

Execution Copy

AFFILIATION AGREEMENT

BY AND AMONG

UPE,

UPE PROVIDER SUB

AND

HIGHMARK INC.

AND

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.,

CANONSBURG GENERAL HOSPITAL,

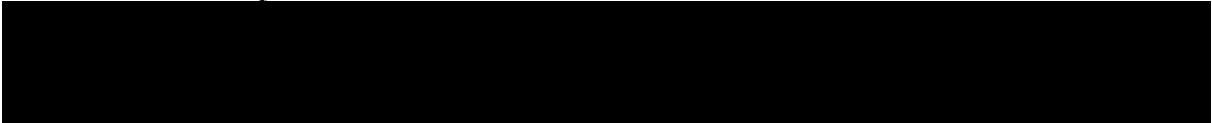
ALLE-KISKI MEDICAL CENTER

AND

THE OTHER WPAHS SUBSIDIARIES

Dated as of October 31, 2011

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS.....	2
1.1 Definitions.....	2
1.2 Interpretation.....	12
ARTICLE 2 TRANSACTION STRUCTURE AND FUNDING COMMITMENTS	13
2.1 Formation; Articles of Incorporation and Bylaws.	13
2.2 Implementation of Affiliation Structure.	14
2.3 Amendment of Articles and Bylaws.	14
2.4 Governance Structure and Board Composition.	15
2.4.1 Ultimate Parent Entity Board of Directors.....	15
2.4.2 Provider Subsidiary Board of Directors.....	15
2.4.3 WPAHS Board of Directors.....	15
2.5 Funding and Other Commitments.....	16
	
2.7 Establishment of Perpetual Special Purpose Endowment Fund.	26
2.8 Ownership of Assets and Liabilities.	26
2.9 Agreement on Allocation of Second Funding Commitment.	26
ARTICLE 3 CLOSING	27
3.1 Closing.....	27
3.2 Actions of the WPAHS Parties at the Closing.....	28
3.3 Actions of Highmark and the UPE Parties at the Closing.	30
3.4 Additional Acts.	31
ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE WPAHS PARTIES.....	31
4.1 Organization; Capacity.	31
4.2 Authority; Noncontravention.	32
4.3 Subsidiaries; Minority Interests.	32
4.4 No Outstanding Rights.....	33
4.5 Title; Sufficiency of Assets.....	33
4.6 Binding Agreement.....	33
4.7 Financial Information.....	33
4.8 Permits and Approvals.....	34

4.9	Accreditation.....	35
4.10	Government Program Participation; Reimbursement.....	35
4.11	Regulatory Compliance.	36
4.12	Information Privacy and Security Compliance.....	38
4.13	Medical Staff Matters.	38
4.14	Intellectual Property.....	38
4.15	Material Contracts.....	39
4.16	Personal Property.....	40
4.17	No Brokers.....	40
4.18	Real Property.	40
4.19	Insurance.....	42
4.20	Employee Benefit Plans.....	42
4.21	Employee Matters.	45
4.22	Litigation.....	45
4.23	Tax Matters.	46
4.24	Environmental Matters.....	47
4.25	Immigration Act.....	48
4.26	Tax-Exempt Bond Debt.....	48
4.27	Other Indebtedness.....	49
4.28	Absence of Certain Changes.....	50
4.29	Statements True and Correct.....	50
ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF HIGHMARK AND THE UPE PARTIES.....		50
5.1	Organization; Capacity.....	50
5.2	Authority; Noncontravention.....	51
5.3	Binding Agreement.....	51
5.4	Financial Information.....	52
5.5	Regulatory Compliance.	53
5.6	Litigation.....	54
5.7	No Brokers.....	54
5.8	Statements True and Correct.....	54
ARTICLE 6 PRE-CLOSING COVENANTS OF THE PARTIES		54
6.1	Access to the Premises; Information.....	54

6.2	Conduct of Business.	56
6.3	Negative Covenants.	57
6.4	Use of Funding Commitments.	59
6.5	Notification of Certain Matters.	59
6.6	Restrictive Contracts.	60
6.7	Approvals.	60
6.8	Title Matters.	61
6.9	Additional Financial Information.	61
6.10	Closing Conditions.	61
6.11	Compliance with Tax Exemption and Charitable Laws.	62
6.12	Notice by Highmark and the UPE Parties.	63
6.13	Bond Compliance.	64
ARTICLE 7 POST-CLOSING COVENANTS OF THE PARTIES		65
7.1	Governance Matters.	65
7.2	Funding Commitments.	65
7.3	Relationship with Temple University School of Medicine.	65
7.4	Research and Education Programs.	65
7.5	Continuing Tax Exempt Status.	66
7.6	Restraint on Sale, Mortgage, and Disposition.	66
7.7	Restricted Funds.	66
7.8	Failure to Obtain Consents.	66
7.9	Post-Closing Access to Information.	66
ARTICLE 8 CONDITIONS PRECEDENT TO OBLIGATIONS OF HIGHMARK AND THE UPE PARTIES		67
8.1	Representations and Warranties.	67
8.2	Performance.	67
8.3	No Material Adverse Effect.	67
8.4	Pre-Closing Confirmations by Governmental Authorities.	68
8.5	Action/Proceeding.	68
8.6	Closing Documents.	68
8.7	Post-Closing Compliance with Laws and Regulations.	68
8.8	[Intentionally left blank.]	68
8.9	Tax-Exempt Status of the WPAHS Parties.	68

8.10	Tax-Exempt Status of the Ultimate Parent Entity and Provider Subsidiary.....	69
8.11	Bond Compliance.....	69
8.12	Compliance with BCBSA Requirements.....	69
ARTICLE 9 CONDITIONS PRECEDENT TO OBLIGATIONS OF THE WPAHS		
	PARTIES	69
9.1	Representations and Warranties.....	69
9.2	Performance.	69
9.3	No Material Adverse Effect.	70
9.4	Pre-Closing Confirmations by Governmental Authorities.	70
9.5	Action/Proceeding.....	70
9.6	Closing Documents.....	70
9.7	Post-Closing Compliance with Laws and Regulations.....	70
9.8	[Intentionally left blank.]	71
9.9	Tax-Exempt Status of the WPAHS Parties.....	71
9.10	Tax-Exempt Status of the Ultimate Parent Entity and Provider Subsidiary.....	71
9.11	Formation of Integrated Financing and Delivery System.....	71
9.12	Bond Compliance.....	71
ARTICLE 10 TERMINATION.....		71
10.1	Termination.....	71
10.2	Effect of Termination.....	72
ARTICLE 11 ADDITIONAL AGREEMENTS.....		73
11.1	Exclusivity.	73
11.2	Confidentiality.	74
11.3	Specific Performance.....	74
11.4	Survival of Representations.	74
ARTICLE 12 GENERAL.....		74
12.1	Notice.....	74
12.2	Legal Fees and Costs of Disputes.	75
12.3	Choice of Law; Waiver of Trial by Jury; Venue.	75
12.4	Benefit; Assignment.....	76
12.5	Reproduction of Documents.	76
12.6	Costs of Transaction.	76
12.7	Waiver of Breach.	76

12.8	Severability	76
12.9	No Inferences.....	77
12.10	Divisions and Headings.	77
12.11	No Third-Party Beneficiaries.....	77
12.12	Entire Agreement; Amendment.	77
12.13	Schedules and Exhibits.	77
12.14	Further Assurances.....	78
12.15	Counterparts.....	78

LIST OF SCHEDULES

<u>Schedule</u>	<u>Description of Schedule</u>
R-1	WPAHS Subsidiaries
R-2	WPAHS Affiliates
2.6(a)	Core Laboratory Assets of WPAHS
4.2(b)	WPAHS Parties' Approvals and Permits
4.2(c)	WPAHS Parties' Contractual Consents
4.3	WPAHS Parties' Subsidiaries and Minority Interests
4.4	WPAHS Parties' Third Party Rights
4.5	WPAHS Parties' Properties
4.7(b)	WPAHS Parties' Changes in Accounting Policy or Methodology
4.8	WPAHS Parties' Material Licenses
4.9	WPAHS Parties' Exceptions to Accreditation
4.10	WPAHS Parties' Government Program Participation and Reimbursement
4.11	WPAHS Parties' Compliance with Laws
4.13	WPAHS Parties' Medical Staff Matters
4.14(a)	WPAHS Parties' Intellectual Property Royalties or Other Payments
4.14(b)	WPAHS Parties' Intellectual Property Infringement
4.15	WPAHS Parties' Material Contracts
4.15(d)	WPAHS Parties' Material Contracts Subject to Restrictions
4.18(a)	WPAHS Parties' Owned Real Property
4.18(b)	WPAHS Parties' Leased Real Property
4.18(c)	WPAHS Parties' Third Party Leases

4.18(j)	WPAHS Parties' Notices of ADA Non-Compliance
4.20(d)	WPAHS Parties' Compliance with Plans and Benefit Programs and Agreements
4.20(e)	WPAHS Parties' Employee Obligations Triggered by Transaction
[4.20(f)	WPAHS Parties' Sanctions Under Section 280G, 4999 or 409A]
4.20(g)	WPAHS Parties' Employee Plan Liabilities Beyond COBRA
4.21(c)	WPAHS Parties' Compliance with Employment Laws and Collective Bargaining Matters
4.22(a)	WPAHS Parties' Litigation
4.22(b)	WPAHS Parties' Proceedings Before Governmental Authorities
4.23	WPAHS Parties' Tax Exempt Organizations
4.24	WPAHS Parties' Environmental Matters
4.26	WPAHS Parties' Tax-Exempt Bond Matters
4.27	WPAHS Parties' Taxable Debt Matters
4.28	WPAHS Parties' Absence of Material Adverse Effect
5.2(b)	Highmark and UPE Parties' Approvals and Permits
5.2(c)	Highmark and UPE Parties' Contract Consents
5.4(b)	Highmark Changes in Accounting Policy or Methodology
5.5	Highmark and UPE Parties' Regulatory Compliance
5.6	Highmark Litigation
6.1(a)(1)	WPAHS Due Diligence Update Timeline
6.1(a)(2)	WPAHS Parties' Interim Reports to Highmark
6.1(b)	Highmark Due Diligence Update Timeline
6.2	WPAHS Parties' Exceptions to Conduct of Business

6.3	WPAHS Parties' Exceptions to Negative Covenants
6.3(g)	WPAHS Parties' Agreed Capital Expenditures
8.4	Highmark and the UPE Parties' Pre-Closing Confirmations from Governmental Authorities
9.4	WPAHS Parties' Pre-Closing Confirmations from Governmental Authorities

LIST OF EXHIBITS

<u>Exhibit</u>	<u>Description of Exhibit</u>
A	Ultimate Parent Entity Articles of Incorporation
B	Ultimate Parent Entity Bylaws
C	Provider Subsidiary Articles of Incorporation
D	Form of Provider Subsidiary Bylaws
E	Form of Highmark Amended Articles of Incorporation and Bylaws
F	Form of WPAHS Parties' Amended Articles of Incorporation and Bylaws
G	Joint Committee Charter
H	Term Sheet for Loan Agreements
I	██████████ : ██████████ ██████████
J	Spending Policy for Perpetual Special Purpose Endowment Fund
K	Form of Opinion of the WPAHS Parties' Legal Counsel
L	Form of Opinion of Highmark and the UPE Parties' Legal Counsel

AFFILIATION AGREEMENT

This **Affiliation Agreement** is made and entered into to be effective as of October 31, 2011, by and among UPE, a Pennsylvania nonprofit corporation (“Ultimate Parent Entity”), UPE Provider Sub, a Pennsylvania nonprofit corporation (“Provider Subsidiary”) (collectively, the Ultimate Parent Entity and Provider Subsidiary are referred to herein as the “UPE Parties”), Highmark Inc., a Pennsylvania nonprofit corporation (“Highmark”), and West Penn Allegheny Health System, Inc., a Pennsylvania nonprofit corporation (“WPAHS”), Canonsburg General Hospital, a Pennsylvania nonprofit corporation (“Canonsburg”), Alle-Kiski Medical Center, a Pennsylvania nonprofit corporation (“Alle-Kiski”) and the other WPAHS Subsidiaries identified on Schedule R-1 (collectively, WPAHS, Canonsburg, Alle-Kiski and the other WPAHS Subsidiaries identified on Schedule R-1 are referred to herein as the “WPAHS Parties”) (the UPE Parties, Highmark and WPAHS Parties are collectively referred to herein as the “Parties” and each is referred to herein as a “Party”).

RECITALS

A. WHEREAS, WPAHS is the parent corporation of a multi-institutional nonprofit health system that provides a broad spectrum of health care services throughout western Pennsylvania up to and including quaternary health services;

B. WHEREAS, WPAHS owns and operates (a) Allegheny General Hospital which consists of the AGH Main Campus and AGH Suburban Campus, respectively, which together operate as one licensed hospital, and (b) The Western Pennsylvania Hospital which consists of the West Penn Campus and Forbes Campus, respectively, which operate as two separately licensed hospitals;

C. WHEREAS, WPAHS controls directly or indirectly various corporations, limited liability companies and other entities (collectively, the “WPAHS Subsidiaries”) that are identified on Schedule R-1, including (a) Canonsburg which operates Canonsburg General Hospital and (b) Alle-Kiski which operates Alle-Kiski Medical Center (collectively, Allegheny General Hospital, The Western Pennsylvania Hospital, Canonsburg General Hospital and Alle-Kiski Medical Center are referred to herein as “Hospitals”);

D. WHEREAS, the WPAHS Parties own certain rights, title and interests in other corporations, joint ventures, partnerships, limited liability companies and other entities (collectively, the “WPAHS Affiliates”) that are not controlled directly or indirectly by the WPAHS Parties and which are identified on Schedule R-2;

E. WHEREAS, Highmark is a leading health insurer with substantial operations throughout western Pennsylvania whose vision, mission and commitment are demonstrated to those they serve through the provision of innovative products, programs and services and community involvement;

F. WHEREAS, the Parties have indicated a desire to enter into a transaction that will: (a) allow WPAHS to strengthen its Hospitals and serve as a financially strong core for the integrated financing and delivery of health services to the community, including Highmark’s

subscribers/policyholders, with Allegheny General Hospital serving as the quaternary hub and physicians aligned with WPAHS providing clinical leadership; (b) work to preserve the operations of the WPAHS Parties as providers of high quality health care resources for the benefit of the community, including Highmark's subscribers/policyholders, by providing quality care and accessible and effective services, while operating financially and administratively within the integrated financing and delivery system of the Ultimate Parent Entity and its Affiliates; (c) facilitate funding to WPAHS to be used for certain necessary capital improvements and operating needs that will help preserve choice for patients (including Highmark subscribers/policyholders) among health care providers in the western Pennsylvania region; (d) preserve competition among health care providers that will promote the delivery of cost-effective, high-quality health care to Highmark's subscribers/policyholders and the community by allowing meaningful choices regarding where health care services can be obtained; (e) be consistent with evolving trends in the health care industry by creating a more integrated health system with greater financing and health care delivery options; and (f) enhance opportunities to more meaningfully participate in the development of health care provider and payor policy at federal and state levels;

G. WHEREAS, Ultimate Parent Entity has been formed for the purpose of facilitating the Transaction wherein Ultimate Parent Entity will become the common ultimate parent entity of Highmark and Provider Subsidiary through becoming a member of Highmark and the sole member of Provider Subsidiary;

H. WHEREAS, Provider Subsidiary has been formed for the purpose of facilitating the Transaction wherein Provider Subsidiary will become the parent entity of WPAHS; and

I. WHEREAS, the Parties intend that as a result of the Transaction, Ultimate Parent Entity will have and exercise direct control over both Highmark and Provider Subsidiary, and that in addition to Provider Subsidiary becoming the sole member of WPAHS, Provider Subsidiary will have and assume such other rights, title and interest of or relating to the WPAHS Subsidiaries, as necessary, to transfer, convey and deliver to Provider Subsidiary, direct or indirect control over both the WPAHS Subsidiaries and the respective interests of WPAHS and the WPAHS Subsidiaries in and to the WPAHS Affiliates.

NOW, THEREFORE, for and in consideration of the premises, the agreements, covenants, representations and warranties herein set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions.

In addition to the terms defined elsewhere in this Agreement, the terms defined below as used in this Agreement (including the above-referenced recitals) shall have the following meanings:

"A&M Contract" means the interim management services agreement dated October 31, 2011 between WPAHS and Alvarez & Marsal Healthcare Industry Group, LLC.

"Acquisition Proposal" is defined in Section 11.1.

"Affiliate" means, as to the Person in question, any Person that directly or indirectly controls, is controlled by, or is under common control with, the Person in question and any successors or assigns of such Person. For purposes of this definition, the term "control" (including the terms "controls", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities or otherwise.

"Agreement" means this Affiliation Agreement as amended or supplemented together with all Exhibits and Schedules attached or delivered with respect hereto or expressly incorporated herein by reference.

"Alle-Kiski" is defined in the preamble to this Agreement.

"Approval" means any approval, authorization, or consent, or any extension, modification, amendment or waiver of any of the foregoing, of or from any Governmental Authority.

"Balance Sheet Date" is defined in Section 4.7(a)(ii).

"Benefit Program and Agreement" is defined in Section 4.20(a)(ii).

"Business" means the ownership and operation of the Facilities and other WPAHS Assets, as currently conducted.

"Canonsburg" is defined in the preamble to this Agreement.

"Cash Flow" means the "total sources of cash from operations" minus the "total uses of cash from operations." "Total sources of cash from operations" means the operating income or loss with the following non-cash expense items added back to the operating income or loss: depreciation, amortization, pension expense and changes in working capital. "Total uses of cash from operations" means capital expenditures, pension funding and debt service payments.

"Closing" is defined in Section 3.1.

"Closing Date" is defined in Section 3.1.

"Code" means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations.

"Commitments" is defined in Section 6.8.

"Confidentiality Agreement" is defined in Section 11.2.

“Consent of Highmark and UPE Parties” means, as to any action requiring approval or consent of Highmark and the UPE Parties hereunder, the written approval of an authorized representative of Highmark and the UPE Parties named in a written notice identifying such representatives to WPAHS; provided that, for purposes of this definition an e-mail shall be deemed a permitted form of written approval, and further, that the approval or consent of Highmark and the UPE Parties shall be deemed to have been given if, following express withholding of approval or consent by an authorized representative of Highmark and the UPE Parties, the Joint Committee, at the written request of the Board of Directors of WPAHS and taking into consideration the purposes and operations of the WPAHS Parties as organizations described in § 501(c)(3), approves such action in the manner described in Exhibit G to this Agreement.

“Contract” means any legally binding oral or written commitment, contract, lease (including Tenant Leases and Third Party Leases), sublease, license, sublicense or other agreement of any kind (other than a Plan or Benefit Program and Agreement) relating to the Business, the WPAHS Assets or the operation thereof to which a WPAHS Party is a party or by which any of the WPAHS Assets are bound.

“default(s) in any material respect in the performance of its obligations under the Transaction Documents” is defined in Section 2.5(j).

“Effective Time” is defined in Section 3.1.

“Encumbrance” means any claim, charge, easement, encumbrance, encroachment, security interest, mortgage, lien, pledge or restriction, whether imposed by Contract, Law, equity or otherwise.

“End Date” is defined in Section 10.1(b).

“Environmental Condition” means any event, circumstance or condition related in any manner whatsoever to: (a) the current or past presence or spill, emission, discharge, disposal, release or threatened release of any hazardous, infectious or toxic substance or waste (as defined by any applicable Environmental Laws) or any chemicals, pollutants, petroleum, petroleum products or oil (“Hazardous Materials”), into the environment; (b) the on-site or off-site treatment, storage, disposal or other handling of any Hazardous Material originating on or from the Real Property; (c) the placement of structures or materials into waters of the United States; (d) the presence of any Hazardous Materials in any building, structure or workplace or on any portion of the Real Property; or (e) any violation of Environmental Laws at or on any part of the Real Property or arising from the activities of a WPAHS Party or any other Person at the Facilities involving Hazardous Materials, in each case to the extent that such condition or occurrence could reasonably be expected to result in liability pursuant to applicable Environmental Laws.

“Environmental Laws” means all Laws relating to pollution or the environment, including the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9601, et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 9601, et seq.; the Clean Air Act, 42 U.S.C. § 7401; Occupational Safety and Health

Act, 29 U.S.C. § 600, *et seq.*; and all other Laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, chemicals, pesticides, or industrial, infectious, toxic or hazardous substances or wastes into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or otherwise relating to the processing, generation, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, chemicals, or industrial, infectious, toxic, or hazardous substances or wastes.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” is defined in Section 4.20(c).

“Executive Employees” with respect to any Party shall mean each of the persons then serving as the Chief Executive Officer, Chief Financial Officer, Chief Legal Officer, Chief Information Officer, Chief Medical Officer, Chief Human Resources Officer and Chief Compliance Officer, or in a similar capacity by whatever title.

“Exhibits” means the exhibits to this Agreement.

“Facilities” means (a) the Hospitals, and (b) any other health care facility, health care operations or physician practice owned or operated by the WPAHS Parties.

“Fifth Funding Commitment” is defined in Section 2.5(e).

“For Cause” is defined in Section 2.4.3.

“Fourth Funding Commitment” is defined in Section 2.5(d).

“FTC” means the Federal Trade Commission.

“FTC Red Flags Rule” shall mean the regulations set forth in 16 C.F.R. Part 681.

“Funding Commitment” is defined in Section 2.5.

“Funding Deployment Plan” is defined in Section 2.5(d)(i).

“GAAP” means United States generally accepted accounting principles and practices as in effect from time to time.

