

NOV 22 2016

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

November 22, 2016

Mr. Alva M. Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Via Electronic Filing

**Re: Notices of Change of Ownership
Compassus - Demopolis (SHPDA ID #: 091-P2487)
Compassus - Dothan (SHPDA ID #:091-P2487B)**

Dear Mr. Lambert:

Please accept this letter as an attachment to the Notice of Change of Ownership forms that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules") for the transaction described herein. The attached Notices of Intent to Change Ownership involve HC Healthcare, LLC d/b/a Compassus-Demopolis ("Compassus-Demopolis") and HC Healthcare, LLC d/b/a Compassus-Dothan ("Compassus-Dothan") to Camellia Hospice of South Alabama, LLC ("Camellia"). Together, Compassus-Demopolis and Compassus-Dothan have authority to operate in-home hospice agencies in Autauga, Barbour, Bullock, Butler, Chilton, Choctaw, Clarke, Coffee, Coosa, Conecuh, Covington, Crenshaw, Dale, Dallas, Elmore, Geneva, Henry, Houston, Lee Chambers, Lowndes, Macon, Marengo, Monroe, Montgomery, Pike, Russell, Shelby, Sumter, Washington and Wilcox Counties (the "Counties"). The following addresses the State Health Planning and Development Agency's ("SHPDA") requirements for a change of ownership:

I. Financial Scope of Project

The financial scope of the project will encompass the fair market value payment that Camellia will make to HC Healthcare, LLC ("HC Healthcare") as consideration for the sale of certain properties, assets and contractual rights used in or related to the operation or conduct of Compassus-Demopolis and Compassus-Dothan. This transaction does not involve the purchase of any new equipment, new operating costs, or other capital expenditures in excess of the spending thresholds set forth in Section 22-21-263(a)(2) of the Alabama Code. Please see the Asset Purchase Agreement, which is contingent upon approval from governmental authorities, submitted confidentially and simultaneously with this letter.

JACKSON | RIDGELAND
600 Concourse, Suite 100
1076 Highland Colony Parkway
Ridgeland, Mississippi 39157

P.O. Box 6020
Ridgeland, MS 39158

Tel (601) 856-7200
Fax (601) 856-7626

GULF COAST | HATTIESBURG

www.copelandcook.com

II. Services to be Offered

The contemplated transaction will not result in any new or additional services being provided.

III. Beds

The contemplated transaction will not result in the addition of new beds nor will it result in the conversion of any beds.

IV. Stocks and Assets

The contemplated transaction will not involve the acquisition of stock. However, the transaction will involve the purchase of certain properties, assets and contractual rights used in or related to the operation or conduct of the business ("Purchased Assets"). Please see the Asset Purchase Agreement, submitted confidentially and simultaneously with this letter.

V. Conclusion

Based upon the above description of the proposed transaction and a showing that there will be no change in the number of health services, conversion of beds, or increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a certificate of need is not required for the transaction. In accordance with the SHPDA Rules, two checks in the amount of \$2,500.00 made payable to the Alabama State Health Planning and Development Agency for each change of ownership are being sent via overnight mail (FedEx tracking no. 7777 7887 5224) to the State Health Planning and Development Agency, 100 North Union Street, Suite 870, Montgomery, Alabama 36104.

Should you have any questions or need further information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

With best regards,

Sincerely,
Copeland, Cook, Taylor & Bush, P.A.



Allison C. Simpson

Enclosures

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NOV 22 2016

NOTICE OF CHANGE OF OWNERSHIP/CONTROLSTATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))

Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))

Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 091-P2487B
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Compassus-Dothan
(ADPH Licensure Name)

Physical Address: 3245 Montgomery Highway, Suite 8
Dothan, Alabama 36303

County of Location: Houston County

Number of Beds/ESRD Stations: Not applicable

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Autauga, Barbour, Bullock, Butler, Chambers, Chilton, Choctaw, Clarke, Coffee, Coosa, Conecuh, Covington, Crenshaw, Dale, Dallas, Elmore, Geneva, Henry, Houston, Lee, Lowndes, Macon, Marengo, Monroe, Montgomery, Pike, Russell, Shelby, Sumter, Washington and Wilcox.

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: HC Healthcare, LLC

Mailing Address: 10 Cadillac Drive, Suite 400
Brentwood, Tennessee 37027

Operator (Entity Name): HC Healthcare, LLC

Part III: Acquiring Entity Information

Name of Entity: Camellia Hospice of South Alabama, LLC

Mailing Address: 135 Mayfair Road
Hattiesburg, Mississippi 39402

Operator (Entity Name): Camellia Hospice of South Alabama, LLC

Proposed Date of Transaction is on or after: Upon receipt of governmental authority

Part IV: Terms of Purchase

Monetary Value of Purchase: Please see attached letter.

Type of Beds: Not applicable.

Number of Beds/ESRD Stations: Not applicable.

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: N/A

Projected Construction Cost: N/A

Projected Yearly Operating Cost: N/A

Projected Total Cost: N/A

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service). Please see attached letter.
- 2.) Whether the proposal will include the addition of any new beds. Please see attached letter.
- 3.) Whether the proposal will involve the conversion of beds. Please see attached letter.
- 4.) Whether the assets and stock (if any) will be acquired. Please see attached letter.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

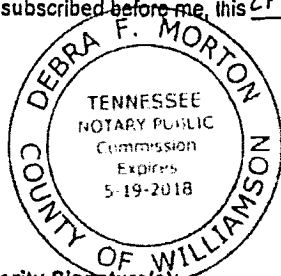
Owner(s): [Signature]

Operator(s): [Signature]

Title/Date: President

SWORN to and subscribed before me, this 21st day of November, 2016.

(Seal)



[Signature]
Notary Public

My Commission Expires: 5-19-18

Acquiring Authority Signature(s):

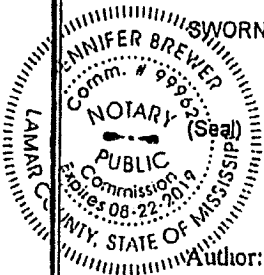
I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): [Signature]

Operator(s): [Signature]

Title/Date: CEO

SWORN to and subscribed before me, this 18th day of November, 2016.



