aggregate (the "Capital Commitment Amount"). ~~Attached hereto as Exhibit 9.10 is the agreed strategic master capital plan, which includes the main campus expansion and the Calumet medical practice expansion (the "Capital Plan").~~ Within 90 days after the Closing Date, Sellers and LifePoint Sub shall propose a strategic master capital plan (the "Capital Plan") in a form acceptable to Sellers and LifePoint Sub, to the Governing Board for approval. Such plan will include the main campus expansion and the Calumet medical practice expansion with construction to begin no later than the Spring of 2015. The Joint Venture shall make capital expenditures in accordance with the Capital Plan except as it may be modified by the Governing Board. For purposes of this

commitment, expenditures for capital improvements shall include expenditures for physician recruitment and retention, increasing the number and scope of medical service offerings, investments in information systems, new equipment (purchased or leased), facilities repair and maintenance spending (excluding routine operating costs), facility renovations, new facilities, new or renovated medical office space, information systems and other tangible capital improvements.

2. **Removal of Portage Health Resources, Inc.** Portage Health Resources, Inc., a Michigan nonprofit corporation, hereby consents to be, and hereby is, removed as a party to the Agreement and all references, terms, obligations, rights and other provisions of the Agreement pertaining to Portage Health Resources, Inc., and the participation by Portage Health Resources, Inc. in the Agreement, are hereby terminated as of the effective date of this Amendment.

3. **Removal of Portage Health Home Services, Inc.** Portage Health Home Services, Inc., a Michigan nonprofit corporation, hereby consents to be, and hereby is, removed as a party to the Agreement and all references, terms, obligations, rights and other provisions of the Agreement pertaining to Portage Health Home Services, Inc., and the participation by Portage Health Home Services, Inc., are hereby terminated as of the effective date of this Amendment.

4. **Schedules.** Pursuant to Section 11.19(b) of the Agreement, attached to Exhibit A are the updated Disclosure Schedules to the Agreement which are marked to indicate all changes from the original Disclosure Schedules.

5. **Capitalization.** Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Agreement.

6. **Conflicts; Ratification.** To the extent that any provisions of this Amendment are inconsistent with the terms of the Agreement, this Amendment will constitute an amendment to the Agreement pursuant to Section 11.16 thereof. The balance of the terms of the Agreement shall remain in full force and effect.

7. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Amendment and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Amendment and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Amendment as to the parties and may be used in lieu of the original Amendment for all purposes. Signatures of the parties transmitted by facsimile or Portable Document Format (PDF) shall be deemed to be their original signatures for any purposes whatsoever.

**[Signature Page Follows.]**

IN WITNESS WHEREOF, the undersigned have executed and acknowledged the approval of this Amendment as of the date first above written.

**LIFEPOINT SUB:**

LIFEPOINT HOLDINGS 2, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**JOINT VENTURE:**

PORTAGE HOLDING COMPANY, LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**SELLERS:**

PORTAGE HEALTH, INC., a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

COPPER COUNTRY APOTHECARIES, INC.,  
a Michigan corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

PORTAGE HEALTH RESOURCES, INC.,  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

PORTAGE HEALTH HOME SERVICES, INC.,  
a Michigan nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A**

**Schedules**

[Attached.]