“Government Programs” means Medicare, Medicaid, and CHAMPUS/TRICARE.

“Governmental Authority” means any government or any agency, bureau, board, directorate, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local, domestic or foreign.

“Hazardous Materials” is defined in the definition of Environmental Condition.

“Highmark” is defined in the preamble to this Agreement.

“Highmark Due Diligence Information” means all documents, materials and information regarding or otherwise related to Highmark or the UPE Parties that Highmark or any one of the UPE Parties have provided or will provide to any one of the WPAHS Parties (or its representatives) in connection with the WPAHS Parties’ review and analysis of the Transaction or Highmark and the UPE Parties, regardless of whether such provision was pursuant to the Confidentiality Agreement, Term Sheet, this Agreement or otherwise and regardless of whether any one of the WPAHS Parties has specifically requested such documents, materials and information at any time.

“Highmark Historical Financial Information” is defined in Section 5.4(a).

“Highmark Material Adverse Effect” means any change, fact, occurrence or event that, individually or in the aggregate with all other changes, facts, occurrences or events, has or is reasonably likely to have a material adverse effect on the ability of Highmark and the UPE Parties to either consummate the Transaction or pay the Funding Commitment under this Agreement; provided, however, that in no event shall any of the following be deemed to constitute a Highmark Material Adverse Effect: (i) events, changes, conditions, or effects generally adversely affecting the United States economy as a whole or the health care or insurance industries (including any changes to GAAP, SAP or regulatory accounting principles generally applicable to such industries) in each case which do not disproportionately impact Highmark and the UPE Parties relative to other Persons operating in the same industries; (ii) regional, national or international political or social events, changes, conditions or effects, including those attributable to acts of war, terrorism, or the outbreak of hostilities, in each case which do not disproportionately impact Highmark and the UPE Parties relative to other Persons operating in the same industries; (iii) the announcement or pendency of the Transaction or any agreements contemplated by this Agreement, excluding any government investigations resulting therefrom; and (iv) material changes in Laws which do not disproportionately impact Highmark and the UPE Parties relative to other Persons operating in the same industries.

“Highmark Material Defaults” are as defined in Section 2.5(j).

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, and its implementing regulations.

“Hospitals” is defined in the recitals to this Agreement.

“Immigration Act” means the Immigration Reform and Control Act of 1986, as amended.

“Information Privacy or Security Laws” means HIPAA and any other Law concerning the privacy or security of Personal Information, including state data breach notification laws, state health information privacy laws, the FTC Act, the FTC Red Flags Rule and state consumer protection laws.

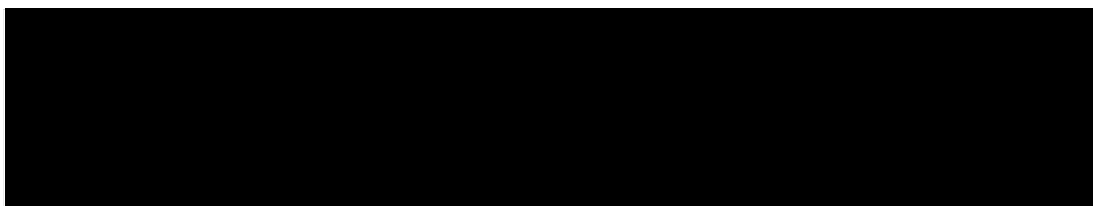
“Initial Allocation Statement” is defined in Section 2.9(a).

“Initial Funding Commitment” is defined in Section 2.5(a).

“Insurance Commissioner” means the Commissioner of the Pennsylvania Insurance Department.

“Intellectual Property” means all intellectual property rights of any kind or nature, however, denominated, throughout the world, including, without limitation such intellectual property rights as may be established or perfected under federal, state, provincial, or foreign and multinational laws, including patents, trademarks, trade names, service marks, symbols, along with the goodwill associated therewith, and all common-law rights relating thereto, copyrights and any applications therefor, mask works, net lists, schematics, technology, know-how, trade secrets, ideas, algorithms, processes, data, internet domain names, computer software programs (not including off-the-shelf computer software) and applications (in both source code and object code form), tangible or intangible proprietary information or material, and all choses-in-action arising from or related to the foregoing.

“Joint Committee” is defined in Section 2.5(a).



“Justice Department” means the United States Department of Justice.

“Knowledge” when used in the context of knowledge of any of the UPE Parties means the knowledge of any Executive Employee of the UPE Parties within the scope of his or her responsibility after reasonable inquiry of those employees known to such Executive Employee to have specialized knowledge of the subject matter in question. **“Knowledge”** when used in the context of knowledge of Highmark means the knowledge of any Executive Employee of Highmark within the scope of his or her responsibility after reasonable inquiry of those employees known to such Executive Employee to have specialized knowledge of the subject matter in question. **“Knowledge”** when used in the context of knowledge of any of the WPAHS Parties means the knowledge of any Executive Employee of the WPAHS Parties within the scope of his or her responsibility after reasonable inquiry of those employees known to such Executive Employee to have specialized knowledge of the subject matter in question.

“Law” means any constitutional provision, statute, law, rule, regulation, code, ordinance, resolution, Order, ruling, promulgation, published policy or guideline, or treaty directive adopted or issued by any Governmental Authority.

“Leased Real Property” means all real property leased, subleased or licensed to, or for which a right to use or occupy has been granted to, a WPAHS Party.

“Loan” and **“Loans”** are defined in Section 2.5(f).

“Loan Agreement” and **“Loan Agreements”** are defined in Section 2.5(g).



“Long-Term Indebtedness” has the same meaning as the same term in the Master Indenture.

Master Indenture means the Master Indenture of Trust dated as of May 1, 2007, as amended and supplemented, among WPAHS, certain other corporations comprising the initial Members of the Obligated Group, and UMB Bank, as successor to The Bank of New York Mellon Trust Company, N.A., as Master Trustee.

“Material Contracts” is defined in Section 4.15.

“Neutral Auditor” is defined in Section 2.9(b).

“Non-Perpetual WPAHS Representative Designees” is defined in Section 2.4.3.

“Notice” means any notice, statement, filing or other communication to be filed with or delivered to any Governmental Authority.

“Obligations” has the same meaning as the same term in the Master Indenture.

“OFAC” is defined in Section 4.18(g).

“OIG” means the United States Department of Health and Human Services Office of the Inspector General.

“Order” means any judgment, order, writ, injunction, decree, determination, or award of any Governmental Authority.

“Owned Real Property” means all real property owned by a WPAHS Party, together with the interest of any WPAHS Party as landlord in all leases and subleases therein, improvements, buildings or fixtures located thereon or therein, all easements, rights of way, and other appurtenances thereto (including appurtenant rights in and to public streets), all transferable architectural plans or design specifications relating to the development thereof, and all claims and recorded or unrecorded interests therein, including any and all options, rights of first refusal and other rights to acquire real property.

“Party” and **“Parties”** are defined in the preamble to this Agreement.

“PBGC” is defined in 4.18(d)(v).

“Permit” means any license, permit, registration or certificate required to be issued or granted by any Governmental Authority.

“Permitted Encumbrances” means (a) zoning and building laws, ordinances, resolutions and regulations, (b) liens for Taxes not due and payable on or before the Effective Time, or being contested in good faith by appropriate proceedings, (c) such other title and survey matters that are shown on any Commitments obtained by Highmark or the UPE Parties (copies of which Commitments and any updates thereto shall be delivered to the WPAHS Parties by Highmark or the UPE Parties, as applicable, upon receipt), (d) liens that individually or in the

aggregate do not materially detract from the value of, or impair in any material manner the use of the Real Property or other WPAHS Assets and (e) Permitted Liens.

"Permitted Liens" means (a) those liens or other actions or circumstances which qualify under the definition of the same term in the Master Indenture; and (b) those liens identified in the lien searches performed by CT Corporation in August 2011 (all of which qualify as Permitted Liens as defined in the Master Indenture) and provided in the WPAHS Due Diligence Information prior to the execution of this Agreement.

"Perpetual WPAHS Representative Designees" is defined in Section 2.4.3.

"Perpetual WPAHS Representative Percentage" is defined in Section 2.4.3

"Person" means an individual, association, corporation, limited liability company, partnership, limited liability partnership, trust, Governmental Authority or any other entity or organization.

"Personal Information" means any information that can reasonably be used to identify an individual, including "individually identifiable health information" as defined in 45 C.F.R. 160.103, demographic information, and social security numbers.

"Personal Property" means all tangible and intangible personal property owned, leased or used or held for use by the WPAHS Parties in connection with the Business, including all equipment, furniture, fixtures, machinery, vehicles, office furnishings, instruments, leasehold improvements, spare parts, and all rights in all warranties of any manufacturer or vendor with respect thereto.

"Plan" is defined in Section 4.20(a)(i).

"Proceeding" means any action, arbitration, hearing, litigation, suit or other similar proceeding by or before a Governmental Authority.

"Program Agreements" is defined in Section 4.10.

"Provider Subsidiary" is defined in the preamble to this Agreement.

"Real Property" means the Owned Real Property and the Leased Real Property.

"Representation Basket Amount" is defined in Section 8.1(b).

"Requested Contracts" has the meaning set forth in Section 4.15.

"SAP" means the statutory accounting principles that are prescribed by the Accounting Practices and Procedures Manuals published by the National Association of Insurance Commissioners, subject to any additional or amended requirements provided by statutes,

regulations, orders or rulings of a Governmental Authority in the Commonwealth of Pennsylvania, including the Pennsylvania Insurance Department.

“Schedules” means the disclosure schedules to this Agreement.

“Second Funding Commitment” is defined in Section 2.5(b).

“Section 6.11(b) Action” is defined in Section 6.11(b).

“Senior Loans” is defined in Section 2.5(f).

“Stark Law” is defined in Section 4.11(b).

“Subordinated Indebtedness” has the same meaning as the same term in the Master Indenture.

“Tax-Exemption Arbitrator” is defined in Section 6.11(b).

“Tax-Exempt Obligations” is defined in Section 2.5(f).

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

“Taxes” means any and all federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, ad valorem, hospital, provider, unclaimed property, transfer, franchise, profits, license, lease, rent, service, service use, withholding, payroll, employment, excise, severance, privilege, stamp, occupation, premium, property, windfall profits, alternative minimum, estimated, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever imposed by any Governmental Authority, together with any interest and any penalties, additions to tax or additional amounts with respect thereto.

“Tenant Lease” means any lease, sublease, license or other contractual obligation pursuant to which a WPAHS Party, as tenant or subtenant, currently leases, subleases, licenses or otherwise occupies all or some portion of the Leased Real Property.

“Third Funding Commitment” is defined in Section 2.5(c).

“Third Party Lease” means any lease, sublease, license or other contractual obligation pursuant to which a WPAHS Party, as landlord or sublandlord, currently leases, subleases, licenses or otherwise grants to a third party a right to use all or some portion of the Real Property.

“Title Company” is defined in Section 6.8.

“Title Policy” is defined in Section 6.8.

“Title IV Plan” is defined in Section 4.20(d)(v).

“Transaction” means, collectively, the transactions contemplated by or related to this Agreement, including those described in Article 2.

“Transaction Documents” means this Agreement, the Loan Agreements, the Confidentiality Agreement [REDACTED] [REDACTED] [REDACTED] [REDACTED].

“Treasury Regulations” means the income tax regulations promulgated under the Code.

“Ultimate Parent Entity” is defined in the preamble to this Agreement.

“UPE Parties” is defined in the preamble to this Agreement.

“WPAHS” is defined in the preamble to this Agreement.

“WPAHS Affiliates” is defined in the recitals to this Agreement.

“WPAHS Assets” means all assets of every description, whether real, personal or mixed, tangible or intangible, owned by any of the WPAHS Parties whether used in the operation of the Business or otherwise.

“WPAHS Category I Material Defaults” are as described in Section 2.5(k).

“WPAHS Category II Material Defaults” are as described in Section 2.5(k).

“WPAHS Due Diligence Information” means all documents, materials and information regarding or otherwise related to the WPAHS Parties that any one of the WPAHS Parties have provided or will provide to Highmark (or its representatives) in connection with Highmark’s review and analysis of the Transaction or the WPAHS Parties, regardless of whether such provision was or will be pursuant to the Confidentiality Agreement, Term Sheet, this Agreement or otherwise and regardless of whether Highmark has specifically requested such documents, materials and information at any time.

“WPAHS Historical Financial Information” is defined in Section 4.7(a).

“WPAHS Intellectual Property” means all Intellectual Property to the extent owned, licensed or used by the WPAHS Parties.

“WPAHS Material Adverse Effect” means any change, fact, occurrence or event that, individually or in the aggregate with all other changes, facts, occurrences or events, (a) has or is reasonably likely to have a material adverse effect on the ability of the WPAHS Parties to consummate the Transaction or (b) has or is reasonably likely to have a material adverse effect on the condition (financial or otherwise) of the operations, results of operations, properties, or assets of the WPAHS Parties; provided, however, that in no event shall any of the following be deemed to constitute a WPAHS Material Adverse Effect: (i) events, changes, conditions, or effects generally adversely affecting the United States economy as a whole or the health care industry (including any changes to GAAP) in each case which do not disproportionately impact the WPAHS Parties relative to other Persons operating in the same industry; (ii) regional, national or international political or social events, changes, conditions or effects, including those

attributable to acts of war, terrorism, or the outbreak of hostilities, in each case which do not disproportionately impact the WPAHS Parties relative to other Persons operating in the same industry; (iii) the announcement or pendency of the Transaction or any agreements contemplated by this Agreement, excluding any government investigations resulting therefrom; (iv) material changes in Laws which do not disproportionately impact the WPAHS Parties relative to other Persons operating in the same industry; and (v) any acts or omissions the material and adverse effects of which resulted directly from any Consent of Highmark or any withholding thereof (except where such withholding has been overruled by action of the Joint Committee).

“WPAHS Parties” is defined in the preamble to this Agreement.

“WPAHS Representatives” is defined in Section 2.4.3.

“WPAHS Subsidiaries” is defined in the recitals to this Agreement.

“WPAHS Tax-Exempt Bond Documents” is defined in Section 4.26.

“WPAHS Tax-Exempt Bonds” is defined in Section 2.8.

“WPAHS Taxable Debt” is defined in Section 4.27.

“WPAHS Taxable Debt Documents” is defined in Section 4.27.

1.2 Interpretation.

In this Agreement, unless the context otherwise requires:

- (a) references to this Agreement are references to this Agreement and the Schedules and Exhibits; each Schedule and Exhibit is hereby incorporated by reference into this Agreement and will be considered a part hereof as if fully set forth herein;
- (b) references to Sections are references to sections of this Agreement;
- (c) references to any Party to this Agreement shall include references to its respective successors and permitted assigns;
- (d) the terms “hereof,” “herein,” “hereby” and derivative or similar words will refer to this entire Agreement;
- (e) references to any document (including this Agreement) are references to that document as amended, consolidated or supplemented by the Parties from time to time;
- (f) unless the context requires otherwise, references to any Law are references to that Law as of the Closing Date, and shall also refer to all rules and regulations promulgated thereunder;

- (g) the word “including” shall be interpreted to mean including without limitation;
- (h) references to time are references to Eastern Standard or Daylight time (as in effect on the applicable day) unless otherwise specified herein;
- (i) the gender of all words herein includes the masculine, feminine and neuter, and the number of all words herein includes the singular and plural;
- (j) the terms “date hereof,” “date of this Agreement” and similar terms shall mean the date first written above; and
- (k) the phrases “Parties have delivered,” “Parties have provided,” “Parties have made available” and phrases of similar import shall mean that, prior to the date hereof, the applicable Parties have either (i) delivered to the other Parties a hard or electronic copy of the document or information in question or (ii) made such document or information available to the other Parties via an electronic data room.

ARTICLE 2 TRANSACTION STRUCTURE AND FUNDING COMMITMENTS

2.1 Formation; Articles of Incorporation and Bylaws.

- (a) Ultimate Parent Entity was formed on October 20, 2011, by the filing of Articles of Incorporation with the Pennsylvania Department of State in the form attached to this Agreement as Exhibit A. The Bylaws of Ultimate Parent Entity were adopted by the Ultimate Parent Entity Board of Directors in the form attached to this Agreement as Exhibit B. Ultimate Parent Entity is a Pennsylvania nonprofit corporation without members.
- (b) Provider Subsidiary was formed on October 20, 2011, by the filing of Articles of Incorporation with the Pennsylvania Department of State in the form attached hereto as Exhibit C. The Bylaws of Provider Subsidiary shall be adopted or amended as of the Effective Time to be in the form attached to this Agreement as Exhibit D. Provider Subsidiary is a Pennsylvania nonprofit corporation with Ultimate Parent Entity as its sole member.
- (c) WPAHS and Highmark agree that prior to or as of the Closing of the Transaction (i) the WPAHS Board of Directors shall take such action as may be necessary or appropriate to restructure WPAHS to be a Pennsylvania nonprofit corporation with members, and (ii) the Highmark Board of Directors shall take such action as may be necessary or appropriate to restructure Highmark to be a Pennsylvania nonprofit corporation with two classes of members. As set forth in more detail in Section 2.2 and Section 2.3 below, the structure of the Transaction and the resulting allocation of corporate governance authority relating to the Parties will be facilitated by (A) WPAHS creating a new class of membership and the Provider Subsidiary becoming the

sole member of WPAHS, and (B) Highmark creating a new class of membership and the Ultimate Parent Entity becoming one class of Highmark members, with the other class of members continuing to be comprised of the directors of Highmark, who shall have the right, power and duty to determine the requisites for persons of low income eligible for benefits under Highmark's health care plans, subject to the Approval of the Insurance Commissioner, and such other rights as may be required by applicable Law.

2.2 Implementation of Affiliation Structure.

- (a) Subject to the terms and conditions of this Agreement, effective as of the Closing the WPAHS Parties shall take or cause to be taken all such actions as may be necessary or appropriate to ensure that Provider Subsidiary will become the sole member of WPAHS and WPAHS will become a direct, wholly controlled subsidiary of Provider Subsidiary as of the Effective Time with all the WPAHS Subsidiaries and the WPAHS Affiliates (to the extent of the interests of WPAHS and the WPAHS Subsidiaries) becoming part of the integrated financing and delivery system of the Ultimate Parent Entity and its Affiliates. None of Ultimate Parent Entity, Provider Subsidiary or Highmark will assume or become liable for, and WPAHS, each WPAHS Subsidiary and each WPAHS Affiliate shall respectively retain, and thereafter remain responsible for paying when due, their respective debts, obligations and liabilities as they exist before, as of, or at any time after the Effective Time.
- (b) Subject to the terms and conditions of this Agreement, effective not later than the Closing, Highmark shall take or cause to be taken all such actions as may be necessary to ensure that Ultimate Parent Entity becomes a member of Highmark, as described in Section 2.1(c). Highmark will become a direct subsidiary of Ultimate Parent Entity as of the Effective Time with all assets and operations of Highmark part of the integrated financing and delivery system of the Ultimate Parent Entity and its Affiliates. None of Ultimate Parent Entity, Provider Subsidiary or WPAHS will assume or become liable for, and Highmark shall retain, and thereafter remain responsible for paying when due, its respective debts, obligations and liabilities as they exist before, as of, or at any time after the Effective Time.

2.3 Amendment of Articles and Bylaws.

Highmark agrees to take such actions as shall be necessary to amend its Bylaws to identify Ultimate Parent Entity as the sole holder of a class of Highmark membership as indicated in Exhibit E. The WPAHS Parties agree to take such actions as shall be necessary to amend their respective Articles of Incorporation and Bylaws (or other comparable organizational documents) to include the reserved powers to be held by Ultimate Parent Entity or Provider Subsidiary, as the case may be, and to otherwise be in the form attached hereto as Exhibit F (or in the case of the WPAHS Subsidiaries include those prototype governance document provisions substantially in the form set forth in the excerpt included as Exhibit F). Notwithstanding any other provision of this Agreement, the Parties agree and acknowledge that certain corporate

powers related to WPAHS and the WPAHS Subsidiaries will be reserved to the Ultimate Parent Entity and Provider Subsidiary, as set forth in Exhibit F.

2.4 Governance Structure and Board Composition.

2.4.1 Ultimate Parent Entity Board of Directors.

The structure and composition of the Ultimate Parent Entity Board of Directors as of the Effective Time shall be as provided in Exhibit B. All such Directors shall serve in office in accordance with the Ultimate Parent Entity's Articles of Incorporation and corporate Bylaws.

2.4.2 Provider Subsidiary Board of Directors.

The Ultimate Parent Entity shall have the sole and exclusive right to elect the individuals who will serve on the initial Board of Directors of the Provider Subsidiary and upon commencing their service on the Provider Subsidiary Board of Directors, such Directors shall serve in office in accordance with the Provider Subsidiary's Articles of Incorporation and corporate Bylaws. The structure and composition of the Provider Subsidiary Board of Directors as of the Effective Time shall be as provided in Exhibit D, which reflects that at least one community representative on the initial Provider Subsidiary's Board of Directors will be designated by WPAHS. Upon the completion of the Transaction, the Ultimate Parent Entity will have such reserved powers relative to the Provider Subsidiary as shall be set forth in the corporate Bylaws of the Provider Subsidiary, including the power to appoint and remove Directors serving on the Provider Subsidiary's Board of Directors, subject to the terms and conditions herein and therein related to the WPAHS Representatives.