[Signature]
Notary Public

My Commission Expires: 8-22-2019

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975
History: New Rule

RECEIVED

NOV 22 2016

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
 - Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
 - Change in Facility Management (Facility Operator)
- Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 091-P2487
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Compassus-Demopolis
(ADPH Licensure Name)

Physical Address: 1307 Highway 80 West
Demopolis, Alabama 36732

County of Location: Marengo County

Number of Beds/ESRD Stations: Not applicable

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. Autauga, Barbour, Bullock, Butler, Chambers, Chilton, Choctaw, Clarke, Coffee, Coosa, Conecuh, Covington, Crenshaw, Dale, Dallas, Elmore, Geneva, Henry, Houston, Lee, Lowndes, Macon, Marengo, Monroe, Montgomery, Pike, Russell, Shelby, Sumter, Washington and Wilcox.

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

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Mailing Address: 10 Cadillac Drive, Suite 400
Brentwood, Tennessee 37027

Operator (Entity Name): HC Healthcare, LLC

Part III: Acquiring Entity Information

Name of Entity: Camellia Hospice of South Alabama, LLC

Mailing Address: 135 Mayfair Road
Hattiesburg, Mississippi 39402

Operator (Entity Name): Camellia Hospice of South Alabama, LLC

Proposed Date of Transaction is on or after: Upon receipt of governmental approval

Part IV: Terms of Purchase

Monetary Value of Purchase: Please see attached letter.

Type of Beds: Not applicable.

Number of Beds/ESRD Stations: Not applicable.

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: N/A

Projected Construction Cost: N/A

Projected Yearly Operating Cost: N/A

Projected Total Cost: N/A

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service). Please see attached letter.
- 2.) Whether the proposal will include the addition of any new beds. Please see attached letter.
- 3.) Whether the proposal will involve the conversion of beds. Please see attached letter.
- 4.) Whether the assets and stock (if any) will be acquired. Please see attached letter.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

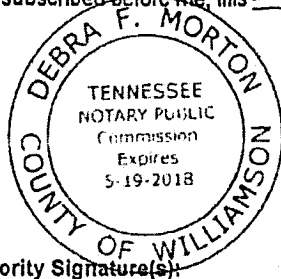
Owner(s): [Signature]

Operator(s): [Signature]

Title/Date: President

SWORN to and subscribed before me, this 21st day of November, 2016.

(Seal)



[Signature]
Notary Public

My Commission Expires: 5-19-18

Acquiring Authority Signature(s):

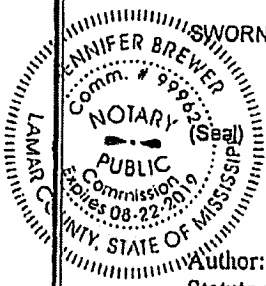
I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): [Signature]

Operator(s): [Signature]

Title/Date: CEO

SWORN to and subscribed before me, this 18th day of November, 2016.



[Signature]
Notary Public

My Commission Expires: 8-22-2019

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975
History: New Rule

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is entered into as of November 9, 2016, by and between Camellia Hospice of South Alabama, LLC, a Mississippi limited liability company ("Purchaser"), and HC Healthcare, LLC, an Alabama limited liability company ("Seller").

Preamble

WHEREAS, Seller is engaged in the business of providing hospice services in Demopolis and Dothan, Alabama (the "Business") through its office located at 1307 Highway 80 West, Demopolis, AL 36732 and 3245 Montgomery Highway, Suite 8, Dothan, AL 36303 (the "Locations"); and

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, certain of the properties, assets and contractual rights used in or related to the operation or conduct of the Business, on the terms and conditions set forth in this Agreement (the "Acquisition");

NOW, THEREFORE, in consideration of the respective representations, warranties, covenants, agreements and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereby agrees as follows:

ARTICLE I
PURCHASE OF PURCHASED ASSETS

1.1. Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing and effective as of the Effective Time, Seller shall sell, convey, transfer, assign and deliver to Purchaser, and Purchaser shall purchase and accept from Seller, free and clear of any charge, claim, equitable interest, lien, pledge, security interest, mortgage, encroachment, easement, or restriction of any kind (an "Encumbrance"), all of Seller's right, title and interest in and to the following properties, assets and rights owned by Seller (collectively, the "Purchased Assets");

(a) All tangible personal property primarily used or held for use in the operation of the Business that are located at the Locations, including all furniture, machinery, office furnishings, equipment, supplies, fixtures, consumables, and inventory;

(b) Each of Seller's authorizations, permits, licenses and certifications and operating rights derived therefrom exclusively relating to the operation of the Business at the Locations, including contracts and agreements with government programs, private programs, fiscal intermediaries and other third party payors, and provider numbers under government programs (collectively, the "Seller Permits"), each of which is set forth on Schedule 1.1(b);

(c) All leases, lease purchase arrangements and license agreements pursuant to which Seller leases or licenses any real or personal property exclusively at the Locations, and all other contracts and agreements that primarily relate to the operation of the Business at the Locations (collectively, the "Seller Contracts"), each of which is set forth on Schedule 1.1(c);

(d) All patient, vendor and referral source lists and telephone and fax numbers primarily used or held for use in the operation of the Business at the Locations;

(e) All medical records for active patients of the Business and all medical records for former patients of the Business that are stored at the Locations (the "Medical Records");

(f) All goodwill relating to the foregoing; and

(g) All claims, causes of action, choses in action, rights of recovery, rights of set off, rights of recoupment against third parties, whether know or unknown, contingent or noncontingent, solely to the extent relating to:

(i) the ownership of the Purchased Assets,

(ii) the Assumed Liabilities, or

(iii) the operation of the Business after the Effective Time.