2.4.3 WPAHS Board of Directors.

The structure and composition of the WPAHS Board of Directors as of the Effective Time shall be as set forth in Exhibit E, which reflects that at least forty percent (40%) of the initial post-Closing WPAHS Board of Directors shall consist of community representatives and physicians affiliated with WPAHS prior to or as of the Effective Time (the "WPAHS Representatives"). Certain of the WPAHS Representatives (the "Perpetual WPAHS Representative Designees") will be designated to serve on the initial post-Closing WPAHS Board of Directors by the pre-Closing WPAHS Board of Directors, while other WPAHS Representatives (the "Non-Perpetual WPAHS Representative Designees") will be elected to serve on the initial post-Closing WPAHS Board of Directors by the Ultimate Parent Entity, after consultation with WPAHS prior to Closing. The Perpetual WPAHS Representative Designees shall consist of twenty five percent (25%) (or such other percentage that is as close as practicable but not less than twenty five percent (25%)) (the "Perpetual WPAHS Representative Percentage") of the post-Closing WPAHS Board of Directors. Neither the Ultimate Parent Entity nor Provider Subsidiary shall have any power or authority to designate or remove any of the Perpetual WPAHS Representative Designees or their successors in perpetuity, and none of the Perpetual WPAHS Representative Designees or their successors in perpetuity, shall be a trustee, director, agent or employee of the Ultimate Parent Entity, Provider Subsidiary, or any of their respective related entities (except for the fact that the Perpetual WPAHS Representative Designees and their successors in perpetuity will serve on the WPAHS Board of Directors). As

set forth in more detail in Exhibit F, the Perpetual WPAHS Representative Designees shall be a self-perpetuating class of WPAHS directors such that the designation or election (including the filling of vacancies) and the removal of directors within such self-perpetuating class shall be within the exclusive control and power of the Perpetual WPAHS Representative Designees or their successors in perpetuity. In the future event that the number of directors serving on the WPAHS Board of Directors changes, the number of Perpetual WPAHS Representative Designees shall increase or decrease, as necessary, to assure compliance with the Perpetual WPAHS Representative Percentage which shall remain constant. The Non-Perpetual WPAHS Representative Designees shall not be subject to removal from office for a period of four (4) years following the Closing (unless such removal is For Cause as defined below). The successor(s) to serve the balance of any remaining term of service of any Non-Perpetual WPAHS Representative Designee shall be elected by the Ultimate Parent Entity from nominee(s) identified by the remaining WPAHS Representatives. Upon the completion of the Transaction, the Ultimate Parent Entity and Provider Subsidiary Boards of Directors will have such reserved powers relative to WPAHS as shall be set forth in the corporate Bylaws of WPAHS. As used in this Section 2.4.3, the term “For Cause” shall have the meaning set forth in the corporate Bylaws of WPAHS set forth in Exhibit F.

2.5 Funding and Other Commitments.

Subject to the terms and conditions of this Agreement, in reliance on the representations and warranties as of the date hereof and as of the Closing Date, and on the covenants and agreements of the WPAHS Parties set forth herein, and to ensure that Highmark’s subscribers/policyholders will continue to have meaningful choices in where they obtain their health care services by preserving the continued operation of the Facilities operated by the WPAHS Parties as health care resources for the benefit of the community, the Parties agree and acknowledge that, to the extent set forth below, Highmark has provided and will provide to WPAHS, funding in an aggregate amount not to exceed \$400 million (the “Funding Commitment”), further subject to the following:

- (a) It is agreed and acknowledged that on June 28, 2011, Highmark made an unrestricted payment of \$50 million to WPAHS (the “Initial Funding Commitment”) to be used as determined by a joint committee of individuals selected from the current members of the Boards of Directors of Highmark and WPAHS (the “Joint Committee”) for, among other purposes, making capital improvements at, and funding continuing operations of the Western Pennsylvania Hospital, and funding improvements at Forbes Regional Hospital. Highmark and WPAHS further agree that the Initial Funding Commitment was paid to WPAHS to ensure the continued financial viability of the operations of the WPAHS Parties. As more specifically described in Exhibit G, the purposes of the Joint Committee are (i) to exercise that level of oversight with regard to the Initial Funding Commitment, the Second Funding Commitment and the Third Funding Commitment to help assure the preservation of the WPAHS Assets through the Closing of the Transaction and (ii) to resolve differences between the Parties in certain instances where either the Consent of Highmark and the UPE Parties is withheld as described in the Section 1.1 definition of “Consent of Highmark and UPE Parties” or as

described in Section 6.11(b). A charter document setting forth the purposes, composition, term of existence, and meeting and voting requirements of the Joint Committee is set forth as Exhibit G;

- (b) Highmark will make an additional unrestricted payment of \$100 million (the "Second Funding Commitment") to WPAHS upon execution of this Agreement. The funds paid in the Second Funding Commitment shall be subject to the provisions subsections (d), (g), (i), (j), and (k) of this Section 2.5;
- (c) Provided that WPAHS shall not then be in default in any material respect, an additional \$50 million (the "Third Funding Commitment") will be made available to WPAHS by Highmark on the date that is one hundred eighty (180) days after the execution of this Agreement in accordance with and subject to the applicable terms of this Section 2.5. The funds made available in the Third Funding Commitment shall be subject to the provisions of subsections (d), (g), (i), (j) and (k) of this Section 2.5;
- (d)
 - (i) Within sixty (60) days after the date of this Agreement, an implementation plan will be jointly developed by senior management or designated representatives of WPAHS and Highmark (as may be amended from time to time, the "Funding Deployment Plan") that will provide for the deployment of the funds paid and expected to be paid by Highmark to WPAHS pursuant to the Second Funding Commitment and the Third Funding Commitment, respectively. Eligible uses of the funds to be set forth in the Funding Deployment Plan and any modification thereof shall be limited to those expenditures that are consistent with the purposes and operations of the WPAHS Parties as organizations described in § 501(c)(3) of the Code, shall give priority to the funding of operating losses of the WPAHS Parties over any other uses of funds, and to prevent or cure any default under the Master Indenture;
 - (ii) After the initial Funding Deployment Plan has been finalized, all proposals to modify such plan shall be as agreed upon by the senior management or designated representatives of WPAHS and Highmark and implemented as an amendment of the Funding Deployment Plan without further action, it being understood that agreement to modifications providing for the funding of operating losses from the Second Funding Commitment and the Third Funding Commitment may not be withheld or conditioned;
 - (iii) In the event that the senior management or designated representatives of WPAHS and Highmark cannot agree on a proposed modification to the Funding Deployment Plan with respect to use of funds other than in connection with operating losses, then either WPAHS or Highmark may submit the matter to the Joint Committee for its review and consideration subject to the limitations on expenditures and funding priorities set forth in

Section 2.5(d)(i) above. The Joint Committee shall be authorized to either approve or reject the proposed modification in accordance with procedures set forth in the charter of the Joint Committee attached as Exhibit G. In the event that the deliberations of the Joint Committee do not result in a majority vote in favor of the proposed modification, then the vote shall fail and the proposed modification shall not become part of the Funding Deployment Plan, and no portion of the Second Funding Commitment or the Third Funding Commitment will be spent in furtherance of such modification except to fund operating losses or to prevent or cure a default under the Master Indenture. For the absence of doubt, if the disputed modification relates to an amount allocated to other uses in the Funding Deployment Plan, it shall not be considered a breach of this Agreement or the Funding Deployment Plan if such expenditure is held in abeyance between the time the matter is submitted to the Joint Committee and resolution of the matter by the Joint Committee by majority vote;

- (iv) Nothing in this Section 2.5(d) shall limit the application of Section 2.5(g)(i) to fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment; and
- (v) Nothing in this Section 2.5(d) shall be interpreted as creating any obligation or commitment on the part of Highmark to increase the amount of either the Second Funding Commitment or the Third Funding Commitment, respectively, beyond those amounts set forth in Sections 2.5(b) and 2.5(c).
- (e) An additional \$100 million (the "Fourth Funding Commitment") will be made available to WPAHS by Highmark in accordance with and subject to the applicable terms of this Section 2.5 on the later of (i) the Closing Date or (ii) April 1, 2013, provided that the Closing of the Transaction has occurred prior to April 1, 2013; and provided further, however, that if this Agreement shall have been terminated on or prior April 1, 2013, Highmark will have no obligation to make any such Fourth Funding Commitment. The Fourth Funding Commitment amount will be used in accordance with a funding deployment plan and budget to be developed by WPAHS at least ninety (90) days prior to the projected payment date which shall be subject to Highmark's approval, which approval shall not be unreasonably withheld, conditioned, or delayed;
- (f) (i) Subject to Section 2.5(f)(ii), an additional \$100 million (the "Fifth Funding Commitment") will be made available to WPAHS by Highmark in accordance with and subject to the applicable terms of this Section 2.5 on the later of (A) the Closing Date or (B) April 1, 2014, provided that the Closing of the Transaction has occurred prior to April 1, 2014; and provided further, however, that if this Agreement shall have been terminated on or prior to April 1, 2014, Highmark will have no obligation to make any such Fifth Funding Commitment. The Fifth Funding

Commitment will be used in accordance with a funding deployment plan and budget to be developed by WPAHS at least ninety (90) days prior to the projected payment date which shall be subject to Highmark's approval, which approval shall not be unreasonably withheld, conditioned, or delayed; and

- (ii) In the event that as of the Effective Time, the aggregate amounts (if any) that the WPAHS' Parties have expended in connection with the Representation Basket Amount to remediate any condition or circumstance described in Section 8.1(b)(i), (ii) or (iii) exceed \$35 million, Highmark and WPAHS agree that at the time Highmark extends the Fifth Funding Commitment, the amount of the Fifth Funding Commitment may be reduced by the aggregate amount of such actual expenditures in excess of \$35 million made by the WPAHS Parties that were applied to the Representation Basket Amount after the above-referenced \$35 million threshold was met. In no event shall such reduction of the Fifth Funding Commitment exceed \$15 million.
- (g) Fifty percent (50%) of the amount provided to WPAHS in respect of the Second Funding Commitment and any amounts provided to WPAHS in respect of the Third Funding Commitment, Fourth Funding Commitment and Fifth Funding Commitment will be provided in the form of loans from Highmark to WPAHS (each a "Loan," and collectively, the "Loans").
 - (i) Fifty percent (50%) of the amount provided to WPAHS in respect of the Second Funding Commitment and the entire Third Funding Commitment shall be unsecured Loans, subject to Section 2.5(k)(B). To the extent permitted under the Master Indenture, the Loans constituting the Fourth Funding Commitment and the Fifth Funding Commitment shall be issued by WPAHS as Long-Term Indebtedness, evidenced by one or more Obligations issued to Highmark under the Master Indenture (the "Senior Loans"). Any amounts in excess of the Senior Loans shall be issued by WPAHS to Highmark as Subordinated Indebtedness under the Master Indenture. All such Loans shall be repayable as will be set forth in loan agreements (each a "Loan Agreement," and collectively, the "Loan Agreements") that will contain the terms set forth in the term sheet attached as Exhibit H, taking into account Master Indenture covenant compliance, and, if applicable, federal and state Law governing Tax-Exempt Obligations (as defined in subsection (ii) below). The Loan Agreements pertaining to fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment shall expressly provide that in the event WPAHS defaults in any material respect in the performance of its obligations under the Transaction Documents, all amounts outstanding under such Loan Agreements shall be accelerated and repaid in accordance with the schedule and subject to such terms as are set forth on Exhibit H, subject to Section 2.5(j).

- (ii) To the extent permitted by Law, the portions of such Loans that are allocable to expenditures eligible to be financed or refinanced as obligations the interest on which is excludable from federal income tax under § 103(a) of the Code as “qualified 501(c)(3) bonds” under § 145 of the Code (“Tax-Exempt Obligations”) may be made or refinanced as Tax-Exempt Obligations at Highmark’s election, subject to the further conditions set forth below in this subsection (ii). In furtherance of such objective, WPAHS agrees that it shall use reasonable efforts to adopt appropriate reimbursement resolutions under Treasury Regulation § 1.150-2 prior to making any capital expenditures intended to be financed or refinanced as Tax-Exempt Obligations with the proceeds of any of such Loans. Nothing in this subsection (ii) shall be construed to require expenditure of funds of WPAHS on capital items or to limit the use of funds provided under the Second Funding Commitment or the Third Funding Commitment for operating losses. If Highmark exercises its election, Highmark agrees to acquire such Tax-Exempt Obligations from the governmental issuer thereof in certificated form, for its own account and not for resale, in a transaction exempt from securities registration requirements, and to remain the sole holder thereof to maturity or prepayment. All costs of issuance of such Tax-Exempt Obligations shall be paid by Highmark.
- (iii) Notwithstanding the foregoing, if this Agreement is terminated without the consummation of the Transaction and WPAHS shall not have defaulted in any material respect in the performance of its obligations under the Transaction Documents (unless any such default has been either expressly waived in writing by Highmark or cured pursuant to Section 2.5(k)), the fifty percent (50%) of the Second Funding Commitment provided to WPAHS in the form of a Loan and the entire \$50 million of the Third Funding Commitment shall convert from Loans to unrestricted payments to WPAHS and shall not be repayable to Highmark by WPAHS and all related loan agreements, master indenture obligations, security interests and covenants shall be deemed to be fully satisfied and discharged;
- (h) Notwithstanding anything to the contrary set forth herein, the amount which will be made available to WPAHS in respect of the Fourth Funding Commitment and Fifth Funding Commitment will be reduced by the amount of positive Cash Flow of the WPAHS Parties on a consolidated basis;
- (i) Without limitation of any other provision set forth herein, it will be a condition to Highmark’s obligation to make any portion of the Funding Commitment available to WPAHS that one designated representative of Highmark (which designated representative may have an alternate in Highmark’s discretion) be granted the right to attend and observe (but not participate in unless specifically requested by WPAHS) each regular or special meeting of the Boards of Directors of WPAHS, Canonsburg and Alle-Kiski and the Executive Committee, Finance and Operating Committee, Audit

and Compliance Committee, Investment Committee, and other standing or special committees of WPAHS (excluding the “Highmark Transaction Committee,” the sole purpose of which is to focus on confidential and proprietary matters covered by this Agreement) prior to the Effective Time (except that such attendance and observation rights shall not extend to Board and Committee discussions if (i) such rights are not permitted by applicable Law; (ii) such discussions address payor agreements and payor strategy; (iii) such discussions relate to the Transaction; or (iv) required to preserve the privilege of attorney-client communications);

- (j) For purposes of this Section 2.5, a “Highmark Material Default” shall refer to those instances where Highmark or a UPE Party:
- (i) (A) by its intentional interference with the related regulatory proceedings, shall have caused the failure of any material Approval or Permit necessary for any WPAHS Party to consummate the Transaction to be issued or (B) by its intentional, persistent and continuing failure to exercise reasonable efforts to obtain any material Approval or Permit or issue any material Notice, shall have failed to obtain such material Approval or Permit or issue such material Notice necessary for Highmark or any UPE Party to consummate the Transaction;
 - (ii) fraudulently or willfully materially misrepresented to WPAHS its financial ability to consummate the Transaction or extend the Funding Commitment;
 - (iii) failed to perform its commitments and obligations set forth in Sections 2.2(b), 2.3 or 2.6(c)(ii) of this Agreement;
 - (iv) attempted to unilaterally terminate the Agreement, except as specifically permitted by Section 10.1(d); or
 - (v) by its intentional, persistent and continuing failure to comply with the applicable Laws pertaining to the organization or operation of an organization described in § 501(c)(3) of the Code as they apply to the WPAHS Parties, shall have caused the IRS to notify a WPAHS Party in writing that a WPAHS Party listed on Schedule 4.23 will no longer qualify as an organization described in § 501(c)(3) of the Code, and Highmark and the UPE Parties shall have failed to take reasonable steps in response to such written notice from the IRS.

If any such Highmark Material Default shall have continued unremedied for a period of thirty (30) days after written notice from WPAHS to Highmark specifying such Highmark Material Default in detail, then:

- (A) if the thirty (30) day cure period expires before the first anniversary of this Agreement, Highmark will immediately pay to

WPAHS the amount of the Third Funding Commitment as a "break-up fee"; or

- (B) if the thirty (30) day cure period expires on or after the first anniversary of this Agreement, and WPAHS shall have previously received the Third Funding Commitment as a Loan, such Loan shall be immediately deemed discharged, the amount of the Third Funding Commitment shall be treated as a "break-up fee" paid to WPAHS, and all related loan agreements, master indenture obligations, security interests and covenants shall be deemed to be fully satisfied and discharged.

In addition to the remedies set forth in Section 2.5(j)(A) and (j)(B), in the event of a Highmark Material Default and failure of Highmark to remedy such Highmark Material Default within the thirty (30) day cure period, [REDACTED]

[REDACTED]

- (k) (A) For purposes of this Section 2.5, those "default(s) in any material respect in the performance of its obligations under the Transaction Documents" that comprise the "WPAHS Category I Material Defaults" shall refer to those instances where the WPAHS Parties shall have, individually or collectively:
 - (i) (A) by its intentional interference with the related regulatory proceedings, shall have caused the failure of any material Approval or Permit necessary for Highmark or the UPE Parties to consummate the Transaction to be issued or (B) by intentional, persistent and continuing failure to exercise reasonable efforts to obtain any material Approval or Permit or issue any material Notice shall have failed to obtain such material Approval or Permit or issue such material Notice necessary for any of the WPAHS Parties to consummate the Transaction;
 - (ii) fraudulently or willfully materially misrepresented to Highmark and the UPE Parties the finances or services lines of the WPAHS Parties or the WPAHS Assets;
 - (iii) failed to perform its commitments and obligations set forth in Sections 2.1(c)(i), 2.1(c)(A), 2.2(a), 2.3 or 2.6(c)(i) of this Agreement;
 - (iv) attempted to unilaterally terminate this Agreement, except as specifically permitted by Section 10.1; or

- (v) materially breached its obligations under Section 11.1 of this Agreement.

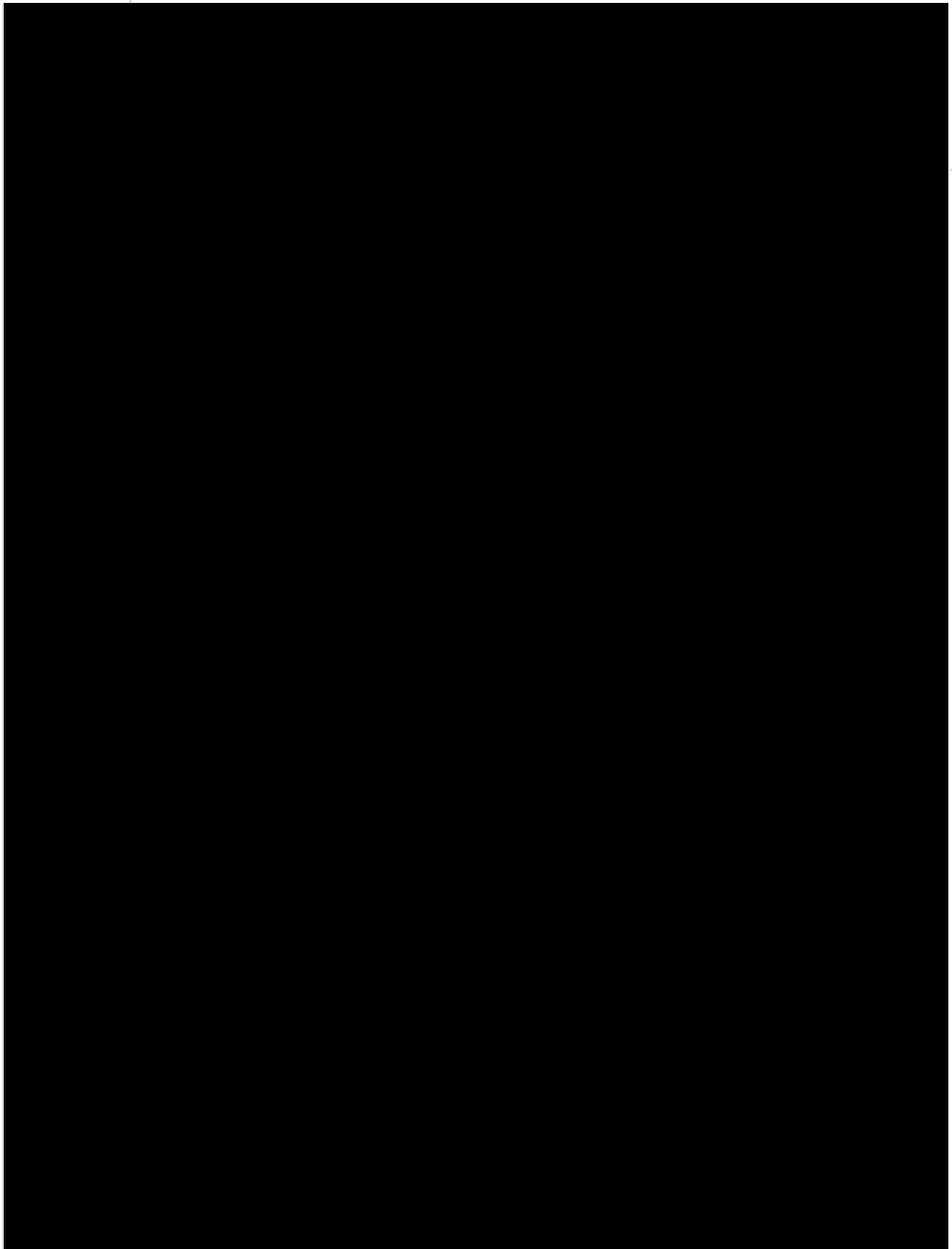
If any such WPAHS Category I Material Default shall have continued unremedied for a period of thirty (30) days after written notice from Highmark to WPAHS specifying such WPAHS Category I Material Default in detail, WPAHS shall, on demand from Highmark, immediately pay to Highmark both:

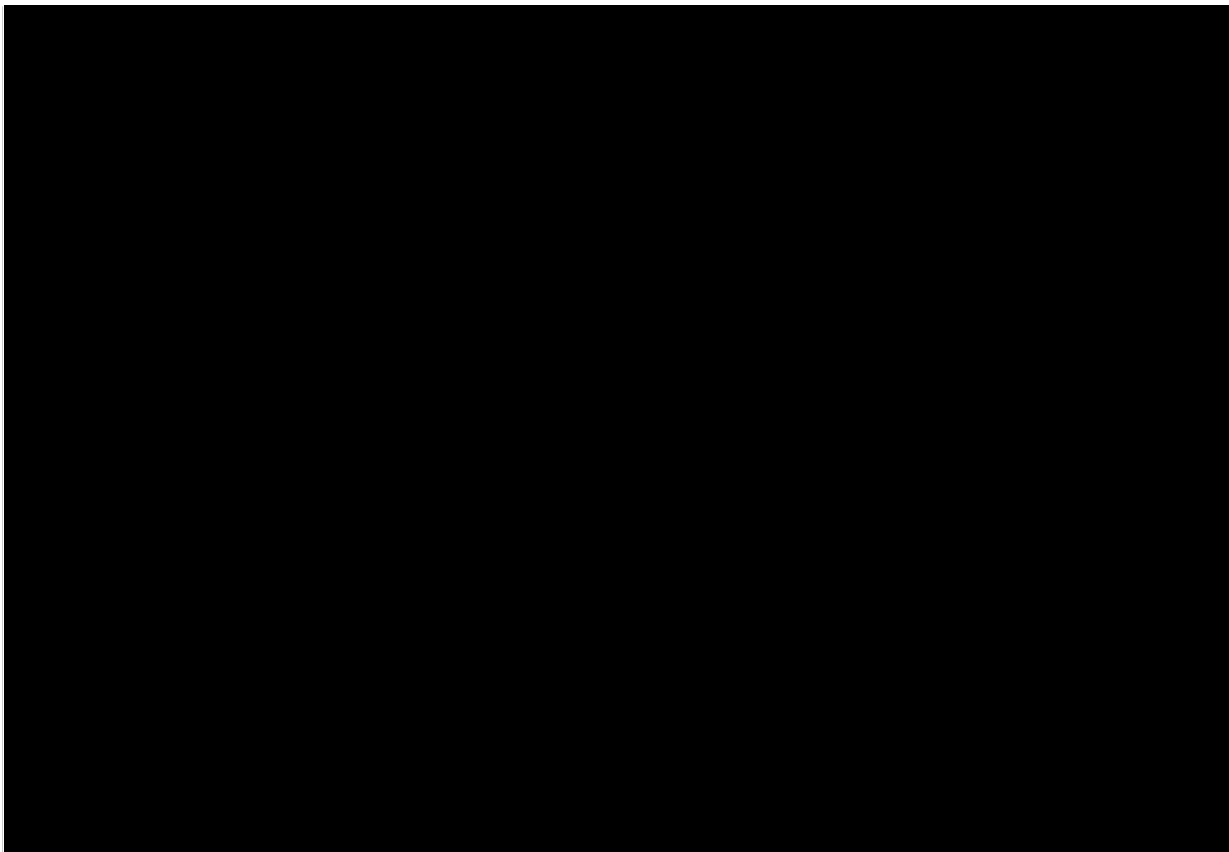

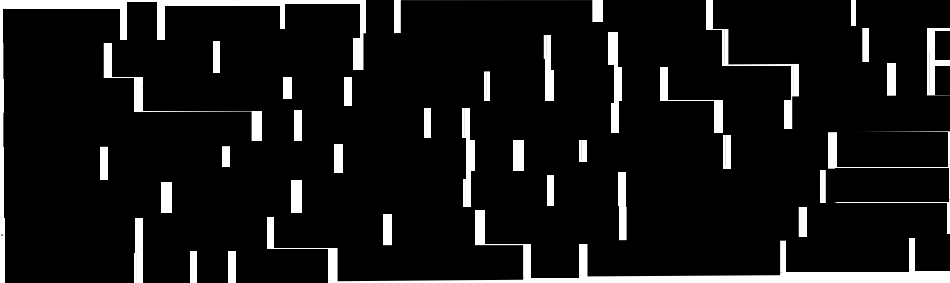
[REDACTED] all amounts outstanding under the Loan Agreements evidencing the obligations associated with fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment which shall be accelerated and be immediately due and payable to Highmark. Said amounts shall be in addition to and not in limitation of any other repayment obligations that WPAHS may have in connection with the Initial Funding Commitment, the Fourth Funding Commitment, and the Fifth Funding Commitment; and

(B) For purposes of this Section 2.5, those "default(s) in any material respect in the performance of its obligations under the Transaction Documents" that comprise the "WPAHS Category II Material Defaults" shall refer to those instances where the WPAHS Parties shall have, individually or collectively:

- (i) materially breached or made material inaccuracies in any of the representations or warranties set forth in Article 4 of this Agreement which, subject to the application of the Representation Basket Amount in Section 8.1(b) hereof, either in the aggregate by themselves or together with other amounts properly deducted pursuant to Sections 6.2, 6.3 and 6.4 from the Representation Basket Amount, results in the termination of this Agreement by Highmark and the UPE Parties pursuant to Section 10.1(d).

In the event of a WPAHS Category II Material Default, Highmark and WPAHS agree that the Loan Agreements evidencing fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment will remain outstanding in accordance with the terms thereof, except that WPAHS will use its best efforts to take all actions necessary, and to cause third parties to take all actions necessary, to secure the Loans (or the maximum amount thereof as permitted under the Master Indenture) constituting fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment as Senior Loans on parity under the Master Indenture, including the execution and delivery of one or more Obligations under the Master Indenture, such security agreements and other documents as may be necessary or appropriate. WPAHS will have no obligation to repay that fifty percent (50%) of the Second Funding Commitment that is not subject to a Loan Agreement in the event of a WPAHS Category II Material Default.



- 
- (c) Highmark and WPAHS shall have resolved all pending litigation and other dispute resolution proceedings (the “Resolution of Disputes”) between them, including by taking the following actions: (i) immediately prior to the exchange of signature pages to this Agreement between transaction counsel for the Parties, WPAHS will take all necessary action, in a manner satisfactory to Highmark and WPAHS, to voluntarily dismiss with prejudice all claims asserted against Highmark in *WPAHS vs. Highmark and UPMC*, No. 2-09-cv-00480 (WDPa). WPAHS further agrees, in the event that UPMC’s petition for certiorari is denied or in the event that the United States Supreme Court rules that WPAHS may in any fashion continue its claims against UPMC, to take such action, within one (1) day of the District Court reopening proceedings in the matter, as may be necessary to eliminate Counts I and II from the Amended Complaint against UPMC and to remove all averments regarding or relating to the alleged agreement or conspiracy in restraint of trade between Highmark and UPMC; and 
- 

- [REDACTED]
- (d) WPAHS shall have received concurrent with the execution of this Agreement immediately available funds in the amount of the Second Funding Commitment.

2.7 Establishment of Perpetual Special Purpose Endowment Fund.

Highmark will make a charitable contribution of \$75 million on the Closing Date to establish a perpetual special purpose endowment fund, which fund shall be disbursed as directed by Highmark and be subject to the restrictions on use and the spending policy as are set forth in Exhibit J.

[REDACTED]

2.8 Ownership of Assets and Liabilities.

Immediately after the Closing, the WPAHS Assets and liabilities (including obligations associated with the WPAHS Tax Exempt Bonds, the WPAHS Taxable Debt, and all obligations and liabilities associated with the Plans) of the WPAHS Parties will continue to be owned by and be obligations of the WPAHS Parties, subject to changes in the ordinary course of business; provided that, the Transaction will place the Ultimate Parent Entity and Provider Subsidiary in a position of governance and oversight authority relative to the WPAHS Assets and operations of the WPAHS Parties. The post-Closing disposition of WPAHS Assets and liabilities of the WPAHS Parties, if any, shall comply with the terms and conditions of the Master Indenture, applicable tax requirements and the covenants set forth in the documents related to the Allegheny County Hospital Development Authority Health System Revenue Bonds (West Penn Allegheny Health System) Series 2007A and any other outstanding tax-exempt bonds issued for the benefit of or incurred by any of the WPAHS Parties or for which any of the WPAHS Parties is liable (collectively, the "WPAHS Tax-Exempt Bonds"), as well as WPAHS Taxable Debt.

2.9 Agreement on Allocation of Second Funding Commitment.

- (a) Not later than one hundred eighty (180) days after the execution of this Agreement, Highmark shall deliver to WPAHS a statement (the "Initial Allocation Statement") that reflects the allocation of a portion of the Second Funding Commitment to the interest in the Joint Venture that Highmark will have the option to acquire, with the remaining portion of the Second Funding Commitment being allocated to payments made, to ensure the continued financial viability of the operations of the WPAHS Parties.
- (b) Within thirty (30) days after WPAHS's receipt of the Initial Allocation Statement, WPAHS shall propose to Highmark any changes to the Initial

Allocation Statement or shall indicate its concurrence therewith. The failure by WPAHS to propose any such change or to indicate its concurrence within such 30-day period shall be deemed to be an indication of its concurrence with such Initial Allocation Statement. Highmark and WPAHS will attempt in good faith to resolve any differences between them with respect to the Initial Allocation Statement, within thirty (30) days after Highmark's receipt of a timely written notice of objection or proposed changes from WPAHS and any written resolution by them as to any disputed amount shall be final, binding, conclusive and nonappealable for all purposes under this Agreement. If Highmark and WPAHS are unable to resolve such differences within such time period, then all amounts and issues remaining in dispute shall be submitted by Highmark and WPAHS to a senior tax partner at a mutually acceptable nationally recognized independent accounting firm (the "Neutral Auditor") for a determination resolving such amounts and issues. Each party agrees to execute, if requested by the Neutral Auditor, a reasonable engagement letter with respect to the determination to be made by the Neutral Auditor. All fees and expenses relating to the work, if any, to be performed by the Neutral Auditor shall be borne one-half by Highmark, on the one hand, and one-half by WPAHS, on the other hand. Except as provided in the preceding sentence, all other costs and expenses incurred by Highmark and WPAHS in connection with resolving any dispute hereunder before the Neutral Auditor shall be borne by the party incurring such cost and expense. The Neutral Auditor shall determine only those issues still in dispute and may not assign a value to any item greater than the greatest value for such item claimed by Highmark or WPAHS or less than the smallest value for such item claimed by Highmark or WPAHS. The Neutral Auditor's determination shall be made within forty-five (45) days after its engagement or as soon thereafter as possible, shall be set forth in a written statement delivered to Highmark and WPAHS and shall be final, conclusive, nonappealable and binding for all purposes hereunder, absent manifest error. The Initial Allocation Statement shall be modified, if applicable, to reflect the Neutral Auditor's written determination. Highmark and WPAHS agree that, subject to a contrary "determination" (with the meaning of §1313(a) of the Code), neither they nor their Affiliates will take any position inconsistent with the allocations on the Initial Allocation Statement on any Tax Return or in any audit or other proceeding with respect to Taxes.

ARTICLE 3 CLOSING

3.1 Closing.

Subject to the satisfaction or waiver by the appropriate Party of all the conditions precedent to the Closing specified in Article 8 and Article 9 hereof, the consummation of the Transaction (the "Closing") shall take place at the offices of Buchanan Ingersoll & Rooney PC, located at One Oxford Centre, 301 Grant Street, 20th Floor, Pittsburgh, PA 15219-1410 at 9:00 a.m. local time not later than five (5) business days after the conditions set forth in Article 8 and

Article 9 have been satisfied or waived or at such other date and/or at such other location as the Parties hereto may mutually designate in writing (the "Closing Date"). The Parties will endeavor to have the Closing occur at the end of a month for ease of transition. The Transaction shall be effective for accounting purposes as of 12:01 a.m., prevailing Eastern Time, on the calendar day immediately following the Closing Date (the "Effective Time").


3.2 Actions of the WPAHS Parties at the Closing.

At or before the Closing and unless otherwise waived in writing by Highmark, the WPAHS Parties shall deliver to Highmark the following duly executed by WPAHS and the WPAHS Subsidiaries, as appropriate.

- (a) The Articles of Amendment (or comparable organizational document) of WPAHS and each WPAHS Subsidiary consistent with the forms attached hereto as Exhibit F, all duly executed and otherwise in compliance with all requirements for filing with the Pennsylvania Department of State;
- (b) Amended and Restated Bylaws of WPAHS and each WPAHS Subsidiary consistent with the forms attached hereto as Exhibit F;
- (c) (i) A copy of a resolution duly adopted by the Board of Directors of WPAHS authorizing and approving the WPAHS Parties' performance of the Transaction and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force and effect as of the Closing Date, by the appropriate officers of WPAHS; and (ii) a copy of a resolution duly adopted by the Board of Directors of West Penn Allegheny Foundation, LLC, authorizing and approving West Penn Allegheny Foundation, LLC's performance of the Transaction and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force and effect as of the Closing Date, by the appropriate officers of West Penn Allegheny Foundation, LLC;
- (d) (i) A certificate of WPAHS certifying that the conditions set forth in Section 8.1 and Section 8.2 have been satisfied; and (ii) a certificate of West Penn Allegheny Foundation, LLC certifying that the conditions set forth in Section 8.1 and Section 8.2 have been satisfied.
- (e) Certificates of incumbency for the respective officers of each WPAHS Party executing each document contemplated herein dated as of the Closing Date;
- (f) Certificates of existence and good standing (or the equivalent as available in the applicable jurisdiction) of each WPAHS Party, certified by the Secretary of State of each entity's state of incorporation or organization as of the most recent practicable date prior to the Closing Date;
- (g) Copies of the Articles of Incorporation (or other comparable organizing document) and all amendments thereto of each WPAHS Party, duly certified

by the Secretary of State of each entity's state of incorporation or organization as of the most recent practicable date prior to the Closing Date;

- (h) The opinion of the WPAHS Parties' legal counsel in the form attached as Exhibit K;
- (i) The opinion of nationally recognized bond counsel to WPAHS, addressed to Highmark and the UPE Parties, to the effect that the Transaction: (i) will not adversely affect the tax-exempt status of the WPAHS Tax-Exempt Bonds, including without limitation, the Allegheny County Hospital Development Authority Health System Revenue Bonds (West Penn Allegheny Health System) Series 2007A, and (ii) will not constitute a default under the WPAHS Master Indenture, the Trust Indenture securing the WPAHS Tax-Exempt Bonds or the Loan Agreement between the Allegheny County Hospital Development Authority and WPAHS entered into in connection with the WPAHS Tax-Exempt Bonds;
- (j) Internal Revenue Service determination letters setting forth the Code § 501(c)(3) tax-exempt status of WPAHS and each of the other Code § 501(c)(3) WPAHS Parties which are listed on Schedule 4.23, including, if applicable, any group exemption letters received by WPAHS;
- (k) The non-blocked person affidavits of the WPAHS Parties as described in Section 4.18(g);

- 
- (m) The Loan Agreement that relates to any portion of the Funding Commitment being paid on the Closing Date;
 - (n) Resignations of the members of the Board of Directors of WPAHS other than the WPAHS Representatives;
 - (o) A roster of the Perpetual WPAHS Representative Designees, together with certified resolutions of the pre-Closing WPAHS Board of Directors approving their designation to serve on the post-Closing WPAHS Board of Directors, effective as of the Effective Time; and
 - (p) Such other instruments and documents as Highmark and the UPE Parties deem reasonably necessary to complete the Transaction; provided, that such other instruments or documents shall be consistent with the Parties' existing agreements and covenants hereunder and shall not materially alter such agreements and covenants.

3.3 Actions of Highmark and the UPE Parties at the Closing.

At or before the Closing and unless otherwise waived in writing by WPAHS, Highmark and the UPE Parties, as noted below, shall take the following actions or deliver to the WPAHS Parties the following documents, duly executed by Highmark and the UPE Parties, if applicable:

- (a) A wire transfer of immediately available funds paid by Highmark to pay WPAHS each portion of the Funding Commitment then due and payable;
- (b) Evidence of a wire transfer of immediately available funds by Highmark to the perpetual special purpose endowment fund referenced in Section 2.7;
- (c) (i) A copy of a resolution duly adopted by the Board of Directors of Highmark authorizing and approving Highmark's performance of the Transaction and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force and effect as of the Closing Date by appropriate officers of Highmark; (ii) a copy of a resolution duly adopted by the Board of Directors of Ultimate Parent Entity authorizing and approving Ultimate Parent Entity's performance of the Transaction and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force and effect as of the Closing Date by appropriate officers of Ultimate Parent Entity; and (iii) a copy of a resolution duly adopted by the Board of Directors of Provider Subsidiary authorizing and approving Provider Subsidiary's performance of the Transaction and the execution and delivery of this Agreement and the documents described herein, certified as true and in full force and effect as of the Closing Date by appropriate officers of Provider Subsidiary.
- (d) (i) A certificate of Highmark certifying that the conditions set forth in Section 9.1 and Section 9.2 have been satisfied; (ii) a certificate of the Ultimate Parent Entity certifying that the conditions set forth in Section 9.1 and 9.2 have been satisfied; and (iii) a certificate of the Provider Subsidiary certifying that the conditions set forth in Sections 9.1 and 9.2 have been satisfied.
- (e) Certificates of incumbency for the respective officers of Highmark and each UPE Party executing each document contemplated herein dated as the Closing Date;
- (f) Certificates of existence and good standing (or the equivalent as available in the applicable jurisdiction) of Highmark and each UPE Party, certified by the Secretary of State of each entity's state of incorporation dated the most practicable date prior to the Closing Date;
- (g) Copies of the Articles of Incorporation (or other comparable organizing document) and all amendments thereto of Highmark and each of the UPE Parties, duly certified by the Secretary of State of each entity's state of incorporation or organization as of the most recent practicable date prior to Closing;

- (h) Amended and Restated Bylaws of the Provider Subsidiary in the form of Exhibit D hereto;
- (i) The opinion of Highmark's legal counsel and the UPE Parties' legal counsel in the form attached as Exhibit L; and

- [REDACTED]
- (k) The Loan Agreement that relates to any portion of the Funding Commitment being paid on the Closing Date;
 - (l) Internal Revenue Service determination letters setting forth the Code § 501(c)(3) tax-exempt status and Code § 509(a)(3) supporting organization status of the Ultimate Parent Entity and Provider Subsidiary;
 - (m) A roster of Non-Perpetual WPAHS Representative Designees, together with certified resolutions of the Ultimate Parent Entity Board of Directors electing such individuals to serve on the post-Closing WPAHS Board of Directors, effective as of the Effective Time; and
 - (n) Such other instruments and documents as the WPAHS Parties deem reasonably necessary to complete the Transaction; provided, that such other instruments or documents shall be consistent with the Parties' existing agreements and covenants hereunder and shall not materially alter such agreements and covenants.

3.4 Additional Acts.

From time to time after the Closing, each WPAHS Party shall execute and deliver such other instruments of transfer and conveyance, and take such other actions as Highmark or any of the UPE Parties may reasonably request, to evidence the Transaction, subject to the terms and conditions of the Agreement.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE WPAHS PARTIES

As of the date hereof and as of the Closing Date (except to the extent any of the following refers to any other specific date), WPAHS represents and warrants to Highmark and the UPE Parties that it has made all due inquiry as of the date hereof, and will make all due inquiry as of the Closing Date, as required to make the representations and warranties set forth in this Article 4 on behalf of itself and the other WPAHS Parties. Consistent therewith, WPAHS on behalf of itself and the WPAHS Parties represents and warrants to Highmark and the UPE Parties as follows:

4.1 Organization; Capacity.

Each WPAHS Party is a corporation or limited liability company duly organized and validly existing and in good standing under the Laws of the state of its incorporation or

organization. Each WPAHS Party is duly authorized, qualified to do business and in good standing under all applicable Laws of any Governmental Authority having jurisdiction over the Business and to own its properties and conduct its business in the place and manner now conducted. WPAHS has the requisite power and authority in its own name and on behalf of the other WPAHS Parties to enter into this Agreement and all other agreements and documents to which the WPAHS Parties will become a party hereunder and to perform their obligations hereunder and thereunder. The execution and delivery by WPAHS of this Agreement and documents described herein to which it is a party, the performance by each WPAHS Party of its obligations under the Agreement and documents described herein to which it is a party and the consummation by each WPAHS Party of the Transaction and documents described herein to which it is a party, as applicable, have been duly and validly authorized and approved by all necessary corporate actions on the part of each WPAHS Party, none of which actions have been modified or rescinded and all of which actions remain in full force and effect.

4.2 Authority; Noncontravention.

The execution, delivery and performance of the Agreement and each other Transaction Document by each WPAHS Party thereto and the consummation by each WPAHS Party of the Transaction, as applicable:

- (a) are within such WPAHS Party's powers and are not in contravention or violation of the terms of the articles of incorporation or bylaws or other comparable organizational documents of such WPAHS Party and have been approved by all requisite corporate action;
- (b) except as set forth on Schedule 4.2(b), do not require that any WPAHS Party seek or obtain any Approval of, filing or registration with, the issuance of any Permit by, or make Notice to, any Governmental Authority; and
- (c) assuming the Approvals and Permits set forth on Schedule 4.2(b) are obtained will not conflict in any material respect with, or result in any violation of or default under (with or without notice or lapse of time or both), or give rise to a right of termination, cancellation, acceleration or augmentation of any obligation or to loss of a material benefit under, or result in the creation of any material Encumbrance (other than Permitted Encumbrances) upon any of the WPAHS Assets under (i) except as set forth on Schedule 4.2(c), any Contract, instrument, indenture, covenant, or understanding to which any of the WPAHS Parties is a party, or (ii) assuming the Approvals and Permits set forth on Schedule 4.2(b) are obtained, any Order or Law applicable to any of the WPAHS Assets or to which a WPAHS Party may be subject.