1.2. Excluded Assets. Notwithstanding anything in Section 1.1 to the contrary, the following rights and assets are excluded from the Purchased Assets purchased by Purchaser hereunder (collectively, with all other rights and assets other than the Purchased Assets, the "Excluded Assets"):

(a) All cash, cash equivalents and bank accounts of Seller;

(b) All accounts receivable, refunds, reimbursements and other amounts payable to Seller arising out of or in connection with any products provided or services rendered by Seller prior to the Effective Time (including the pre-Closing portion of all periods that begin prior to the Closing Date and end after the Closing Date), whether or not billed, determined, invoiced or recorded by Seller as of the Effective Time, as well as any and all amounts realized thereon;

(c) All real property owned by Seller or any affiliate of Seller;

(d) Seller's Tax returns, bank account records, corporate records and minute books;

(e) All insurance policies of Seller and any unearned premiums or refunds thereunder;

(f) All income Tax refunds of Seller;

(g) All rights and assets of any benefit plans, agreements, practices or understandings maintained or contributed to by Seller or its affiliates for the benefit of the current or former employees, directors, or independent contractors who are or were engaged in the operation of the Business, or any of their dependents, including, without limitation, with respect to bonus, deferred compensation, pension, profit-sharing, equity compensation, retirement, health or other insurance, stock purchase, stock-based, incentive, vacation pay, sick pay, other fringe benefits, employment, consulting, severance, retention, termination or change-of-control (collectively, "Benefit Programs");

(h) Seller's corporate entity, Seller's trade name, and all stock or other equity interests of Seller.

1.3. Assumed Liabilities. Effective as of the Effective Time, and except as provided in Section 1.4, Purchaser hereby assumes all Liabilities directly or indirectly arising out of or related to the operation of the Business whether arising before or after the Effective Time and whether known or

unknown, disclosed or undisclosed, matured or unmatured, accrued, absolute or contingent (collectively, the "Assumed Liabilities"). Without limiting the generality of the preceding sentence, Purchaser shall assume the following obligations of Seller:

- (a) All Liabilities arising under the Seller Contracts;
- (b) All Liabilities arising under the Seller Permits;
- (c) Any overbillings made by the Business or overpayments received by Business under any Medicare, Medicaid or any other government or private payor arrangement in respect of goods or services provided prior to the Effective Time, including any claims, audits or investigations by any MAC, RAC, ZPIC, or similar organization or any governmental or private payor or intermediary;
- (d) Any Liability arising out of any violation of or noncompliance with any Seller Permit or Law in connection with the operation of the Business;
- (e) Any Liabilities arising under any claim, action, suit, arbitration, inquiry, mediation, litigation, investigation or other proceeding by or before any Governmental Authority relating to the Business;
- (f) Any Liabilities arising as a result of Purchaser's failure to obtain any Permits necessary for the operation of the Business after the Effective Time; and
- (g) All accrued paid time off (including vacation and sick pay) (the "Accrued PTO") payable to any employee, agent, or independent contractor of Seller that is or was primarily engaged in the Business (each, a "Business Employee") who are terminated by Seller immediately prior to the Closing Date pursuant to Section 4.1 as the result of such employees accepting employment with Purchaser or who are terminated by Seller within thirty (30) days after the Closing Date.

Notwithstanding Purchaser's assumption of the Assumed Liabilities, Seller is obligated to indemnify Purchaser for certain of the Assumed Liabilities under Section 5.2 subject to the limitations in Section 5.4.

1.4. Retained Liabilities.

(a) Seller shall retain and remain liable for (i) all trade accounts payable to vendors relating to the operation of the Business prior to the Effective Time and (ii) all wages and other compensation (other than accrued paid time off) payable to any employee, agent, or independent contractor of Seller that is or was primarily engaged in the Business for periods prior to the Effective Time.

(b) Seller shall also pay and discharge any Medicare Cap Liability with respect to the Business that is attributable to (i) periods ending on or prior to the Closing Date or (ii) the pre-Closing portion of all periods that begin prior to the Closing Date and end after the Closing Date (with such liability apportioned pro rata among Seller and Purchaser based on the number of calendar days during such straddle period). "Medicare Cap Liability" means amounts received by the Business from Medicare in excess of the Medicare total reimbursement payments cap that a hospice provider may receive for its patients in any given fiscal year pursuant to 42 U.S.C. § 1395f(i)(2)(C) and as implemented under 42 C.F.R. § 418.309 and interpretative case law.

(c) Purchaser acknowledges that Seller shall not be responsible for any other Liabilities relating to the Business, other than as set forth in this Section 1.4 and Section 5.2 (subject to the limitations in Section 5.4).

1.5. Purchase Price.

(a) The total consideration for the Purchased Assets shall be [REDACTED] [REDACTED] (the "Purchase Price"). Simultaneously with the execution of this Agreement, (i) Purchaser and Seller are entering into an escrow agreement (the "Escrow Agreement") with Fifth Third Bank as escrow agent (the "Escrow Agent") and (ii) Purchaser shall deposit [REDACTED] into the account governed by the Escrow Agreement (such funds, together with any interest accruing thereon pursuant to the terms of the Escrow Agreement, the "Escrow Funds").

(b) If there is a Closing, the Escrow Funds shall be disbursed as follows, in each case by wire transfer of immediately available funds into an account designated by Seller:

(i) on the Closing Date, Purchaser shall cause the Escrow Agent to release to Seller [REDACTED]

(ii) between the Closing Date and March 31, 2017, Purchaser shall cause the Escrow Agent to release to Seller any amounts paid by Seller with respect to any Medicare Cap Liability pursuant to Section 1.4(b);

(iii) on April 1, 2017, Purchaser shall cause the Escrow Agent to release to Seller the remaining balance of the Escrow Funds, if any.

(c) If this Agreement is terminated pursuant to Section 2.4(b) hereof, Seller and Purchaser shall cause the Escrow Agent to release the Escrow Funds to Purchaser by wire transfer of immediately available funds into an account designated by Purchaser.

(d) As between Purchaser and Seller, each party shall pay one-half of any fees or indemnification payments required to be paid to the Escrow Agent pursuant to the Escrow Agreement.