4.3 Subsidiaries; Minority Interests.

Except as set forth on Schedule 4.3, no WPAHS Party directly owns any equity, membership or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity, membership or similar interest in, any corporation, partnership, limited liability company, joint venture or other business association or entity other than publicly traded equities

or other equity interests held solely for investment. Except as set forth in Schedule 4.3, each interest set forth on Schedule 4.3 is owned by the WPAHS Party free and clear of all Encumbrances except Permitted Encumbrances, is duly authorized, validly existing and non-assessable, and is not subject to any preemptive or subscription rights.

4.4 No Outstanding Rights.

Except as set forth in Schedule 4.4, there are no Contracts involving annual payments of \$900,000 or more to or from a WPAHS Party that provide any outstanding rights (including any right of first refusal) or options, or otherwise give any Person any current or future right to require a WPAHS Party to sell or transfer to such Person or to any third party any interest in any of the WPAHS Assets.

4.5 Title; Sufficiency of Assets.

Schedule R-1 sets forth a true, complete and correct list of each WPAHS Party, and Schedule 4.5 sets forth a true, complete and correct list of the properties owned, leased or operated by such WPAHS Party. Each WPAHS Party holds good title to all tangible assets and valid title to all intangible assets included in the WPAHS Assets, free and clear of all Encumbrances, except the Permitted Encumbrances. The WPAHS Assets, together with such other assets which the WPAHS Parties are currently entitled to use by Contract or otherwise, consist of all the assets necessary to operate and are adequate for the purposes of operating the Business in the manner in which it has been operated, including without limitation, the operation of the West Penn Campus of The Western Pennsylvania Hospital as a fully operational acute care, medical / surgical hospital. For purposes of this Section 4.5, the WPAHS Assets shall not include WPAHS Intellectual Property, which is addressed in Section 4.14.

4.6 Binding Agreement.

This Agreement and all other Transaction Documents will constitute the valid and legally binding obligations of the WPAHS Parties and are and will be enforceable against them in accordance with the respective terms hereof or thereof, except as enforceability may be restricted, limited or delayed by applicable bankruptcy or other Laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

4.7 Financial Information.

(a) In the WPAHS Due Diligence Information, the WPAHS Parties have provided to Highmark or the UPE Parties copies of the following financial statements and financial information of the WPAHS Parties (collectively, when taken together with the financial information delivered pursuant to Section 6.9, the "WPAHS Historical Financial Information"):

(i) the audited consolidated balance sheets, statements of operation, statements of changes in net assets, and statements of cash flow (including the accompanying consolidating schedules of balance sheet information and statement of operation information) as of, and for the twelve-month periods ended June 30, 2008, June 30, 2009 and June 30, 2010; and

- (ii) the unaudited consolidated balance sheet (including the accompanying consolidating schedules of balance sheet information) and unaudited consolidated statement of operations (including the accompanying consolidating schedules of statement of operation information) for the then-current fiscal period ending on the last day of the month closest in time to the date of this Agreement (the “Balance Sheet Date”).

For purposes of this Agreement, as of the Closing Date, the term “WPAHS Historical Financial Information” shall include in addition to the above, all financial statements comparable to those referenced in Sections 4.7(a)(i)-(ii) that have been prepared by or on behalf of the WPAHS Parties during the period from the date of this Agreement through the Closing Date.

- (b) The WPAHS Historical Financial Information is true, correct and complete in all material respects and fairly presents the consolidated financial position of the WPAHS Parties as of the respective dates thereof and the consolidated results of the operations of the WPAHS Parties and changes in financial position for the respective periods covered thereby in all material respects. The consolidated financial statements included in the WPAHS Historical Financial Information have been prepared in accordance with GAAP, applied on a consistent basis throughout the periods indicated (subject, in the case of the unaudited WPAHS Historical Financial Information, to the absence of notes and year-end audit adjustments the effects of which are not material to the WPAHS Parties), and are based on the information contained in the books and records of the WPAHS Parties. Except as otherwise referenced on Schedule 4.7(b), the WPAHS Parties have not changed any accounting policy or methodology during the periods presented in the WPAHS Historical Financial Information (including accounting policies and methodologies for determining the obsolescence of inventory or in calculating reserves, including reserves for uncollected accounts receivable).
- (c) Except for (i) liabilities reflected in the WPAHS Historical Financial Information and (ii) liabilities that were incurred after the Balance Sheet Date in the ordinary course of business, the WPAHS Parties have no liabilities of any nature, whether accrued, absolute, fixed, contingent, liquidated, unliquidated, recorded, unrecorded, known, unknown or otherwise.

4.8 Permits and Approvals.

All Facilities, including all pharmacies, laboratories and all other departments located at such Facilities or operated for the benefit of such Facilities, operated by the WPAHS Parties have in place and operate in accordance with those Permits and Approvals that are identified on Schedule 4.8 (the “Material Licenses”) and are duly licensed by all appropriate Governmental Authorities with jurisdiction over the Material Licenses. In the WPAHS Due Diligence Information, the WPAHS Parties have provided an accurate and complete list and/or copies of all Material Licenses owned or held by the WPAHS Parties. The WPAHS Parties and the WPAHS Assets, as applicable, are and have been for the last three years, in compliance with the terms of

such Material Licenses. There are no provisions in, or agreements relating to, any Material Licenses that preclude or limit the WPAHS Parties from operating the Facilities and the WPAHS Assets and carrying on Business as currently conducted. Except as set forth on Schedule 4.8, there is no pending or, to the Knowledge of WPAHS, threatened Proceeding to revoke, cancel, rescind, suspend, restrict, modify, or refuse to renew any Material License owned or held by the WPAHS Parties (the term Proceeding not including routine surveys) and all Material Licenses are now, and as of the Closing shall be, unrestricted, in good standing, in full force and effect and, not subject to meritorious challenge. In the WPAHS Due Diligence Information, the WPAHS Parties have delivered to Highmark or the UPE Parties accurate and complete copies of all survey reports, deficiency notices, plans of correction, and related correspondence received by the WPAHS Parties or the Facilities since July 1, 2009 in connection with the Material Licenses owned or held by the WPAHS Parties.

4.9 Accreditation.

In the WPAHS Due Diligence Information, the WPAHS Parties have provided (a) an accurate and complete list and/or copies of all material accreditations and certifications held by the WPAHS Parties and the Facilities; and (b) copies of the Hospitals' most recent Joint Commission accreditation reports and any reports, documents, or correspondence relating thereto. Except as set forth on Schedule 4.9, the Hospitals are duly accredited, with all requirements for improvement removed, by The Joint Commission. Since the date of the most recent Joint Commission survey, neither the WPAHS Parties, nor the Hospitals, have made any changes in policy or operations that would cause the Hospitals to lose such accreditations.

4.10 Government Program Participation; Reimbursement.

Except as set forth on Schedule 4.10:

- (a) The Facilities are certified or otherwise qualified for participation in the Government Programs in which they each participate and have current and valid provider agreements with such Programs, as appropriate (the "Program Agreements"). The WPAHS Due Diligence Information contains accurate and complete copies of all such Program Agreements and a list of all National Provider Identifiers and all provider numbers of the WPAHS Parties and the Facilities under the Government Programs. The Facilities are in material compliance with the conditions of participation in the Government Programs in which they each participate, the terms, conditions and provisions of the Program Agreements, all applicable Laws and the billing guidelines of any private insurance companies with which they contract. The Provider Agreements are each in full force and effect.
- (b) No WPAHS Party has received notice of any Proceeding, and, to the Knowledge of WPAHS, no such Proceeding is threatened, involving the Facilities' participation in any of the Government Programs or any other third party payor programs.

- (c) The WPAHS Parties have timely filed all required cost reports for all fiscal years through and including the fiscal year ended June 30, 2009, and copies of all cost reports filed by or on behalf of each Facility since 2006 have been provided to Highmark or the UPE Parties. To the Knowledge of WPAHS, all cost reports accurately and completely reflect the information required to be included therein. To the Knowledge of WPAHS: (i) the WPAHS Parties have established adequate reserves to cover any potential reimbursement obligations that the WPAHS Parties have reason to anticipate in respect of any cost reports; and (ii) such reserves are accurately set forth in the WPAHS Historical Financial Information.

4.11 Regulatory Compliance.

Except as identified in Schedule 4.11, for the prior two (2) years:

- (a) Neither the WPAHS Parties nor the Facilities nor, to the Knowledge of WPAHS, any of their respective officers or directors (in the course of their duties for the WPAHS Parties), have been convicted of or charged with conduct that would constitute a Medicare or other Federal Health Care Program (as defined in 42 U.S.C. § 1320a-7(b)(f)) related offense or convicted of or charged with a violation of any Law related to fraud, theft, embezzlement, breach of fiduciary duty, kickbacks, bribes, other financial misconduct, obstruction of an investigation or controlled substances. Neither the WPAHS Parties, nor the Facilities, nor any officer or director of the WPAHS Parties or Facilities, has been excluded from participating in any Government Program, subject to sanction pursuant to 42 U.S.C. § 1320a-7a or § 1320a-8 or been convicted of a crime described at 42 U.S.C. § 1320a-7b, or, to the extent that any such officer or director was or shall have been identified as having been excluded from participation in any Federal Health Care Programs, the WPAHS Parties have taken all remedial action required by and in compliance with applicable Law.
- (b) The WPAHS Parties, the Facilities and the WPAHS Assets have been and are presently in all material respects in compliance with all applicable Law, including, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh (the Medicare statute), including specifically, the Ethics in Patient Referrals Act, as amended ("Stark Law"), 42 U.S.C. § 1395nn; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396v (the Medicaid statute); the Federal Health Care Program Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the False Claims Act, as amended, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58; the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b; the Exclusion Laws, 42 U.S.C. § 1320a-7; Information Privacy or Security Laws; and any corresponding state statutes and applicable implementing regulations that address the subject matter of the foregoing.

- (c) Neither the WPAHS Parties, nor the Facilities, have received any written communication from a Governmental Authority or commercial payor that alleges the Facilities or the WPAHS Assets are not in material compliance with any Law, other than statements of deficiencies from a Governmental Authority received in the ordinary course of business or non-material findings resulting from routine or random audits or reviews conducted by contractors of Medicare or Medicaid.
- (d) To the Knowledge of the WPAHS Parties, all of the WPAHS Parties' and the Facilities' contracts with physicians, other health care providers, or immediate family members of any physicians or other health care providers or entities in which physicians, other health care providers, or immediate family members of any physicians or other health care providers are equity owners involving services, supplies, payments, or any other type of remuneration, and all of the WPAHS Parties' and the Facilities' leases of personal or real property with such physicians, health care providers, immediate family members or entities are in material compliance with all applicable Laws, and when required by such applicable Laws, are in writing, are signed by the appropriate parties, set forth the services to be provided, and provide for a fair market value compensation in exchange for such services, space, or goods.
- (e) To the Knowledge of the WPAHS Parties, none of the WPAHS Parties, the Facilities, or any of the WPAHS Parties' officers, directors, or managing employees, have engaged in any activities that are prohibited under 42 U.S.C. §§ 1320a-7 et seq., or the regulations promulgated thereunder, or under any other federal or state statutes or regulations, or which are prohibited by applicable rules of professional conduct.
- (f) The WPAHS Parties have provided to Highmark or the UPE Parties an accurate and complete copy of each Facility's current compliance program materials as requested by Highmark and the UPE Parties in the due diligence request list of June 28, 2011 (as amended). The WPAHS Parties and the Facilities have conducted their operations in all material respects in accordance with their respective compliance programs. No WPAHS Party (i) is a party to a Corporate Integrity Agreement with the OIG; (ii) has reporting obligations pursuant to any settlement agreement entered into with any Governmental Authority; (iii) to the Knowledge of the WPAHS Parties, has been the subject of any Government Program investigation conducted by any federal or state enforcement agency (not including routine or random surveys, audits or reviews which do not or reasonably should not result in findings materially adverse to the relevant WPAHS Party); (iv) has been a defendant in any qui tam/False Claims Act litigation (other than by reason of a sealed complaint of which the WPAHS Party may have no knowledge); or (v) has been served with or received any search warrant, subpoena, or civil investigation demand by or from any federal or state enforcement agency (except in connection with medical services provided to third-parties who may be defendants or the subject of investigations into conduct unrelated to the

Business). For purposes of this Agreement, the term “compliance program” refers to provider programs of the type described in compliance guidance published by the OIG.

4.12 Information Privacy and Security Compliance.

In the WPAHS Due Diligence Information, the WPAHS Parties have provided to Highmark or the UPE Parties accurate and complete copies of the compliance policies and/or procedures and privacy notices of the Facilities relating to Information Privacy or Security Laws as requested in the due diligence request list of June 28, 2011 (as amended).

4.13 Medical Staff Matters.

The WPAHS Parties have made available to Highmark and the UPE Parties true, correct and complete copies of the bylaws and rules and regulations of the medical staff of the Facilities, as well as a list of all current members of the Facilities’ medical staffs to the extent requested by Highmark and the UPE Parties in the due diligence request list of June 28, 2011 (as amended). Except as set forth on Schedule 4.13, no medical staff members of the Facilities have resigned or had their privileges revoked or suspended since the Balance Sheet Date.

4.14 Intellectual Property.

Except as disclosed in the WPAHS Due Diligence Information, the WPAHS Parties own, or will own, or are licensed or will be licensed or otherwise possess or will possess all necessary rights to use, all of the WPAHS Intellectual Property.

- (a) To the Knowledge of the WPAHS Parties, there is no unauthorized use, disclosure, infringement or misappropriation of any material WPAHS Intellectual Property rights of any WPAHS Party, any trade secret material to any WPAHS Party, or any material Intellectual Property right of any third party to the extent licensed by or through any WPAHS Party, by any third party, including any employee or former employee of any WPAHS Party, relating in any way to any of the WPAHS Assets. Except as provided on Schedule 4.14(a) none of the WPAHS Parties owes any royalties or other payments to a third party in excess of \$900,000 annually for the use of any Intellectual Property rights (not including off-the-shelf licenses of software).
- (b) Except as disclosed in the WPAHS Due Diligence Information, no WPAHS Party has any patents, registered trademarks, registered service marks or registered copyrights related to any of the WPAHS Assets. Except as set forth on Schedule 4.14(b), no WPAHS Party has been served with process in any Proceeding that involves a claim of infringement of any patents, trademarks, service marks, copyrights or violation of any trade secret or other proprietary right of any third party. To the Knowledge of WPAHS, the Business does not infringe any Intellectual Property or other Intellectual Property of any third party. Except as set forth on Schedule 4.14(b), no WPAHS Party has brought any Proceeding for infringement of Intellectual Property or breach of any

license or Contract involving WPAHS Intellectual Property against any third party.

4.15 Material Contracts.

Schedule 4.15 includes a complete and accurate list of those Contracts that (i) are entered into with a physician or doctor of osteopathic medicine or any other party which to the Knowledge of WPAHS is owned in whole or in part by a physician or doctor of osteopathic medicine, and involve the payment or receipt of a base salary or fee of more than \$500,000 annually (including, for purposes of this Section 4.15(i) only, employment or independent contracts which may otherwise constitute Benefit Program and Agreements and therefore be otherwise exempt from the definition of Contract) (ii) contain any restrictive covenant, change of control or other Contract provision that would trigger any modification or termination of the Contract or that require consent from or notice to any third party to the Contract as a result of the Transaction and involve the payment or receipt of more than \$900,000 annually, (iii) involve the payment or receipt of more than \$900,000 annually and have a remaining term of three (3) years or more, and/or (iv) create rights or obligations between or among any of the WPAHS Parties or between or among any of the WPAHS Parties and WPAHS Affiliates that involve the payment or receipt of more than \$900,000 annually (the Contracts described in Section 4.15(i)-(iv) above are collectively referred to herein as the "Material Contracts"). Schedule 4.15 identifies with respect to each Material Contract appearing thereon the applicable criteria noted in Section 4.15(i)-(iv) above that requires listing on Schedule 4.15, the date and title of the Material Contract and the parties thereto. In the WPAHS Due Diligence Information, the WPAHS Parties have delivered or otherwise made available to Highmark accurate and complete copies of all Contracts requested in the due diligence list provided by Highmark on or about June 28, 2011, as amended (the "Requested Contracts") and the Requested Contracts constitute valid and legally binding obligations of the parties thereto, are enforceable in accordance with their terms, constitute the entire agreement by and between the respective parties thereto with respect to the subjects addressed thereto and are now in full force and effect. In addition to the foregoing, except as otherwise specifically disclosed in the WPAHS Due Diligence Information:

- (a) Each WPAHS Party and, to the Knowledge of WPAHS Parties, each other party to each Material Contract is in full compliance with the material terms of the applicable Material Contract;
- (b) The completion of the Transaction will not result in any penalty, premium or variation of the rights, remedies, benefits or obligations of any party under any of the Material Contracts, except for those Material Contracts listed on Schedule 4.15 under heading (ii) thereof;
- (c) The WPAHS Parties have not given or received any correspondence or other written notice with respect to any actual, alleged or potential violation, breach or default under or any demand for renegotiation or termination with respect to any Material Contract;
- (d) Except as listed on Schedule 4.15(d), no Material Contract contains any (i) non-competition restriction, (ii) take-or-pay arrangement or (iii) other term

that, in the case of (i), (ii) or (iii), requires the Business to deal exclusively with a particular party with respect to particular goods or services; and

- (e) Each Material Contract was entered into in the ordinary course of business and without the commission of any act, or any consideration having been paid or promised, which is or would be in violation of any Law.

4.16 Personal Property.

In the WPAHS Due Diligence Information, WPAHS has provided a list of the Personal Property as of the Balance Sheet Date which, to the Knowledge of WPAHS, is accurate and complete. WPAHS will provide an updated list of the Personal Property within ten (10) days prior to the Closing Date which, to the Knowledge of WPAHS, will be accurate and complete. All Personal Property is in adequate operating condition and repair, except for ordinary wear and tear. As of the Closing, all Personal Property will be free and clear of Encumbrances, other than the Permitted Encumbrances.

4.17 No Brokers.

The WPAHS Parties have no liability of any kind to any broker, finder or agent with respect to the Transaction.

4.18 Real Property.

- (a) Schedule 4.18(a) sets forth a true and correct (and to the Knowledge of the WPAHS Parties, complete) list of the addresses of each parcel of Owned Real Property and all such Owned Real Property is owned by the WPAHS Parties free and clear of all Encumbrances except for Permitted Encumbrances.
- (b) Schedule 4.18(b) sets forth a true and correct (and to the Knowledge of the WPAHS Parties, complete, except as set forth in the document identified as the real estate exceptions log provided with the WPAHS Due Diligence Information) list of the addresses of all of the Leased Real Property and identifies each Tenant Lease under which such Leased Real Property is occupied or used by any WPAHS Party, including the date of and name of each of the parties to such Tenant Lease. A WPAHS Party holds good leasehold title to each parcel of the Leased Real Property.
- (c) Schedule 4.18(c) sets forth a true and correct (and to the Knowledge of the WPAHS Parties, complete, except as set forth in the document identified as the real estate exceptions log provided with the WPAHS Due Diligence Information) list of all existing Third Party Leases, including the following information with respect to each: (i) the premises covered; (ii) the date; (iii) the name of the record tenant, licensee or occupant; (iv) the commencement date and (v) either the expiration date or its status as a month-to-month tenancy.
- (d) In the document identified as the real estate exceptions log provided with the WPAHS Due Diligence Information, WPAHS has provided a true and correct

(and to the Knowledge of the WPAHS Parties, complete) list of incomplete or uncertain information in respect of the Real Property. Except as set forth in the document identified as the real estate exceptions log provided with the WPAHS Due Diligence Information, the WPAHS Parties have provided in the WPAHS Due Diligence Information accurate and complete copies of the Tenant Leases and Third Party Leases, in each case as amended or otherwise modified and in effect, together with any extension notices, as applicable.

- (e) The WPAHS Parties have not received written notice from any Governmental Authority of (and otherwise have no Knowledge of): (i) any pending or threatened condemnation Proceedings affecting the Real Property, or any part thereof; or (ii) any material violations of any Laws (including zoning and land use ordinances) with respect to the Real Property, or any part thereof, which have not heretofore been cured.
- (f) Except as provided in the WPAHS Due Diligence Information, at the Closing there will be no incomplete construction projects affecting the Real Property.
- (g) No WPAHS Party is, nor will become, a Person with whom U.S. persons are restricted from doing business under regulations of the Office of Foreign Asset Control (“OFAC”) of the United States Department of the Treasury (including those named on OFAC’s Specially Designated and Blocked Persons list) or under any statute, executive Order (including Executive Order November 13224 on Terrorism Financing, effective September 24, 2001), or the United and Strengthening America by Providing Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56, or any other governmental action. At the Closing, each WPAHS Party shall execute and deliver to Highmark and the UPE Parties affidavits certifying that it is not a “blocked person” under Executive Order 13224, which form shall be acceptable to Highmark and the UPE Parties.
- (h) Except as provided in the WPAHS Due Diligence Information, the WPAHS Parties have no Knowledge that any brokerage or leasing commissions or other compensation are due or payable to any Person with respect to, or on account of, any Tenant Lease, any Third Party Lease or any extensions or renewals thereof.
- (i) Except as provided in the WPAHS Due Diligence Information, to the Knowledge of the WPAHS Parties, all improvements, including all utilities which are a part of the Real Property, have been substantially completed and installed in accordance with the plans and specifications approved by the Governmental Authorities having jurisdiction, to the extent applicable.
- (j) Except as set forth in Schedule 4.18(j), to the Knowledge of the WPAHS Parties, no WPAHS Party has received written notice from any Governmental Authority that the improvements which are a part of the Real Property, as designed and constructed, do not comply with all Laws applicable thereto, including but not

limited to the Americans with Disabilities Act, as amended, and § 504 of the Rehabilitation Act of 1973.