ARTICLE II
CLOSING; REGULATORY APPROVALS; TERMINATION

2.1. Time and Place of Closing; Effective Time. The closing of the Acquisition (the "Closing") shall take place at the offices of Seller on the second business day following the receipt by Purchaser of all Required Health Care Approvals (the "Closing Date"). The effective time and date of the transactions shall be 12:01 a.m., Eastern Time, on the Closing Date (the "Effective Time"). The Closing may take place remotely by email or facsimile exchange of counterpart signature pages.

2.2. Closing Deliveries. At the Closing, the transactions contemplated hereby shall be effectuated by a Bill of Sale, Assignment and Assumption Agreement executed by each party. Seller shall also enter into a Billing License Agreement for Purchaser's benefit in the form attached hereto as Exhibit A. Seller shall also provide documentation from each lender holding a security interest in the Purchased Assets that the lender will release its security interest and the conditions for such release, if any.

2.3. Regulatory Approvals.

(a) As promptly as practicable (but in any event, no later than seven (7) days) after the date of this Agreement, Purchaser shall prepare and cause to be filed all change of ownership applications, enrollment applications, consents, notices, filings and other applications and documentation from all Governmental Authorities to obtain all licenses, certificates, approvals and accreditations as may be necessary to consummate the transactions contemplated by this Agreement and for Purchaser to operate the Business after the Closing (each, a "Required Health Care Approval"). Each of the foregoing Required Health Care Approvals will be deemed to have been obtained upon the occurrence of any of the following events: (i) receipt of such Required Health Care Approval, (ii) the receipt of confirmation from the applicable Governmental Authority in writing or verbally (if confirmed in a writing to the Governmental Authority) that the parties are authorized to proceed with the transactions (each such confirmation, an "Agency Confirmation") or (iii) where the applicable Governmental Authority has failed to respond to a written communication seeking such permit, authorization, approval or Agency Confirmation, upon a subsequent written communication to the Governmental Authority affirmatively stating that no further action by the parties hereto is required prior to the consummation of the transactions contemplated hereunder and in which such Governmental Authority is notified that the parties hereto are proceeding with same as disclosed unless the parties are informed otherwise by such Governmental Authority prior to the Closing.

(b) Purchaser will use its best efforts to obtain all Required Health Care Approvals as soon as possible. In connection with the foregoing, Purchaser and Seller shall (i) promptly notify the other party of any written communication to that party or its Affiliates from any Governmental Authority and, subject to applicable Law, provide the other party with a copy of any written communication to any of the foregoing and (ii) not participate in any substantive meeting or discussion with any Governmental Authority in respect of any filings, investigation or inquiry concerning the transactions contemplated herein unless it consults with the other party in advance and, to the extent permitted by such Governmental Authority, gives the other party the opportunity to attend and participate thereat. Nothing contained herein will require Seller to pay any consideration to any other Person from whom any such consents, approvals or authorizations are requested, and any necessary filing or application fees arising in connection with the Required Health Care Approvals, any costs payable to any Governmental Authority in connection with the Required Health Care Approvals and any other out-of-pocket expenses incurred in pursuing the Required Health Care Approvals will be paid by the Purchaser.

2.4. Closing Condition; Termination.

(a) The obligations of the parties to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver by Purchaser of the receipt by Purchaser of the Required Health Care Approvals (which, for the avoidance of doubt, shall not include approval of the Medicare Change of Ownership Application).

(b) This Agreement may be terminated by either party and the transactions contemplated herein may be abandoned at any time prior to the Closing if the Closing shall not have occurred on or prior to the date that is 120 days after the date of this Agreement; provided, however, that the right to terminate this Agreement shall not be available to Purchaser if it shall have breached in any material respect its representations, warranties, obligations or covenants under this Agreement in any manner that shall have proximately caused the failure of any condition to the Closing to be satisfied or otherwise the failure of the transactions contemplated by this Agreement to be consummated on or before such date. Either party may also terminate this Agreement at any time prior to the Closing if the other

party is in material breach of any of its covenants, representations or warranties hereunder as does not cure such breach within 10 days after receiving written notice thereof.

ARTICLE III **REPRESENTATIONS AND WARRANTIES**

3.1. **Seller Representations.** Seller represents and warrants the following to Purchaser:

(a) **Organization and Good Standing.** Seller is duly organized, validly existing and in good standing as a limited liability company under the laws of the State of Alabama.

(b) **Authority.** Seller has the full corporate power and authority necessary to execute, deliver and perform its obligations under the Acquisition Documents to be executed and delivered by it. The execution, delivery and performance by Seller of the Acquisition Documents to which it is a party have been duly authorized by all necessary corporate action. The Acquisition Documents to which Seller is a party have been duly executed and delivered by Seller and, assuming the due authorization, execution and delivery by Purchaser, constitute the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, or other Laws affecting creditors' rights generally or by general equitable principles.

(c) **Purchased Assets.** Except as set forth on **Schedule 3.1(c)**, Seller has good, valid and transferable title to all of the Purchased Assets, free and clear of any Encumbrance of any kind whatsoever. Seller will convey good and transferable title in and to the Purchased Assets, in all cases, free and clear of Encumbrances, on the Closing Date.

(d) **Seller Permits.** Set forth on **Schedule 1.1(b)** is a correct and complete list of the Seller Permits. The Seller Permits constitute all licenses, permits, certifications and authorizations required by applicable Legal Requirements in order for Seller to conduct the Business as presently conducted. Each such license, permit, authorization and agreement is valid and in full force and effect, without any restriction.

(e) **Actions of Governmental Authorities.** Except as set forth on **Schedule 3.1(e)**, in each case, solely to the extent relating to the operation of the Business, (i) Seller is not a party to any Order or legal or administrative proceeding, (ii) Seller has not received notice of or been subject to any action, claim, investigation, inquiry, recovery action, survey or audit (other than a routine non-material survey or audit) that is currently pending, or to Seller's Knowledge, threatened by any Governmental Authority or any Payer (or in the case of accreditation, the accrediting body) for the purpose of restricting, revoking, withdrawing or suspending, or denying renewal of, any provider agreement with any Government Program or Payer, or alleging any overpayment, set off, adjustment, dispute with respect to a cost report, or violation of applicable Legal Requirements, (iii) to the Seller's Knowledge, no event has occurred which, with the giving of notice, the passage of time, or both, would constitute grounds for any such revocation, withdrawal, or suspension, or denial of renewal, or would constitute an overpayment or any other violation of applicable Legal Requirements, and (iv) Seller has not received a notice in writing from a Governmental Authority asserting that any Seller Permits will be revoked or will not be renewed upon expiration.

(f) **Survey Reports.** Seller has delivered to Purchaser true, correct and complete copies of all federal and state survey reports (including Medicare and Medicaid recertification surveys and licensure surveys), inspection reports and deficiency lists and plans of correction, if any, for the Purchased Assets and/or the Business since October 8, 2015. To the Seller's Knowledge, Seller has taken all necessary steps to correct all deficiencies referenced in this **Section 3.1(f)**.

(g) Legal Proceedings, Orders. Except as set forth on Schedule 3.1(g), there are no claims, actions, suits, proceedings or investigations (collectively, "Proceedings") pending or, to the Knowledge of Seller, threatened by or against Seller relating to the Business or the Purchased Assets or that would be reasonably likely to have the effect of preventing, delaying or making illegal the transactions contemplated by this Agreement. Except as set forth on Schedule 3.1(g), there are no Orders outstanding against Seller relating to the Business or the Purchased Assets or that would be reasonably likely to have the effect of preventing, delaying or making illegal the transactions contemplated by this Agreement.

(h) Contracts. Schedule 1.1(c) contains an accurate and complete list of all of the Seller Contracts. Seller has delivered to Purchaser accurate and complete copies of each Seller Contract. Each Seller Contract is valid and binding and in full force and effect. Seller is not in material default under any Seller Contract. Except as set forth in Schedule 3.1(h), Seller has not received any written notice of any claims or offsets arising under any of the Seller Contracts, and Seller has not received any written notice that any such Seller Contract is to be terminated or not renewed.

(i) Accrued PTO. Schedule 3.1(i) contains a schedule of the Accrued PTO of each Business Employee as of the date set forth therein and a copy of Seller's policy for payment of Accrued PTO.

3.2. Purchaser Representations. Purchaser represents and warrants the following to Seller:

(a) Organization and Good Standing. Purchaser is duly organized, validly existing and in good standing as a limited liability company under the laws of the State of Mississippi.

(b) Authority. Purchaser has the full corporate power and authority necessary to execute, deliver and perform its obligations under the Acquisition Documents to be executed and delivered by it. The execution, delivery and performance by Purchaser of the Acquisition Documents to which it is a party have been duly authorized by all necessary corporate action. The Acquisition Documents to which Purchaser is a party have been duly executed and delivered by Purchaser and, assuming the due authorization, execution and delivery by Seller, constitute the legal, valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, or other Laws affecting creditors' rights generally or by general equitable principles.

3.3. No Other Representations. Except for the representations and warranties contained in this Agreement, Seller has not made and does not make, and hereby by disclaims, any representation or warranty, express or implied, either written or oral, including any representation or warranty as to the accuracy or completeness of any information regarding the Business furnished or made available to Purchaser and its representatives, and any information, documents or material delivered or made available to Purchaser in connection with this agreement or the transactions contemplated hereby.

ARTICLE IV **ADDITIONAL AGREEMENTS**

4.1. Employee Matters. Effective immediately prior to the Closing Date, Seller shall terminate the employment of each of the Business Employees that have accepted employment with Purchaser. While it is Purchaser's intent to offer employment to some, if not all, of the Business Employees, it is understood and agreed that Purchaser's intention to offer employment shall not constitute

any commitment, contract or understanding of any obligation of Purchaser to a post-Closing employment relationship of any fixed term or duration or upon any terms or conditions other than those that the Purchaser may establish pursuant to individual offers of employment. Those Business Employees who accept employment with Purchaser or any of its affiliates shall, as of the Effective Time, become employees of Purchaser or its affiliate (the "Hired Employees") subject to the terms and conditions of such employment. Effective immediately prior to the Closing Date, the active participation of all Hired Employees in each of Seller's Benefit Plans, if any, shall terminate in accordance with the terms, provisions and/or procedures of each such Benefit Plan.

4.2. Transfer Taxes. All transfer, sales, use, excise, realty transfer, controlling interest, documentary stamp and other such Taxes and fees, if any ("Transfer Taxes"), incurred in connection with the consummation of the transactions contemplated in this Agreement (regardless of the Person on whom such Taxes are imposed by applicable Law shall be paid by Purchaser.

4.3. Custody of Medical Records. Purchaser agrees to assume control, custody, and possession of all the Medical Records and shall retain such Medical Records in accordance with applicable Laws. Purchaser shall permit Seller, upon reasonable prior notice and during normal business hours, to have reasonable access to, and to examine and make copies of, the Medical Records.

4.4. Insurance Matters. Purchaser acknowledges that Seller's professional liability insurance policy, general liability policies and employment practices policies that provide coverage for the Business (the "Policies") also provide coverage (and shares liability limits) for businesses operated by Seller other than the Business. In the event that a claim arises after the Closing that relates to the operation of the Business prior to the Closing and is covered in whole or part by the Policies, Seller shall use its commercially reasonable efforts to seek any insurance benefits under the Policies, provided that Purchaser shall be responsible for, and shall promptly pay, all deductibles and other payments required of the insured under the Policy with respect to such claim, and that Purchaser shall be responsible for any amounts in excess of the applicable policy limits. Purchaser acknowledges and agrees that in no event shall the Policies provide coverage for claims relating to Purchaser's operation of the Business after the Closing.

4.5. Receivables. In the event that (i) Seller receives any payment for services rendered by Purchaser with respect to dates of service after the Closing, or (ii) Purchaser receives any payment for services rendered by Seller with respect to dates of service on or prior to the Closing, such party shall keep a separate accounting of such payments (which shall be subject to review by the other party at reasonable times and upon reasonable notice) and forward such payments to the appropriate party by wire transfer at least once during every two week period following the Closing.