- (k) Except as provided in the WPAHS Due Diligence Information, to the Knowledge of the WPAHS Parties, no WPAHS Party has received written notice from any Governmental Authority that the location, construction, occupancy, operation and use of the Real Property (including the improvements which are a part of the Real Property) violate any applicable Law or determination of any Governmental Authority or any board of fire underwriters (or other body exercising similar functions), judicial precedent or any restrictive covenant or deed restriction (recorded or otherwise) affecting the Real Property or the location, construction, occupancy, operation or use thereof, including, all applicable Laws.

4.19 Insurance.

In the WPAHS Due Diligence Information, WPAHS provided an accurate and complete list and description and/or copies of all insurance policies or self-insurance funds maintained by the WPAHS Parties as of the date of this Agreement covering the Business and the WPAHS Assets.

4.20 Employee Benefit Plans.

- (a) In the WPAHS Due Diligence Information, the WPAHS Parties have provided or made available copies of each of the following that is sponsored, maintained or contributed to by any WPAHS Party or any ERISA Affiliate, as defined below, for the benefit of the employees of any WPAHS Party:
 - (i) Each “employee benefit plan” for the benefit of the current or former employees of the WPAHS Parties, as such term is defined in § 3(3) of ERISA, including employee benefit plans that are not subject to some or all of the provisions of ERISA (each, a “Plan”); and
 - (ii) To the extent applicable to the employees of the WPAHS Parties, each material personnel policy, collective bargaining agreement, bonus plan, incentive award, vacation policy, severance pay plan, policy or agreement, deferred compensation agreement, form of consulting agreement, form of employment agreement, dependent care, life insurance program, and each other material employee benefit plan, agreement, arrangement, program, or practice that is not described in Section 4.20(a)(i) (each, a “Benefit Program and Agreement”).
- (b) True, correct and complete copies of each of the Plans and Benefit Programs and Agreements, and related trusts, if applicable, including all amendments thereto, have been furnished or made available to Highmark and the UPE Parties. There has also been furnished or made available to Highmark and the UPE Parties, with respect to each Plan required to file such report and

description, the most recent report on Form 5500 and the summary plan description.

- (c) For purposes of this Agreement, the term “ERISA Affiliate” shall mean any person (as defined in § 3(9) of ERISA) that together with any WPAHS Party would be treated as a single employer under § 4001(b) of ERISA, or would be aggregated with any WPAHS Party under § 414(b), (c), (m) or (o) of the Code.
- (d) Except as otherwise set forth on Schedule 4.20(d):
 - (i) All obligations, whether arising by operation of law or by contract, required to be performed by a WPAHS Party in connection with the Plans and the Benefit Programs and Agreements have been performed in all material respects, except for providing the current funding of Plan administrative and consulting expenses, and except to the extent that noncompliance would not, individually or in the aggregate, have a WPAHS Material Adverse Effect;
 - (ii) The WPAHS Parties have provided a copy of the most recent favorable determination or opinion letter from the Internal Revenue Service for each Plan intended to be qualified under § 401 of the Code. To the Knowledge of WPAHS, since receipt of the most recent favorable determination letters, none of the Plans have been amended or operated in a way that would reasonably be expected to affect adversely such qualified and exempt status;
 - (iii) There are no actions, suits, or claims pending (other than routine claims for benefits) or, to the Knowledge of WPAHS, threatened against, or with respect to, any of the Plans or Benefit Programs and Agreements or their assets, other than with regard to Plans, routine claims for benefits;
 - (iv) All contributions required to be made to the Plans and Benefit Programs and Agreements pursuant to their terms and provisions have been timely made or reserved;
 - (v) As to any Plan, subject to Title IV of ERISA (“Title IV Plan”), there has been no event or condition that presents the material risk of any Title IV Plan termination, no funding deficiency, whether or not waived, within the meaning of § 302 of ERISA or § 412 of the Code has been incurred, no reportable event within the meaning of § 4043 of ERISA (for which the disclosure requirements of Regulation §2615.3 promulgated by the Pension Benefit Guaranty Corporation (“PBGC”) have not been waived), other than as a result of the Transaction, has occurred, no notice of intent to terminate any Title IV Plan has been given under § 4041 of ERISA, no Proceeding has been instituted under

§ 4042 of ERISA to terminate any Title IV Plan, no liability to the PBGC has been incurred, and the assets of each Title IV Plan equal or exceed the actuarial present value of the benefit liabilities under the Plan, determined based on the actuarial assumptions set forth in the most recent actuarial valuation performed with respect to such Plan, a copy of which has been provided in the WPAHS Due Diligence Information; and, provided further, there is no material risk that any WPAHS Party has any liability with respect to any plan subject to Title IV maintained by any former ERISA Affiliate (with respect to that period in which such former ERISA Affiliate was an ERISA Affiliate);

- (vi) There is no matter pending (other than routine qualification determination filings) with respect to any of the Plans or Benefit Programs or Agreements before the Internal Revenue Service, the Department of Labor or the PBGC;
 - (vii) No WPAHS Party has any liability, contingent or otherwise, relating to a Title IV Plan that is a “multiemployer plan” as defined in § 3(37) of ERISA; and
 - (viii) No WPAHS Party maintains or contributes to any defined benefit pension plan that is not a Title IV Plan.
- (e) Except as otherwise set forth on Schedule 4.20(e), no WPAHS Party is a party to any agreement, nor has any such entity established any policy or practice, requiring it to make a payment or provide any other form of compensation or benefit to any Person performing services for any WPAHS Party upon termination of such services which would not be payable or provided in the absence of the consummation of the Transaction.
- (f) Except as set forth in Schedule 4.20(f), in connection with the consummation of the Transaction, no payments have or will be made under the Plans or Benefit Programs and Agreements which, in the aggregate, would result in imposition of the sanctions imposed under section 280G, 4999 or 409A of the Code.
- (g) Except as set forth in Schedule 4.20(g), no WPAHS Party presently maintains, contributes to or has any liability under any funded or unfunded medical, health or life insurance plan or arrangement for present or future retirees or future terminated employees for the benefit of the employees of the WPAHS Parties, except as required by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended. Neither the WPAHS Parties nor any ERISA Affiliate maintains or contributes to a trust, organization or association for the benefit of the employees of the WPAHS Parties or any ERISA Affiliate described in any of §§ 501(c)(9), 501(c)(17) or 501(c)(20) of the Code.

4.21 Employee Matters.

- (a) In the WPAHS Due Diligence Information, the WPAHS Parties have provided a list of all current WPAHS Party employees with a title or status of vice president or higher, their current salary or wage rates, bonus and other compensation, benefit arrangements (to the extent distinct from those provided to employees generally), period of service, department and a job title or other summary of the responsibilities of such employees.
- (b) No WPAHS Party is delinquent in payments to any of its employees for any wages, salaries, commissions, bonuses or other direct compensation for any services performed for it or any other amounts required to be reimbursed to such employees (including accrued paid time off and other benefits) or in the payment to the appropriate Governmental Authority of all required Taxes, insurance, social security and withholding thereon, except to the extent that such delinquency in payment would not, individually or in the aggregate, materially and adversely effect the relevant WPAHS Party.
- (c) Except as set forth on Schedule 4.21(c): (i) there is no pending or threatened employee strike, work stoppage or labor dispute at any of the Facilities; (ii) to the Knowledge of WPAHS, no union representation question exists respecting any WPAHS Party's employees, no demand has been made for recognition by a labor organization by or with respect to any WPAHS Party's employees, no union organizing activities by or with respect to any WPAHS Party's employees are taking place, and none of the WPAHS Party's employees is represented by any labor union or organization; (iii) no collective bargaining agreement exists or is currently being negotiated by any WPAHS Party; (iv) there is no unfair labor practice claim against any WPAHS Party before the National Labor Relations Board pending or, to the Knowledge of WPAHS, threatened against or involving the Business or the Facilities; (v) each WPAHS Party is, to the Knowledge of WPAHS, in compliance in all material respects with all Laws and Contracts respecting employment and employment practices, labor relations, terms and conditions of employment and wages and hours; (vi) no WPAHS Party is engaged in any material unfair labor practices; (vii) there are no pending or, to the Knowledge of WPAHS, threatened complaints or charges before any Governmental Authority of a material nature regarding employment discrimination, safety or other employment-related charges or complaints, or wage and hour claims; and (viii) none of the WPAHS Parties will be subject to any liability for severance pay solely as a result of the consummation of the Transaction through the Closing.

4.22 Litigation.

- (a) Schedule 4.22(a) contains an accurate and complete list and summary description of all Proceedings with respect to which any of the WPAHS Parties is a party or that relates to the Business or the WPAHS Assets. Except

as disclosed in the WPAHS Due Diligence Information, the WPAHS Parties have not received written notice of any Proceedings pending or threatened against or affecting any WPAHS Party with respect to the Business or the WPAHS Assets, at law or in equity.

- (b) Except as provided on Schedule 4.22(b): (i) there is no Proceeding or Order pending or, to the Knowledge of the WPAHS Parties, threatened against or affecting any WPAHS Party before any court or Governmental Authority that has or would reasonably be expected to have a material adverse effect on the WPAHS Parties' ability to perform this Agreement; and (ii) no WPAHS Party is subject to any Order that would materially and adversely affect the consummation of the Transaction.

4.23 Tax Matters.

- (a) The WPAHS Parties listed on Schedule 4.23 (i) are, and have been since the date of their incorporation, organizations exempt from federal income tax under § 501(a) of the Code as organizations that are described in § 501(c)(3), (ii) are not private foundations within the meaning of § 509(a) of the Code because they are organizations described in §§ 509(a)(1), 509(a)(2) or 509(a)(3), (iii) are in possession of a determination letter from the Internal Revenue Service to such effect, which determination letter has not been revoked or otherwise modified, (iv) are in compliance in all material respects with all applicable Laws pertaining to the operation of an organization described in § 501(c)(3) of the Code, and (v) have not entered into any transaction that constitutes an "excess benefit transaction" within the meaning of § 4958 of the Code. The WPAHS Parties' interest in the Leased Real Property, the Owned Real Property and the Facilities are, and shall be through the Closing Date, exempt from all real and personal property Taxes, sales and use Taxes and there are no municipal assessments, for betterments or otherwise, on, related to or, to the Knowledge of WPAHS under consideration for, either the Leased Real Property or Owned Real Property.
- (b) Each WPAHS Party has filed all Tax Returns required to be filed by it, including, but not limited to, all Tax Returns relating to the Business (all of which are true and correct in all material respects). All Taxes due and owing by the WPAHS Parties (whether or not shown on any Tax Return), including, but not limited to, all Taxes with respect to the Business, have either been paid or are being contested in good faith by appropriate Proceedings for which adequate reserves have been established. Except with respect to waivers or extensions that are not longer in force, the WPAHS Parties have not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency other than ordinary course extensions of time within which to file any Tax Return.
- (c) Each WPAHS Party has withheld and paid all material Taxes required to have been withheld and paid in connection with amounts paid or owing to any

employee, independent contractor, creditor or other third party, and all Internal Revenue Service Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

- (d) There are no Encumbrances other than Permitted Encumbrances with respect to Taxes on any of the WPAHS Assets.
- (e) No deficiencies for Taxes of any WPAHS Party have been claimed, proposed or assessed in writing by any Governmental Authority. To the Knowledge of WPAHS, there are no pending or threatened Proceedings relating to any liability in respect of Taxes of any WPAHS Party.
- (f) To the Knowledge of WPAHS, no WPAHS Party has entered into, or otherwise participated (directly or indirectly) in any "listed transaction" within the meaning of § 1.6011-4(b)(2) of the Treasury Regulations.

4.24 Environmental Matters.

Except as disclosed on Schedule 4.24:

- (a) The WPAHS Parties are in compliance in all material respects with, and the Real Property and all improvements on the Real Property are in compliance in all material respects with, all Environmental Laws.
- (b) The WPAHS Parties have no material liability under any Environmental Law with respect to any of the WPAHS Assets or the Real Property, nor is any WPAHS Party responsible for any such liability of any other Person under any Environmental Law with respect to any of the WPAHS Assets or the Real Property. There are no pending or, to the Knowledge of WPAHS, threatened Proceedings or Orders based on, and no WPAHS Party has received any formal or informal written notice of any complaint, Order, directive, citation, notice of responsibility, notice of potential responsibility, or information request from any Governmental Authority or any other Person or knows any fact(s) which would reasonably be expected to form the basis for the initiation of any formal action seeking to impose liability on the WPAHS Parties in connection with any Environmental Condition affecting the Real Property.
- (c) The WPAHS Parties have been duly issued, and currently have and will maintain through the Closing Date, all material Approvals and Permits required under any Environmental Law with respect to any of the Facilities. In the WPAHS Due Diligence Information, WPAHS provided a true and complete list and/or copies of such Permits, all of which are valid and in full force and effect. Each WPAHS Party is in material compliance (with respect to each Facility) with, and the Real Property and all improvements on the Real Property are in material compliance with, all Approvals and Permits. Except in accordance with such Approvals and Permits, to the Knowledge of WPAHS, there has been no release of material regulated by such Approvals

and Permits at, on, under, or from the Real Property in violation of Environmental Laws.

- (d) The Real Property contains no underground storage tanks or underground piping associated with such tanks, used currently or in the past for the management of Hazardous Materials, and no WPAHS Party has used any portion of the Real Property as a dump or landfill.
- (e) Each WPAHS Party has made available to Highmark and the UPE Parties accurate and complete copies of all information in its possession pertaining to the environmental condition of the Real Property.
- (f) Each WPAHS Party will promptly furnish to Highmark and the UPE Parties written notice of any material Environmental Condition or of any actions or notices described in this Section 4.24 arising or received after the date hereof prior to the Effective Time.
- (g) Except to the extent permitted under Environmental Laws, neither PCBs, lead paint, nor asbestos-containing materials are present on or in the Real Property.
- (h) No Encumbrance in favor of any Person relating to or in connection with any claim under any Environmental Law has been filed or has attached to the Real Property.

4.25 Immigration Act.

Each WPAHS Party is in compliance in all material respects with the terms and provisions of the Immigration Act with respect to each of the Facilities. No WPAHS Party has been cited, fined, served with a Notice of Intent to Fine or with a Cease and Desist Order (as such terms are defined in the Immigration Act) at any of the Facilities, nor, to the Knowledge of WPAHS, has any Proceeding been initiated or threatened against any WPAHS Party in connection with the Business, by reason of any actual or alleged failure to comply with the Immigration Act.

4.26 Tax-Exempt Bond Debt.

- (a) Except as listed on the attached Schedule 4.26, no WPAHS Party nor any Affiliate of any WPAHS Party is subject to any Encumbrance (other than a Permitted Encumbrance) or any covenant or obligation relating to the WPAHS Tax-Exempt Bonds pursuant to any trust indenture, loan agreement or other agreement entered into in connection with the WPAHS Tax-Exempt Bonds (the "WPAHS Tax-Exempt Bond Documents"). Schedule 4.26 sets forth all the WPAHS Tax-Exempt Bonds and all the WPAHS Tax-Exempt Bond Documents.
- (b) Except as set forth on Schedule 4.26, no WPAHS Party is in violation of any of the terms and conditions of any WPAHS Tax-Exempt Bond Documents, and no event or condition exists that constitutes an event of default under any

such documents or that, to the Knowledge of the WPAHS Parties, with the passing of time or the giving of notice, or both, would constitute an event of default under any such documents.

- (c) No WPAHS Party is aware of any event or condition that has occurred or exists which would adversely affect the tax-exempt status under federal law of the interest payable on any WPAHS Tax-Exempt Bonds and no inquiry from the Internal Revenue Service or action is pending or, to the Knowledge of WPAHS, threatened which challenges the tax-exempt status under federal law of the interest payable on any WPAHS Tax-Exempt Bonds;
- (d) Any arbitrage rebate payments required to be paid with respect to the WPAHS Tax-Exempt Bonds under § 148(f) of the Code and the Treasury Regulations thereunder have been paid to the United States, in the manner, on the dates and in the amounts required by § 148(f) of the Code and the Treasury Regulations thereunder;
- (e) Between the date hereof and the Closing Date, the WPAHS Parties will use their best efforts to ensure that no WPAHS Party takes any action or fails to act if such action or failure to act would adversely affect the tax-exempt status under federal law of the interest payable on any WPAHS Tax-Exempt Bonds or would with the passage of time, constitute an event of default with respect to any WPAHS Tax-Exempt Bond Documents; and
- (f) No WPAHS Party has entered into, or will enter into between the date of this Agreement and the Closing, any lease, management contract, service agreement, or other similar arrangement with a private entity or person which could be considered a private use of facilities financed with the proceeds of WPAHS Tax-Exempt Bonds if such private use, combined with any other private uses with respect to the WPAHS Tax-Exempt Bonds, causes any WPAHS Tax-Exempt Bonds to cease qualifying for tax-exempt status under Code § 103.

4.27 Other Indebtedness.

- (a) Except for the WPAHS Tax-Exempt Bonds listed on Schedule 4.26, and except as listed on Schedule 4.27, no WPAHS Party nor any WPAHS Affiliate is subject to any Encumbrance or any covenant or obligation relating to any indebtedness or financing which is not tax-exempt financing (the “WPAHS Taxable Debt”) or trust indenture, loan agreement or other document entered into in connection with the WPAHS Taxable Debt (the “WPAHS Taxable Debt Documents”). Schedule 4.27 sets forth all the WPAHS Taxable Debt and the WPAHS Due Diligence Information included all of the WPAHS Taxable Debt Documents.
- (b) Except as set forth as Schedule 4.27, no WPAHS Party or any WPAHS Affiliate is in violation of any of the terms and conditions of any WPAHS

Taxable Debt Documents and no event or condition exists that constitutes an event of default under any such documents or that, to the Knowledge of the WPAHS Parties, with the passing of time or the giving of notice, or both, would constitute an event of default under any such documents.

4.28 Absence of Certain Changes.

Since June 28, 2011, except as set forth on Schedule 4.28, there has not been:

- (a) any WPAHS Material Adverse Effect, except for financial performance changes reflected in the WPAHS Historical Financial Information;
- (b) any sale, transfer or other disposal of material WPAHS Assets except in the ordinary course of business.
- (c) any new Encumbrances, except Permitted Encumbrances, imposed on any of the WPAHS Assets (except those new Encumbrances that are reoccurring in the ordinary course of business);
- (d) any change in any accounting policy or methodology;
- (e) any transaction or other action by a WPAHS Party outside the ordinary course of business (other than this Transaction) or not otherwise permitted by this Agreement; or
- (f) any new agreement, whether in writing or otherwise, by any WPAHS Party to take any of the actions set forth in this Section 4.28 or not otherwise permitted by this Agreement (not taking into account any renewal of an agreement addressing such actions which was already in effect as of June 28, 2011).

4.29 Statements True and Correct.

To the Knowledge of WPAHS, the Transaction Documents do not, and will not as of the Effective Time, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein with regard to the WPAHS Parties not misleading.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF HIGHMARK AND THE UPE PARTIES

As of the date hereof and as of the Closing Date (except to the extent any of the following refers to any other specific date), Highmark and the UPE Parties represent and warrant to the WPAHS Parties, the following:

5.1 Organization; Capacity.

Highmark, Ultimate Parent Entity and Provider Subsidiary are all corporations duly organized and validly existing and in good standing under the laws of the Commonwealth of

Pennsylvania. Highmark and each UPE Party is duly authorized, qualified to do business and in good standing under all applicable Laws of any Governmental Authority having jurisdiction over its businesses and to own its properties and conduct its business in the place and manner now conducted. Highmark and the UPE Parties have the requisite power and authority to enter into this Agreement and all other agreements and documents to which Highmark and the UPE Parties will become a party hereunder and to perform their obligations hereunder and thereunder. The execution and delivery by Highmark and the UPE Parties of this Agreement and documents described herein to which they are a party, the performance by Highmark and the UPE Parties of their obligations under this Agreement and documents described herein to which they are parties and the consummation by Highmark and the UPE Parties of the Transaction, as applicable, have been duly and validly authorized and approved by all necessary corporate actions on the part of Highmark and each of the UPE Parties, none of which actions have been modified or rescinded and all of which actions remain in full force and effect.

5.2 Authority; Noncontravention.

The execution, delivery and performance of this Agreement and each other Transaction Document by Highmark and each of the UPE Parties thereto and the consummation by Highmark and each UPE Party of the Transaction, as applicable:

- (a) are within Highmark's and such UPE Parties' powers and are not in contravention or violation of the terms of the articles of incorporation or bylaws of Highmark or such UPE Parties and have been approved by all requisite corporate action;
- (b) except as set forth on Schedule 5.2(b), do not require that Highmark or any UPE Party seek or obtain any Approval of, filing or registration with, or the issuance of any Permit by, or make Notice to, any Governmental Authority; and
- (c) assuming the Approvals and Permits set forth on Schedule 5.2(b) are obtained, will not conflict with, or result in any violation of or default under (with or without notice or lapse of time or both), or give rise to a right of termination, cancellation, acceleration or augmentation of any obligation or to loss of a material benefit under, (i) except as set forth on Schedule 5.2(c), any material contract, instrument, indenture, covenant, or understanding to which any of Highmark or the UPE Parties is a party, or (ii) assuming the Approvals and Permits set forth on Schedule 5.2(b) are obtained, any Law to which Highmark or a UPE Party may be subject.