4.6. Updated Information about the Business, Purchased Assets and Assumed Liabilities. Between the date of this Agreement and the Closing Date, to the extent reasonably requested by Purchaser, Seller shall provide Purchaser with updated information about the Business, Purchased Assets and Assumed Liabilities in substantially the same form and level of detail as provided prior to the date of this Agreement.

4.7. Operation of the Business of Seller. Except as otherwise contemplated by this Agreement or agreed to in writing by Purchaser, between the date of this Agreement and the Closing, Seller shall use its commercially reasonable efforts to (i) conduct the Business in the ordinary course of business consistent with past practice (including with respect to the payment and satisfaction of its obligations and liabilities), (ii) preserve intact the current business organization of Seller and the Business and (iii) except in the ordinary course of business consistent with past practice, not incur any liabilities of

any kind.

4.8. No Negotiation. Until the earlier of the Closing or such time as this Agreement is terminated pursuant to Section 2.8, Seller shall not, and Seller shall cause its owners, members, managers, directors, employees, representatives and agents not to, directly or indirectly, solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, provide any non-public information to any Person (other than Purchaser) relating to the sale of the Purchased Assets or the Business.

4.9. Surveys and Relicensing Surveys. Seller shall provide to Purchaser copies of any licensure surveys, including, without limitation, reports, waivers of deficiency, plans of correction, and any other investigation reports issued with respect to the Business between the Agreement Date and the Closing Date.

4.10. Billing Support Services. For a period not to exceed six (6) months after to the Closing, Seller shall provide Buyer with continued access, use and support of its billing systems (to the extent allowed under any third party software licenses or other agreements) to enable Buyer to bill, collect, and monitor the billing and collection of, services provided by Buyer with respect to the operation of the Business after the Closing, in each case, in substantially the same manner as such systems were accessed and used by Seller with respect to the Business prior to the Closing. Seller shall pass through all incremental license or other vendor costs incurred by Seller as a result of arranging for or providing such services, as well as the cost of any employees of Seller that are necessary to assist with arranging for or providing such services (based on a reasonable allocation of such employees' costs, charged on an hourly basis). Buyer shall promptly pay any such costs after receipt of an invoice therefor. Buyer shall be subject to Seller's privacy policies with respect to such billing systems and information and shall indemnify, defend and hold Seller harmless from any claims, damages, losses, or liabilities arising as a result of its access to and use thereof.

4.11 Transition Services. Seller hereby agrees to provide for the benefit of Purchaser certain core facility-related services relating to the Business (including Pharmacy/DME/Med Supplies) for up to 30 days after the Closing as may be reasonably requested by Purchaser (the "Transition Services"). Seller shall invoice Purchaser for Seller's costs in providing the Transition Services, and Purchaser agrees to remit payment therefore within 30 days of receipt of the invoice. Seller shall also be entitled to pass through to Purchaser any out-of-pocket costs incurred by Seller in connection with providing the Transition Services or otherwise assisting Purchaser in the operation of the Business during the 30-day period following the Closing.

4.12 Post-Closing Access. From and after the Closing Date, Buyer shall afford to Seller, upon reasonable notice, reasonable access during normal business hours, at Seller's sole cost and expense, to any records, data, databases, or other information in Buyer's possession that Seller may reasonably request relating to the Purchased Assets or the operation of the Business prior to the Closing. From and after the Closing Date, Seller shall afford to Buyer, upon reasonable notice, reasonable access during normal business hours, at Buyer's sole cost and expense, to any records, data, databases, or other information in Seller's possession that Buyer may reasonably request relating to the Purchased Assets or the operation of the Business after the Closing. Nothing herein shall require any Party to furnish to any other Party any materials that are subject to an attorney-client privilege or an attorney work-product privilege.

4.13 Indemnification Matters. In the event that a claim arises after Closing that relates to the operation of the Business prior to the Closing and for which the Seller is entitled to indemnification from another party, Seller shall use its commercially reasonable efforts to seek indemnification from that party.

ARTICLE V INDEMNIFICATION

5.1. Survival. All representations, warranties, covenants, and obligations in this Agreement will survive the Closing, and the consummation of the transactions contemplated hereby for a period of two (2) years following the Closing.

5.2. Indemnification By Seller. Seller shall indemnify and hold harmless Purchaser and its affiliates, and their respective directors, officers, stockholders, employees, representatives and agents (collectively, the "Purchaser Indemnified Persons") for any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees and expenses), whether or not involving a third-party claim (collectively, "Damages"), arising, directly or indirectly, from or in connection with:

- (a) any inaccuracy or breach of any representation or warranty made by Seller in this Agreement;
- (b) any breach of any covenant, agreement or obligation of Seller in this Agreement or in any other document delivered by or on behalf of Seller at Closing pursuant to this Agreement;
- (c) the liabilities retained by Seller pursuant to Section 1.4; and
- (d) the Assumed Liabilities (other than (i) Liabilities arising under the Seller Contracts assumed by Purchaser and (ii) the Accrued PTO).

5.3. Indemnification by Purchaser. Purchaser shall indemnify and hold harmless Seller and its affiliates, and their respective directors, officers, members, owners, employees, representatives and agents (collectively, the "Seller Indemnified Persons") for any Damages arising, directly or indirectly, from or in connection with:

- (a) any inaccuracy or breach of any representation or warranty made by Purchaser in this Agreement;
- (b) any breach of any covenant, agreement or obligation of Purchaser in this Agreement or in any other document delivered by or on behalf of Purchaser at Closing pursuant to this Agreement;
- (c) (i) Liabilities arising under the Seller Contracts assumed by Purchaser and (ii) the Accrued PTO; or
- (d) the other Assumed Liabilities, but only to the extent such Assumed Liabilities exceed the amount for which the Purchaser is entitled to be indemnified by Seller under Section 5.2 (as limited by Section 5.4).

5.4. Limitations on Indemnification. Seller will have no indemnification liability with respect to any claims under Section 5.2 except to the extent the total amount of Damages incurred by the Seller Indemnified Persons exceeds Fifty Thousand Dollars (\$50,000). Notwithstanding anything contained herein to the contrary, the maximum aggregate indemnification liability of Seller with respect to claims referred to in Section 5.2 will be equal to the Purchase Price [REDACTED] (the "Cap"). It is the intention of the parties that Purchaser assume and discharge all of the Assumed Liabilities to the extent that such Assumed Liabilities, together with all other Damages

for which the Seller Indemnified Persons are entitled to indemnification hereunder, exceed the Cap. Provided however, nothing contained herein (including this Section 5.4) shall limit or restrict any Purchaser Indemnified Person's right to maintain or recover any amounts from Seller in connection with any action or claim based upon fraud. If Seller is the Indemnitor and takes up the defense pursuant to Section 5.6 below, all of Seller's costs and expenses (including reasonable attorneys' fees) shall be credited against (and therefore reduce) the Cap.

5.5. Time Limitations: No Other Limitations.

(a) Seller will have no indemnification liability with respect to any claim arising pursuant to Section 5.2(a), Section 5.2(c) or Section 5.2(d), unless on or before the date that is two (2) years after the Closing Date, Purchaser notifies Seller of a claim specifying the factual basis of that claim or potential claim in reasonable detail to the extent then known by Purchaser. Any claim arising pursuant to Section 5.2(b) with respect to the covenants and other agreements made by Seller in this Agreement may be made at any time prior to sixty (60) days following the time period provided for in such covenant or agreement or, if no time period is provided for, at any time prior to sixty (60) days following the expiration of the applicable statute of limitations.

(b) Purchaser will have no indemnification liability with respect to any inaccuracy or breach of any representation or warranty made by Purchaser in this Agreement, unless on or before the date that is two (2) years after the Closing Date, Seller notifies Purchaser of a claim or potential claim specifying the factual basis of that claim in reasonable detail to the extent then known by Seller. Any claim with respect to the covenants and other agreements made by Purchaser in this Agreement may be made at any time prior to sixty (60) days following the time period provided for in such covenant or, if no time period is provided for, at any time prior to sixty (60) days following the expiration of the applicable statute of limitations.

(c) Upon the giving of notice specified in Sections 5.5(a) or (b), as the case may be, the indemnity with respect thereto shall survive the time at which it would otherwise terminate pursuant to this Agreement (regardless of when the Damages in respect thereof may actually be incurred), and the Indemnitee shall have the right to commence legal Proceedings subsequent to the survival date for the enforcement of their rights under this Article V.

5.6. Procedure for Indemnification – Third Party Claims. If, after the Closing Date, either a Purchaser Indemnified Person or Seller Indemnified Person, as the case may be (the "Indemnitee"), receives written notice of any third-party claim or alleged third-party claim asserting the existence of any matter of a nature as to which the Indemnitee is entitled to be indemnified under this Agreement, the Indemnitee shall promptly notify Seller or Purchaser, as the case may be (the "Indemnitor"), in writing with respect thereto, but the failure to notify the Indemnitor will not relieve the Indemnitor of any liability that it may have to an Indemnitee, except to the extent that the Indemnitor demonstrates that the Indemnitor has been prejudiced by the Indemnitee's failure to give such notice. The Indemnitor will have the right to defend against any such claim with counsel satisfactory to the Indemnitee, provided that (a) the Indemnitor, within fifteen (15) business days after the giving of such notice by Indemnitee, notifies Indemnitee in writing that (i) Indemnitor disputes such claim and gives reasons therefor, and (ii) Indemnitor will, at its own cost and expense, defend the same, and (b) such defense is instituted and continuously maintained in good faith by Indemnitor. Notwithstanding the foregoing, the Indemnitor may not assume the defense of any such claim (x) if the Indemnitee is also a Person against whom such claim is made and the Indemnitee determines in good faith that joint representation would be inappropriate or (y) the Indemnitor fails to provide reasonable assurance to the Indemnitee of its financial capacity to defend such claim and provide indemnification therefor. Indemnitee may, if it so elects and at its sole cost, designate its own counsel to participate with the counsel selected by Indemnitor in the

conduct of such defense. In any event, Indemnitor will keep Indemnitee fully advised as to the status of such defense. If the Indemnitor assumes the defense of any action or proceeding, no compromise or settlement of such claims may be effected by the Indemnitor without the Indemnitee's consent unless (A) there is no finding or admission of any violation of any Legal Requirement and no effect on any other claims that may be made against the Indemnitee, and (B) the sole relief provided is monetary damages that are paid in full by the Indemnitor. The Indemnitee shall not compromise or settle of any claims for which it seeks indemnification hereunder without the Indemnitor's prior written consent.

5.7. Procedure For Indemnification – Other Claims. A claim for indemnification for any matter not involving a third-party claim may be asserted by notice to the party from whom indemnification is sought.

5.8. Calculation of Damages

(a) All Damages pursuant to this Article V shall be reduced by the amount of any proceeds recovered from another party and insurance proceeds actually received by any Indemnitee with respect to Damages, net of all deductibles or similar costs associated with such recovery and any expenses incurred in recovering such proceeds ("Net Proceeds"). If any Net Proceeds are received by an Indemnitee (or any of its affiliates) with respect to any Damages after payment has been made with respect thereto, then the amount of the Net Proceeds will be applied, first, to refund any payments made by any Indemnitor which would not have been paid had such recovery been made prior to payment and, second, any excess to the Indemnitee.

(b) Damages for a claim of indemnification shall not include any consequential, special, incidental, exemplary or punitive damages, except to the extent required to be paid to a third party.

5.9. Exclusive Remedy. Following the Closing, the sole and exclusive remedy for any and all claims against Seller arising under, out of, or related to this Agreement shall be the rights of indemnification set forth in this Article V, and no Person will have any other entitlement, remedy or recourse, whether in contract, tort or otherwise, against the Seller, it being agreed that all of such other remedies, entitlements and recourse are expressly waived and released by the Parties to the fullest extent permitted by Law.