5.3 Binding Agreement.

This Agreement and all other agreements and documents to which Highmark and the UPE Parties will become a party hereunder are and will constitute the valid and legally binding obligations of Highmark and the UPE Parties and are and will be enforceable against Highmark and the UPE Parties in accordance with the respective terms hereof and thereof, except as enforceability against Highmark and the UPE Parties may be restricted, limited or delayed by

applicable bankruptcy or other Laws affecting creditors' rights generally and except as enforceability may be subject to general principles of equity.

5.4 Financial Information.

- (a) In the Highmark Due Diligence Information, Highmark has provided to the WPAHS Parties copies of the following financial statements and financial information of Highmark (the "Highmark Historical Financial Information"):
 - (i) the audited combined balance sheets, statements of operation, statements of changes in net assets, and statements of cash flow (including the accompanying consolidating schedules of balance sheet information and statement of operation information) as of, and for the twelve-month periods ended December 31, 2009 and December 31, 2010; and
 - (ii) the unaudited combined balance sheet (including the accompanying consolidating schedules of balance sheet information) and unaudited consolidated statement of operations (including the accompanying consolidating schedules of statement of operation information) for the then-current fiscal period ending on the Balance Sheet Date.

For purposes of this Agreement, as of the Closing Date, the term "Highmark Historical Financial Information" shall include in addition to the above, all financial statements comparable to those referenced in Section 5.4(a)(i)-(ii) that have been prepared by or on behalf of Highmark, and provided to the WPAHS Parties during the period from the date of this Agreement through the Closing Date.

- (b) The Highmark Historical Financial Information is true, correct and complete in all material respects and fairly presents the combined financial position of Highmark and its Affiliates as of the respective dates thereof and the combined results of the operations of Highmark and its Affiliates and changes in financial position for the respective periods covered thereby in all material respects. The combined financial statements included in the Highmark Historical Financial Information have been prepared in accordance with GAAP, applied on a consistent basis throughout the periods indicated (subject, in the case of the unaudited Highmark Historical Financial Information, to the absence of notes and normal year-end audit adjustments, the effect of which is not material to Highmark), and are based on the information contained in the books and records of Highmark and its Affiliates. Except as otherwise referenced on Schedule 5.4(b), Highmark has not changed any accounting policy or methodology during the periods presented in the Highmark Historical Financial Information (including accounting policies and methodologies for determining the obsolescence of inventory or in calculating reserves, including reserves for uncollected accounts receivable).

- (c) Except for (i) liabilities reflected in the Highmark Historical Financial Information and (ii) liabilities that were incurred after the Balance Sheet Date in the ordinary course of business, Highmark has no liabilities of any nature, whether accrued, absolute, fixed, contingent, liquidated, unliquidated, recorded, unrecorded, known, unknown, or otherwise which cause a Highmark Material Adverse Effect.

5.5 Regulatory Compliance.

Except as identified in Schedule 5.5, for the prior two (2) years:

- (a) Neither the UPE Parties nor Highmark, nor to the Knowledge of the UPE Parties or Highmark, any of their respective officers or directors (in the course of their duties for the UPE Party or Highmark), have been convicted of or charged with conduct that would constitute a Medicare or other Federal Health Care Program (as defined in 42 U.S.C. § 1320a-7(b)(f)) related offense or convicted of or charged with a violation of any Law related to fraud, theft, embezzlement, breach of fiduciary duty, kickbacks, bribes, other financial misconduct, obstruction of an investigation or controlled substances. Neither the UPE Parties nor Highmark, nor any of their respective officers or directors has been excluded from participating in any Government Program, subject to sanction pursuant to 42 U.S.C. § 1320a-7a or § 1320a-8 or been convicted of a crime described at 42 U.S.C. § 1320a-7b or to the extent that any such officer or director was or shall have been identified as having been excluded from participation in any Federal Health Care Program, the UPE Parties or Highmark have taken remedial action in compliance with applicable Law.
- (b) The UPE Parties and Highmark have been and are presently in all material respects in compliance with all applicable Law, including, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh (the Medicare statute), including specifically, the Stark Law; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396v (the Medicaid statute); the Federal Health Care Program Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the False Claims Act, as amended, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58; the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b; the Exclusion Laws, 42 U.S.C. § 1320a-7; Information Privacy or Security Laws; and any corresponding state statutes and applicable implementing regulations that address the subject matter of the foregoing.
- (c) Neither Highmark, nor any UPE Party, is a party to a Corporate Integrity Agreement with the OIG or has reporting obligations pursuant to any settlement agreement entered into with any Governmental Authority. To the Knowledge of the UPE Parties and Highmark, neither the UPE Parties nor Highmark (i) has been the subject of any Government Program investigation conducted by any federal or state enforcement agency (not including routine or random surveys, audits, or reviews which do not or reasonably should not

result in findings materially adverse to the relevant UPE Party); (ii) has been a defendant in any qui tam/False Claims Act litigation (other than by reason of a sealed complaint of which the such Party may have no knowledge); or (iii) has been served with or received any search warrant, subpoena, or civil investigation demand by or from any federal or state enforcement agency.

5.6 Litigation.

Except as set forth on Schedule 5.6: (i) there is no Proceeding or Order pending or, to the Knowledge of Highmark or to Knowledge of the UPE Parties, threatened against or affecting Highmark or the UPE Parties before any court of Governmental Authority that has or would reasonably be expected to have a material adverse effect on Highmark's and the UPE Parties' ability to perform this Agreement; and (ii) neither Highmark, nor any UPE Party, is subject to any Order that would materially and adversely affect the consummation of the Transaction.

5.7 No Brokers.

Highmark and the UPE Parties have no liability of any kind to any broker, finder or agent with respect to the Transaction for which the WPAHS Parties could be liable.

5.8 Statements True and Correct.

To the Knowledge of Highmark or to the Knowledge of the UPE Parties, the Transaction Documents do not, and will not as of the Effective Time, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein with regard to the WPAHS Parties not misleading.

ARTICLE 6 PRE-CLOSING COVENANTS OF THE PARTIES

The covenants of the Parties set forth in this Article 6 shall apply to the period between the date of this Agreement and the Closing.

6.1 Access to the Premises; Information.

(a) By Highmark and the UPE Parties:

- (1) Between the date of this Agreement and the Effective Time, to the maximum extent permitted by and in compliance with Law, the WPAHS Parties shall allow Highmark and the UPE Parties and their authorized representatives and agents reasonable access to and the right to inspect the Facilities and the WPAHS Assets. Highmark and the UPE Parties' rights of access and inspection referenced in this Section 6.1(a)(1) shall be exercised in such a manner as not to interfere unreasonably with the Business and such rights shall be available to Highmark and the UPE Parties only for the purposes of (i) monitoring the WPAHS Parties' compliance with this Agreement (including the updating of the Schedules through the Closing), the continuing accuracy of the WPAHS Parties'

representations and warranties, and the condition of the WPAHS Assets and operations of the WPAHS Parties; (ii) gathering information from the WPAHS Parties as may be necessary or appropriate to support Highmark and the UPE Parties' efforts to obtain the Approvals and Permits; and (iii) as may be consistent with or in furtherance of the rights of Highmark and the UPE Parties under this Agreement, including without limitation, those set forth in Section 6.1(a)(2). Within the interval time frames noted on the attached Schedule 6.1(a)(1), the WPAHS Parties shall update its SharePoint virtual data sites or otherwise provide to consultants engaged by Highmark and the UPE Parties such WPAHS Due Diligence Information as is appropriate to amend or supplement its prior disclosures or provide new disclosures that are responsive to the due diligence list provided by Highmark on or about June 28, 2011 (as amended). The WPAHS Parties agree to keep their SharePoint virtual data site active and updated through the Closing and thereafter until otherwise agreed by the Parties, and to provide such access thereto as Highmark, the UPE Parties, their representatives and agents may reasonably require.

- (2) In connection with the access provided under this Section 6.1(a), from the date hereof until the Effective Time, the management personnel or authorized representatives of Highmark and of the UPE Parties shall have the right to be present at the Hospitals and other Facilities, and shall have the opportunity to regularly meet with management of the Hospitals and Facilities to review operations and the level of compliance with the terms of this Agreement, including financial performance, capital expenditures, contract renewals and extensions, employee management and other matters related to the Business and to provide such advice regarding operation of the Business as Highmark's or the UPE Parties' personnel believe reasonable and appropriate under this Agreement. The WPAHS Parties shall provide Highmark's or the UPE Parties' management personnel with reasonable access to office space and to such of the WPAHS Parties' personnel as necessary to permit them to comply with this covenant. The managers of the Facilities shall promptly provide such written reports and information as may be reasonably requested by Highmark or the UPE Parties with respect to the foregoing, including those reports referenced on Schedule 6.1(a)(2), provided that the time required to prepare such written reports shall not interfere unreasonably with the Business.
- (b) By the WPAHS Parties: Within the interval time frames noted on the attached Schedule 6.1(b), Highmark and the UPE Parties shall update their SharePoint virtual data site with such Highmark Due Diligence Information as is appropriate to amend or supplement its prior disclosures or provide new disclosures that are responsive to the due diligence list provided by the WPAHS Parties on or about July 6, 2011 (as amended). Highmark and the UPE Parties agree to provide the WPAHS Parties with the information

necessary for WPAHS to complete its due diligence to the extent set forth in this Section 6.1(b).

- (c) Notwithstanding any provision of this Section 6.1, neither the WPAHS Parties, nor Highmark or the UPE Parties, shall disclose any documents or other information to the other pursuant to this Section 6.1 if such disclosure would be contrary to applicable Law.

6.2 Conduct of Business.

From the date hereof until the Effective Time, except as set forth on Schedule 6.2, or upon the Consent of Highmark and the UPE Parties, the WPAHS Parties shall:

- (a) carry on the Business in substantially the same manner as it has heretofore and not make any material change in operations, finance, accounting policies, or the WPAHS Assets other than in the ordinary course of business;
- (b) not make any change in WPAHS employees or other personnel that is either (i) at a level of executive vice-president or above, involves a divisional head or the head of a Facility department or medical department chair or (ii) pertains to any WPAHS employee or other personnel paid by WPAHS annual compensation of more than \$500,000;
- (c) maintain the WPAHS Assets and all parts thereof in the working order and condition as at present, ordinary wear and tear and use excepted (except that the WPAHS Parties may sell, transfer or abandon Intellectual Property rights as long as such sale, transfer or abandonment does not materially interfere with the Business of the relevant WPAHS Party(ies));
- (d) make all normal and planned capital expenditures and other capital expenditures for emergency repairs or replacement;
- (e) perform in all material respects all of its obligations and enforce the performance in all material respects of any party's obligations under the Material Contracts;
- (f) keep the WPAHS Assets and each Facility and all of its operations adequately insured at all times and carry and maintain such insurance in amounts which are customarily carried, subject to customary deductibles, and against such risks as are customarily insured against by other corporations in connection with the ownership and operations of facilities of similar character and size;
- (g) use their commercially reasonable efforts to correct any requirements for improvement cited by any Governmental Authority or The Joint Commission in the most recent surveys conducted by each or develop and timely implement evidence of standards compliance that is acceptable to any Governmental Authority or The Joint Commission;

- (h) substantially comply in all material respects with all Laws applicable to the conduct of the Business;
- (i) use their commercially reasonable efforts to maintain in effect and good standing all Approvals and Permits relating to the Business; and
- (j) comply with all obligations, covenants and requirements set forth in the Master Indenture, the Trust Indenture securing the WPAHS Tax-Exempt Bonds and the Loan Agreement(s) between the Allegheny County Hospital Development Authority and WPAHS entered into in connection with the WPAHS Tax-Exempt Bonds.

The value of all actions taken and decisions implemented by the WPAHS Parties (and damages and costs of failing to take actions or implement decisions) in breach or violation of this Section 6.2 shall be deducted from and applied against the Representation Basket Amount specified in Section 8.1(b). Any difference in valuation calculated by Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other hand, with regard to the foregoing sentence shall be resolved by majority vote of the Joint Committee which shall be authorized to engage such experts as they deem to be reasonably necessary to assist in their determination, the costs thereof to be borne equally by Highmark and WPAHS.

6.3 Negative Covenants.

From the date hereof to the Effective Time, except as set forth on Schedule 6.3, or upon the Consent of Highmark and the UPE Parties, the WPAHS Parties will not, with respect to the Business or otherwise regarding the WPAHS Assets:

- (a) enter into any Contract (including, for purposes of this Section 6.3(a) only, employment or independent contracts which may otherwise constitute Benefit Program and Agreements and therefore otherwise be exempt from the definition of Contract) (i) that involves direct or indirect payments to or from physicians or to the Knowledge of WPAHS, other potential sources of referrals (or Persons owned or controlled, in whole or in part, by physicians or to the Knowledge of WPAHS, potential sources of referrals, including those in a position to influence referrals) of a base compensation or fee of more than \$500,000 annually (or \$900,000 annually in the case of a Contract renewal), (ii) that is an employment agreement that commits to the payment of annual base compensation greater than \$500,000 and that is for a term greater than one year, (regardless of whether such agreement satisfies the standards described in Section 6.3(a)(i)), (iii) that will restrict the ability of the WPAHS Parties to compete in any manner in any geographic area, (iv) that is with a union or other collective bargaining group, or (v) that is with a managed care payor or other third party payor, except consistent with the WPAHS Parties' ordinary course of business and past practices;
- (b) enter into any other Contract, except for Contracts that satisfy each of the following requirements: (i) the Contract does not contain any restrictive

covenant, change of control or other Contract provision that would trigger any modification or termination of the Contract or that requires the consent from or notice to any third party to the Contract as a result of the Transaction, and (ii) the Contract does not involve the payment or receipt of more than \$3,000,000 annually (or \$5,000,000 in the case of a Contract renewal);

- (c) (i) amend or terminate any Contract that is of the type referenced in either Section 6.3(a) or Section 6.3(b) above; provided, however, that WPAHS may terminate the A&M Contract in accordance with its terms;
- (d) materially increase compensation payable to, or to become payable to, or make a bonus payment to, any employee, physician, director or officer or under any consulting or independent contractor Contract, except in the ordinary course of business in accordance with existing personnel policies;
- (e) sell, assign or otherwise transfer (other than among WPAHS Parties) or dispose of, any of the WPAHS Assets, except in the ordinary course of business;
- (f) materially encumber any of the WPAHS Assets except by Permitted Liens or licenses of WPAHS Intellectual Property to third parties in the ordinary course of business or effect any corporate merger, business combination, reorganization or similar transaction;
- (g) make any unbudgeted capital expenditure commitment in excess of \$900,000 for additions to property, plant, equipment, intangible or capital assets or for any other purpose, other than for emergency repairs or replacement, except for the capital expenditures disclosed on Schedule 6.3(g);
- (h) fail to maintain the books, accounts and records of the WPAHS Parties in accordance with GAAP consistently applied;
- (i) except as provided in Section 2.3, amend the WPAHS Parties' Articles of Incorporation, Bylaws or other comparable charter or organizational documents;
- (j) adopt or amend any new or existing Plans of the WPAHS Parties (other than such routine amendments as may be necessary for regulatory compliance);
- (k) apply for or become subject to the appointment of a receiver, trustee or liquidator, make an assignment for benefit of its creditors, admit in writing its inability to pay its debts as they become due, or file a voluntary petition in any court of competent jurisdiction seeking protection from creditors or declaring itself insolvent and unable to meet its obligations when due;
- (l) incur any unbudgeted Long-Term Indebtedness; or

- (m) alter title to the Owned Real Property as it exists on the date of this Agreement, between the date of this Agreement and Closing.

The value of all actions taken and decisions implemented by the WPAHS Parties (and damages and costs of failing to take actions or implement decisions) in breach or violation of this Section 6.3 shall be deducted from and applied against the Representation Basket Amount specified in Section 8.1(b). Any difference in valuation calculated by Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other hand, with regard to the foregoing sentence shall be resolved by majority vote of the Joint Committee which shall be authorized to engage such experts as they deem to be reasonably necessary to assist in their determination, the costs thereof to be borne equally by Highmark and WPAHS.

6.4 Use of Funding Commitments.

WPAHS agrees that it will use the funds received in connection with the Initial Funding Commitment in accordance with Section 2.5(a) and that it will use any funds received in connection with the Second Funding Commitment and Third Funding Commitment in accordance with the Funding Deployment Plan referenced in Section 2.5(d) as in effect from time to time. The amount of funds used other than in accordance with the Funding Deployment Plan referenced in Section 2.5(d) as in effect from time to time shall be deducted from and applied against the Representation Basket Amount specified in Section 8.1(b).

6.5 Notification of Certain Matters.

- (a) From the date hereof to the Closing, the WPAHS Parties shall give written notice to Highmark and the UPE Parties of (i) the occurrence, or failure to occur, of any event that causes any representation or warranty of the WPAHS Parties contained in this Agreement to be untrue in any material respect, and (ii) any failure of the WPAHS Parties to comply with or satisfy, in any material respect, any covenant, condition or agreement to be complied with or satisfied by it under this Agreement. Such notice shall be given as soon as reasonably practicable, but in no event later than thirty (30) days after an Executive Employee of a WPAHS Party becomes aware of the same and shall provide a reasonably detailed description of the relevant circumstances, based on facts known to the WPAHS Parties. The WPAHS Parties shall also give Highmark and the UPE Parties prior written notice of any proposed settlement of any dispute or threatened dispute with any Governmental Authority that will materially impact the WPAHS Assets and the Business.
- (b) From the date hereof to the Closing, Highmark and the UPE Parties shall give notice to the WPAHS Parties of (i) the occurrence, or failure to occur, of any event that causes any representation or warranty of Highmark and the UPE Parties contained in this Agreement to be untrue in any material respect, and (ii) any failure of Highmark and the UPE Parties to comply with or satisfy, in any material respect, any covenant, condition or agreement to be complied with or satisfied by it under this Agreement. Such notice shall be given as soon as reasonably practicable, but in no event later than thirty (30) days after

an Executive Employee of Highmark or the UPE Parties becomes aware of the same and shall provide a reasonably detailed description of the relevant circumstances, based on facts known to Highmark and the UPE Parties.

6.6 Restrictive Contracts.

- (a) With regard to any Contract that contains a restrictive covenant, change of control or other Contract provision that would trigger a modification or termination of the Contract or that requires consent from or notice to any third party to the Contract as a result of the Transaction, the WPAHS Parties shall be responsible for and shall use commercially reasonable efforts to obtain all such consents and provide all such notices. If any such consent cannot be obtained despite the WPAHS Parties' commercially reasonable efforts, the WPAHS Parties shall, upon the request of Highmark or the UPE Parties, cooperate in any reasonable arrangement designed to preserve benefits under any such Contract, including enforcement of any and all rights of the WPAHS Parties against the other party or parties thereto arising out of the breach or cancellation by such other party or otherwise.
- (b) Except as specifically agreed to herein solely for the benefit of the WPAHS Parties, this Agreement shall not be deemed to constitute an agreement that would restrict Highmark or the UPE Parties' actions, purchasing power or options, or other contracting rights with respect to any entity, facility, business or operations other than the Facilities. If a Contract contains such a restriction, the WPAHS Parties shall cooperate in any reasonable arrangement designed to preserve benefits under any such Contract without the application of such restrictions or limitations to Highmark or the UPE Parties.

6.7 Approvals.

Between the date hereof and the Closing Date, the WPAHS Parties, Highmark and the UPE Parties shall use their respective best efforts, as promptly as practicable, to obtain all Approvals and Permits and deliver all Notices necessary for the consummation of the Transaction and the operation of the Business following the Closing. The UPE Parties and the WPAHS Parties agree to cooperate with each other and to provide such information and communications to each other or to any Governmental Authority as may be reasonably requested by one another or any Governmental Authority in order to obtain the Approvals and Permits and deliver the Notices contemplated above or as otherwise necessary to consummate the Transaction. Without limiting the generality of the foregoing sentence, the UPE Parties, Highmark and WPAHS Parties shall work together to ensure that no later than five (5) days after the execution of this Agreement, they will have jointly developed such business plans in form and substance as are appropriate for Highmark to submit, no later than five (5) days after the execution of this Agreement, to the Pennsylvania Insurance Department in connection with the review and approval of the proposed Transaction. Subject to any limitations required by applicable Law, the WPAHS Parties, Highmark and the UPE Parties will, and will cause their respective counsel to, supply to each other copies of all material correspondence, filings or written communications by such Party with any Governmental Authority or staff members

thereof, with respect to the Transaction. If any Party learns that an Approval required under Article 8 or 9 is likely to be subject to a condition such Party shall notify the other Parties promptly after the substance of the condition becomes known to such Party.

6.8 Title Matters.

Highmark or the UPE Parties may, at their option and without cost or expense to the WPAHS Parties, obtain commitments (the “Commitments”) from a title insurance company selected by Highmark or the UPE Parties (the “Title Company”) to issue as of the Closing Date an ALTA owner’s policy of title insurance (Form 2006) (the “Title Policy”) for certain of the Real Property. Notwithstanding the foregoing, the issuance of any Title Policy shall not be a condition precedent to the obligation of Highmark and the UPE Parties to close the Transaction. Each WPAHS Party agrees to deliver any information in its possession as may be reasonably required by the Title Company under the requirements section of the Commitments in connection with the issuance of the Title Policy, and also agrees to provide an affidavit of title and/or such other non-confidential information as the Title Company may reasonably require in order for the Title Company to insure over the “gap” (*i.e.*, the period of time between the effective date of the title insurance company’s last checkdown of title to such Real Property and the Closing Date); provided, in no event shall any WPAHS Party be required to post any bond, escrow any funds or indemnify the Title Company, its agents or any other Person in connection with the issuance of any Title Policy.