ARTICLE VI
MISCELLANEOUS

6.1. Definitions. Except as otherwise provided herein, the capitalized terms set forth below have the following meanings:

"Acquisition Documents" means this Agreement and the other documents and instruments to be delivered pursuant to this Agreement.

"affiliate" means a Person controlling, controlled by or under common control with, another Person.

"Governmental Authority" means any domestic (federal, state or local) or foreign government or governmental, regulatory or administrative authority, agency, instrumentality or commission, or any court, tribunal, or judicial or arbitral body.

"Knowledge of Seller" or similar terms shall mean the actual knowledge of the management level employees of Seller with responsibility for the day-to-day operations of the Business.

"Law" means any local, state, federal, or foreign code, law, ordinance, regulation, reporting, ruling or licensing requirement, rule, or statute applicable to a Person or its assets, Liabilities or business, including those promulgated, interpreted or enforced by any Governmental Authority.

"Liability" means any direct or indirect, primary or secondary, liability, indebtedness, obligation, penalty, cost or expense (including costs of investigation, collection and defense), claim, deficiency or guaranty of any Person of any type, whether accrued, absolute or contingent, known or unknown, liquidated or unliquidated, matured or unmatured, or otherwise.

"Person" means a natural person or any legal, commercial or Governmental Authority, including any Governmental Authority, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, business association, group acting in concert, or any person acting in a representative capacity.

"Tax" means any federal, state, county, local, or foreign tax, charge, fee, levy, impost, duty, or other assessment, including income, gross receipts, excise, employment, sales, use, transfer, recording, license, payroll, franchise, severance, documentary, stamp, occupation, windfall profits, environmental, federal highway use, commercial rent, customs duty, capital stock, paid-up capital, profits, withholding, Social Security, single business and unemployment, disability, real property, personal property, registration, ad valorem, value added, alternative or add-on minimum, estimated, or other tax or governmental fee of any kind whatsoever, imposed or required to be withheld by any Governmental Authority, including any interest, penalties, and additions imposed thereon or with respect thereto, and including liability for the Taxes of any other person under Treas. Reg. 1.1502-6 (or any similar provision of state, local, or foreign Law) as a transferee or successor, by contract, or otherwise.

6.2. **Interpretation.** Any singular term in this Agreement shall be deemed to include the plural and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed followed by the words "without limitation."

6.3. **Notices.**

(a) All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally or sent by nationally-recognized overnight courier, by registered or certified mail, postage prepaid, return receipt requested, or by facsimile transmission with receipt confirmed by automatic transmission report, addressed as follows:

If to Seller:

HC Healthcare, LLC
10 Cadillac Drive, Suite 400
Brentwood, TN 37027
Attention: Russ Adkins, General Counsel

If to Purchaser:

Camellia Hospice of South Alabama, LLC
135 Mayfair Road
Hattiesburg, MS 39402
Attention: Alan Blakeney, Chief Financial Officer

(b) All such notices or communications shall be deemed to be delivered (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of nationally-recognized overnight courier, on the next business day after the date when sent, (iii) in the case of mailing, on the fourth

business day following the date of mailing, or (iv) in the case of facsimile, when confirmation is received. Any party hereto may change its address specified for notices herein by designating a new address by notice in accordance with this Section 5.3.

6.4. Expenses. Each of the parties hereto shall bear and pay all costs and expenses incurred by it or on its behalf in connection with the transactions contemplated hereunder, including any finders' or brokers' fees.

6.5. Further Assurances. Each party covenants that at any time, and from time to time, after the Closing, it will execute such additional instruments and take such actions as may be reasonably requested by the other parties to confirm or perfect or otherwise to carry out the intent and purposes of this Agreement.

6.6. Waiver. Any failure on the part of any party to comply with any of its obligations, agreements or conditions hereunder may be waived by any other party to whom such compliance is owed only by an agreement in writing signed by the parties against whom enforcement of such waiver is sought. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

6.7. Assignment; Third Party Beneficiaries. This Agreement shall not be assignable, including by operation of law, by any of the parties hereto without the written consent of all other parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, executors, administrators, successors and permitted assigns. This Agreement does not confer any rights or remedies upon any person other than the parties, their respective successors and permitted assigns.

6.8. Headings. The section and other headings in this Agreement are inserted solely as a matter of convenience and for reference, and are not a part of this Agreement.

6.9. Entire Agreement; Amendment. All Schedules attached to this Agreement are by reference made a part hereof. This Agreement and the Schedules, certificates and other documents delivered pursuant hereto or incorporated herein by reference contain and constitute the entire agreement among the parties and supersede and cancel any prior agreements, representations, warranties, or communications, whether oral or written, among the parties relating to the transactions contemplated by this Agreement. This Agreement may not be amended or modified except by an instrument in writing signed by the parties.

6.10. Severability. The provisions of this Agreement are severable and the invalidity of one or more of the provisions herein shall not have any effect upon the validity or enforceability of any other provision.

6.11. Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of Laws thereof.

6.12. Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their respective terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and

provisions of this Agreement, this being in addition to any other remedy they are entitled pursuant to this Agreement.

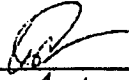
6.13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission (including in Adobe PDF format) will be effective as delivery of a manually executed counterpart to this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf as of the day and year first above written.

SELLER:

HC HEALTHCARE, LLC

By: 
Name: Anthony James
Title: President

PURCHASER:

CAMELLIA HOSPICE OF SOUTH ALABAMA, LLC

By: _____
Name: Wilford A. Payne, III
Title: President

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf as of the day and year first above written.

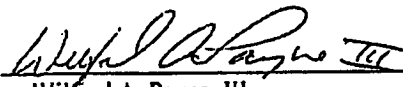
SELLER:

HC HEALTHCARE, LLC

By: _____
Name: _____
Title: _____

PURCHASER:

CAMELLIA HOSPICE OF SOUTH ALABAMA, LLC

By:  _____
Name: Wilford A. Payne, III
Title: President