6.9 Additional Financial Information.

Within thirty (30) days following the end of each calendar month prior to the Closing Date, the WPAHS Parties will deliver to Highmark and the UPE Parties, copies of the unaudited consolidated balance sheets and the related unaudited consolidated income statements, as well as monthly WPAHS Tax-Exempt Bond covenant calculations, relating to the Business for each month then ended. Within five (5) days of receipt, the WPAHS Parties will deliver to Highmark and the UPE Parties for fiscal years ending prior to the Closing Date audited consolidated balance sheets, statements of operation, statements of changes in net assets, and statements of cash flow (including the accompanying consolidating schedules of balance sheet information and statement of operation information). Such financial statements shall have been prepared from and in accordance with the WPAHS Parties’ books and records, shall fairly present the financial position and results of operations of the Business as of the date and for the period indicated, and shall be prepared in accordance with GAAP, consistently applied, except that in the case of the unaudited monthly statements, such financial statements need not include required footnote disclosures, nor reflect normal year-end adjustments or adjustments that may be required as a result of the Transaction.

6.10 Closing Conditions.

Between the date of this Agreement and the Effective Time, the WPAHS Parties, Highmark and the UPE Parties will use their commercially reasonable best efforts (unless another standard is provided herein) to cause the conditions specified in Article 8 and Article 9 hereof over which the WPAHS Parties, Highmark or the UPE Parties have control, including the receipt of all required Approvals and Permits set forth in Schedules 8.4 and 9.4, to be satisfied as

soon as reasonably practicable, but in all events on or before the Effective Time. The provisions of this Section 6.10 shall continue to apply regardless of any future contractual arrangements as may be entered into between Highmark and any other health care provider.

6.11 Compliance with Tax Exemption and Charitable Laws.

- (a) Highmark and the UPE Parties shall use their commercially reasonable best efforts to cause the Ultimate Parent Entity and Provider Subsidiary to be organized and operated in such a way that complies with §§ 509(a)(3) and 501(c)(3) of the Code, as well as to comply with the applicable Law of the Commonwealth of Pennsylvania relating to the nondiversion of charitable assets and applicable to charitable nonprofit corporations. The WPAHS Parties shall use their commercially reasonable best efforts to cause those WPAHS Parties currently determined to be organizations described in § 501(c)(3) of the Code to be organized and operated in such a way that complies with § 501(c)(3) of the Code, as well as to comply with the applicable Law of the Commonwealth of Pennsylvania relating to the nondiversion of charitable assets and applicable to charitable nonprofit corporations. The UPE Parties shall cause a Form 1023 (Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code) to be prepared and filed for each of the Ultimate Parent Entity and Provider Subsidiary. WPAHS shall have the right to review and comment on such Forms 1023 before they are submitted to the Internal Revenue Service, and to employ professional advisors and counsel at its own expense, separate from the professional advisors and counsel employed by the UPE Parties and/or Highmark. The Parties shall cooperate in good faith with one another in the course of the ruling process. The UPE Parties shall provide notice to WPAHS in advance of any meetings or conferences with the Internal Revenue Service (excluding informal conversations) associated with the Forms 1023 and permit WPAHS, at its sole expense, to have a representative attend and participate in any such conferences and meetings. The UPE Parties shall keep WPAHS reasonably apprised of the status of the Forms 1023 and shall promptly provide WPAHS with a copy of the original submissions of the Forms 1023, copies of all correspondence with the Internal Revenue Service relating to the Forms 1023, and any final written determinations by the Internal Revenue Service with respect thereto. The Parties agree that, should tax counsel for either WPAHS, Highmark or the UPE Parties recommend changes to the Transaction Documents in response to communications (written or otherwise) with the Internal Revenue Service in conjunction with the Forms 1023, the Parties will cooperate and attempt, but will be under no obligation, to reach agreement on any such amendments to the Transaction Documents in order to obtain favorable determinations from the Internal Revenue Service pursuant to the Forms 1023.
- (b) If Highmark and the UPE Parties take any action when either (i) issuing a Consent of Highmark and the UPE Parties or refusing to issue a Consent of Highmark and the UPE Parties pursuant to Sections 6.2 and 6.3 or (ii) giving

direction to senior management and designated representatives on the development of a Funding Deployment Plan under Section 2.5(d) (each, a "Section 6.11(b) Action"), that, in the opinion of nationally recognized tax counsel for WPAHS, will, or is likely to, jeopardize the federal income tax exempt status of WPAHS or any WPAHS Party listed on Schedule 4.23 under § 501(c)(3) of the Code or the non-private foundation status of any one or more of such organizations under § 509(a) of the Code, the WPAHS Parties will have the right to object to any such Section 6.11(b) Action, provided that the sole basis for any such objection shall be the WPAHS Parties' belief that the actions taken by Highmark and the UPE Parties will, or are likely to, jeopardize the federal income tax exempt status and non-private foundation status of WPAHS or any WPAHS Party listed on Schedule 4.23. Any such objection shall be issued within five (5) business days of any Section 6.11(b) Action and provided by the WPAHS Parties to the Joint Committee. Within five (5) business days after its receipt of the objection, the Joint Committee shall engage a senior tax attorney mutually acceptable to Highmark and the UPE Parties, and the WPAHS Parties, who is an expert in the law of federal income tax exemption (the "Tax-Exemption Arbitrator"). If the Parties are not able to agree on the identity of the Tax-Exemption Arbitrator, then Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other hand, shall each have two (2) business days to select a senior tax attorney and the two senior tax attorneys shall select the Tax-Exemption Arbitrator who shall make a final, binding, conclusive and non appealable decision as to the WPAHS Parties' objection. Such decision will be based only on existing Internal Revenue Service precedent and be issued within five (5) business days of the Tax-Exemption Arbitrator's engagement. All fees and expenses relating to the work, if any, to be performed by the Tax-Exemption Arbitrator shall be borne one-half by Highmark and the UPE Parties, on the one hand, and one-half by the WPAHS Parties, on the other hand.

6.12 Notice by Highmark and the UPE Parties.

- (a) Highmark and the UPE Parties shall provide prior notice to, with a reasonable opportunity to comment by, the WPAHS Parties before any of Highmark or the UPE Parties:
 - (i) amends the Articles of Incorporation, Bylaws or other comparable charter or organizational documents of the Ultimate Parent Entity or Provider Subsidiary, except as provided herein; or
 - (ii) enters into a term sheet, letter of agreement, memorandum of understanding or definitive agreement under which Highmark or one or more of the UPE Parties sells, transfers, or otherwise changes control or ownership of Highmark or a UPE Party and/or all or substantially all of the assets of Highmark or a UPE Party.

- (b) Highmark and the UPE Parties shall provide notice to the WPAHS Parties within ten (10) days if Highmark or one or more of the UPE Parties:
- (i) fails to maintain in effect and good standing in all material respects Approvals and Permits relating to its businesses;
 - (ii) fails to maintain the books, accounts and records of Highmark and the UPE Parties in accordance with GAAP consistently applied;
 - (iii) applies for or becomes subject to the appointment of a receiver, trustee or liquidator, makes an assignment for benefit of its creditors, admits in writing its inability to pay its debts as they become due, or files a voluntary petition in any court of competent jurisdiction seeking protection from creditors or declaring itself insolvent and unable to meet its obligations when due;
 - (iv) enters into a new contract under which one or more of Highmark and the UPE Parties is a party thereto that contains any restrictive covenant, change of control or other contract provision that would trigger any modification or termination of the contract or that requires the consent from or notice to any third party to the contract as a result of the Transaction; or
 - (v) enters into a term sheet, letter of agreement, memorandum of understanding or definitive agreement under which one or more of Highmark or the UPE Parties agrees to acquire, purchase, assume membership or otherwise obtain control or ownership of a health care system or hospital, provided that the WPAHS Parties shall first sign such a confidentiality agreement as may be reasonably required to assure that such information is treated confidentially (all the above being subject to Highmark and the UPE Parties being satisfied that such disclosure will not violate applicable antitrust laws or the terms of confidentiality to which Highmark or the UPE Parties may be bound).

6.13 Bond Compliance.

WPAHS shall engage nationally recognized bond counsel to provide an opinion addressed to Highmark and the UPE Parties and delivered at the Closing to the effect that the Transaction (i) will not adversely affect the tax-exempt status of the WPAHS Tax-Exempt Bonds, including the Allegheny County Hospital Development Authority Health System Revenue Bonds (West Penn Allegheny Health System) Series 2007A, and (ii) will not constitute a default under the WPAHS Master Indenture, the Trust Indenture securing the WPAHS Tax-Exempt Bonds or the Loan Agreement(s) between the Allegheny County Hospital Development Authority and WPAHS entered into in connection with the WPAHS Tax-Exempt Bonds. Notwithstanding any other provision of this Agreement, the WPAHS Parties will as soon as reasonably practicable, but in no event more than five (5) business days after its receipt or

distribution, provide Highmark with copies of all notices received from or sent to the Bond Trustee, Master Trustee, bondholders or the Municipal Securities Rulemaking Board in connection with the WPAHS Tax-Exempt Bonds.

ARTICLE 7 POST-CLOSING COVENANTS OF THE PARTIES

The covenants of the Parties set forth in this Article 7 shall apply to the period that commences upon the Closing.

7.1 Governance Matters.

The Parties agree to, for a period of four (4) years after the Closing Date: (a) maintain the Articles of Incorporation and Bylaws of the Provider Subsidiary and WPAHS in forms attached as Exhibit D and Exhibit E, respectively and (b) comply with the requirements of Sections 2.4.2 and 2.4.3 herein.

7.2 Funding Commitments.

The Parties agree to comply with and abide by the terms and conditions of Section 2.5 and the Loan Agreements referenced in Section 2.5(g), including the loan to WPAHS of the Fourth and/or Fifth Funding Commitments, subject to the other provisions of this Agreement, including Section 2.5(e), (f) and (h).

7.3 Relationship with Temple University School of Medicine.

The Parties agree that they will not initiate or approve any termination of WPAHS's primary medical school relationship with Temple University School of Medicine for so long as it is determined to be in the best interest of WPAHS. Subject to the other provisions of this Agreement, the WPAHS Parties may utilize the Funding Commitments to further such relationship, but in no event will Highmark or the UPE Parties be required to commit any additional funds for such purpose.

7.4 Research and Education Programs.

The Parties commit that after the Closing they will not change in any material respect the research and education programs operated by or in connection with the WPAHS Parties as of the date of this Agreement for a period of five (5) years after the Closing Date, except for the potential expansion of certain residency programs at those community hospitals to be identified by the UPE Parties; provided however, that the Parties shall not be deemed to be in violation of this commitment, and this Section 7.4 shall not apply to any situation where, if after the Closing Date, any third party engaged in such research and education programs terminates or initiates discussions to modify their relationships with the WPAHS Parties. Subject to the other provisions of this Agreement, the WPAHS Parties may utilize the Funding Commitments to further such programs, but in no event will Highmark and the UPE Parties be required to commit any additional funds for such purpose.

7.5 Continuing Tax Exempt Status.

The Parties agree that (i) for a period of at least four (4) years no material change will be made to the overall activities of WPAHS, the other WPAHS Parties set forth on Schedule 4.23, the Ultimate Parent Entity and the Provider Subsidiary, if any such change would reasonably be expected to cause one or more of these organizations to cease to qualify as an organization that is exempt from tax under § 501(c)(3) of the Code and (ii) the Parties have no present intention to make any such changes after the expiration of such four (4) year period.

7.6 Restraint on Sale, Mortgage, and Disposition.

The Parties agree that they will not sell, mortgage or dispose of all or substantially all of the WPAHS Assets or change the sole member of WPAHS or of the Provider Subsidiary for a period of four (4) years after the Closing Date, except that the Ultimate Parent Entity or the Provider Subsidiary may approve and authorize: (i) the refinancing of any existing or future WPAHS Tax-Exempt Bonds or other existing or future debt even if secured by mortgages or other Encumbrances on the WPAHS Assets, and (ii) the acquisition, construction, expansion or development of new or existing WPAHS facilities even if financed and secured by mortgages or Encumbrances on the WPAHS Assets.

7.7 Restricted Funds.

Each Party will continue to be bound by and honor the terms of all endowments and/or donor-restricted funds, and the beneficial interests of the Parties in any gifts or bequests shall continue. Additionally, in the future, contributions to each of the Parties, whether under will, deed of trust or otherwise, shall be treated as contributions to the named Party (as it may be renamed in the future).

7.8 Failure to Obtain Consents.

If the WPAHS Parties are unable, despite the WPAHS Parties' commercially reasonable efforts, to obtain the consents contemplated in Section 6.6(a) prior to the Closing, the WPAHS Parties shall upon the request of Highmark and the UPE Parties continue to cooperate post-Closing in any reasonable arrangement designed to preserve benefits under any such Contract, including enforcement of any and all rights of the WPAHS Parties against the other Party or Parties thereto arising out of the breach or cancellation by such other Party or otherwise.

7.9 Post-Closing Access to Information.

The Parties acknowledge that subsequent to the Closing Highmark and the UPE Parties, and the WPAHS Parties, may need access to information and documents in the control or possession of the other Parties for purposes of completing the Transaction, audit preparation, compliance with Laws and other legitimate business purposes. The Parties agree that they will provide such information and documents in their possession or control to the other Parties, their attorneys and independent auditors as shall be reasonably necessary or appropriate for the purposes described in this Section 7.9, subject to all applicable Laws, specifically including the Laws pertaining to antitrust and competition.

ARTICLE 8
CONDITIONS PRECEDENT TO OBLIGATIONS OF HIGHMARK
AND THE UPE PARTIES

The obligations of Highmark and the UPE Parties under this Agreement are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Highmark and the UPE Parties:

8.1 Representations and Warranties.

- (a) The representations and warranties of the WPAHS Parties contained in this Agreement and in any document, instrument or certificate delivered hereunder, after giving effect to disclosures made by the WPAHS Parties in accordance with Sections 6.5(b) and 12.13 and further subject to Section 8.1(b) hereof, shall be true and correct in all material respects at and as of the Closing with the same force and effect as if made as of the Closing.
- (b) Notwithstanding Section 8.1(a) or any other provision of this Agreement, it will not be a condition precedent to the obligations of Highmark and the UPE Parties under this Agreement that the representations and warranties of the WPAHS Parties set forth in Sections 4.5, 4.7, 4.12, 4.14, 4.16, 4.18, 4.20, 4.24, and 4.25 be true and correct in all material respects as of the Closing, unless and until such time as the aggregate of the following, taken together and calculated as of the Closing, exceeds \$50 million (the “Representation Basket Amount”): (i) the net diminution in value of the WPAHS Assets that is reasonably attributable to breaches of the aforesaid representations and warranties that remain uncured as of the Closing Date, (ii) all losses, liabilities, claims, damages, costs and expenses incurred or suffered or reasonably expected to be incurred or suffered by any of the WPAHS Parties (or Highmark or any of the UPE Parties should the Transaction be consummated) on account of uncured breaches of the aforesaid representations and warranties and (iii) any amounts to be deducted from and applied against the Representation Basket Amount pursuant to Sections 6.2, 6.3 and 6.4 of this Agreement.

8.2 Performance.

The WPAHS Parties will have performed and complied, in all material respects, with all agreements, obligations and covenants contained in this Agreement that are required to be performed or complied with by the WPAHS Parties at or prior to the Closing.

8.3 No Material Adverse Effect.

There shall have been no WPAHS Material Adverse Effect as of the Closing Date.

8.4 Pre-Closing Confirmations by Governmental Authorities.

Highmark and the UPE Parties shall have obtained documentation or other evidence reasonably satisfactory to Highmark and the UPE Parties that the Parties have received those Approvals and Permits set forth on Schedule 8.4. For the avoidance of any doubt, the Parties agree and understand that if any Approval or Permit sought or obtained by any Party in connection with the Transaction is subject to any material condition that Highmark and the UPE Parties determine to be unacceptable, including pursuant to Section 6.7, Highmark and the UPE Parties shall have no obligation to complete the Transaction.

8.5 Action/Proceeding.

No court or any other Governmental Authority shall have issued an Order restraining or prohibiting the Transaction (that, if not permanent, has not been lifted or vacated or otherwise is no longer in effect); no Governmental Authority shall have commenced or threatened in writing to commence any Proceeding before any court of competent jurisdiction or other Governmental Authority that seeks to restrain or prohibit the consummation of the Transaction or otherwise seeks a remedy which would materially and adversely affect the operation of the Business; and neither the Justice Department, nor the FTC, nor the Pennsylvania Attorney General, Pennsylvania Insurance Department or Pennsylvania Department of Health shall have requested, orally or in writing, that Highmark or the UPE Parties delay, postpone or forebear from the Closing.

8.6 Closing Documents.

Each WPAHS Party shall have executed and delivered to Highmark all of the items required to be delivered by the WPAHS Parties as contemplated by Section 3.2 or otherwise pursuant to any term or provision of this Agreement.

8.7 Post-Closing Compliance with Laws and Regulations.

Highmark and the UPE Parties shall have received such assurances as they determine to be reasonably necessary confirming that the Transaction described in this Agreement and the post-Closing operations and affairs of Highmark and the UPE Parties and WPAHS Parties will comply with all applicable Laws, including those relating to antitrust and competition; and that all other outstanding substantive and regulatory issues have been resolved to the satisfaction of Highmark and the UPE Parties, including those under Laws that place statutory limits on investments by Highmark or its Affiliates.

8.8 [Intentionally left blank.]

8.9 Tax-Exempt Status of the WPAHS Parties.

Highmark and the UPE Parties shall have received such reasonable assurances as each deems reasonably necessary to confirm that, since the date of this Agreement, (i) no changes in Law shall have occurred and (ii) no changes in facts and circumstances (excluding those that were either reasonably foreseeable or caused by or within the control of Highmark and the UPE Parties) shall have transpired, that in either case cause the tax-exempt status of WPAHS and

those WPAHS Parties identified on Schedule 4.23, respectively, for federal income tax purposes to be reasonably placed in jeopardy by the Closing of the Transaction; provided that, if the WPAHS Parties believe that Highmark or the UPE Parties have abused their discretion with respect to this provision, the WPAHS Parties shall notify Highmark and the UPE Parties and the matter shall be submitted to a neutral arbitrator selected by WPAHS and Highmark to resolve and the matter will proceed to resolution within the same time frames and in accord with the same process as is set forth in the last four sentences of Section 6.11(b) of this Agreement.

8.10 Tax-Exempt Status of the Ultimate Parent Entity and Provider Subsidiary.

Highmark and the UPE Parties shall have received such assurances as they deem reasonably necessary to confirm the tax-exempt status of the Ultimate Parent Entity and Provider Subsidiary, respectively, for federal income tax purposes under § 501(c)(3) of the Code and the supporting organization status of the Ultimate Parent Entity and Provider Subsidiary under § 509(a)(3) of the Code, other than a non-functionally integrated Type III supporting organization.

8.11 Bond Compliance.

The opinion described in Section 6.13 shall have been delivered to Highmark and the UPE Parties.

8.12 Compliance with BCBSA Requirements.

Highmark shall have received all approvals from the Blue Cross Blue Shield Association confirming that the Transaction is in compliance with all requirements and guidelines that are binding on Highmark.

ARTICLE 9 CONDITIONS PRECEDENT TO OBLIGATIONS OF THE WPAHS PARTIES

The obligations of each WPAHS Party hereunder are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by the WPAHS Parties:

9.1 Representations and Warranties.

The representations and warranties of Highmark and the UPE Parties contained in this Agreement and in any document, instrument or certificate delivered hereunder, after giving effect to disclosures made by Highmark and the UPE Parties in accordance with Sections 6.5(b) and 12.13 of this Agreement, shall be true and correct in all material respects at and as of the Closing with the same force and effect as if made as of the Closing.

9.2 Performance.

Highmark and the UPE Parties will have performed and complied, in all material respects, with all agreements, obligations and covenants contained in this Agreement that are required to be performed or complied with by Highmark and the UPE Parties at or prior to the

Closing.

9.3 No Material Adverse Effect.

There shall have been no Highmark Material Adverse Effect as of the Closing Date.

9.4 Pre-Closing Confirmations by Governmental Authorities.

The WPAHS Parties shall have obtained documentation or other evidence reasonably satisfactory to the WPAHS Parties that the Parties have received such Approvals and Permits as set forth on Schedule 9.4. For the avoidance of any doubt, the Parties agree and understand that if any Approval or Permit sought or obtained by any Party in connection with the Transaction is subject to any material condition that the WPAHS Parties determine to be unacceptable, including pursuant to Section 6.7, the WPAHS Parties shall have no obligation to complete the Transaction.

9.5 Action/Proceeding.

No court or any other Governmental Authority shall have issued an Order restraining or prohibiting the Transaction (that, if not permanent, has not been lifted or vacated or otherwise is no longer in effect); no Governmental Authority shall have commenced or threatened in writing to commence any Proceeding before any court of competent jurisdiction or other Governmental Authority that seeks to restrain or prohibit the consummation of the Transaction or otherwise seeks a remedy which could materially and adversely affect the operation of the Business; and neither the Justice Department, nor the FTC, nor the Pennsylvania Attorney General, Pennsylvania Insurance Department or Pennsylvania Department of Health shall have requested, orally or in writing, that the WPAHS Parties delay, postpone or forebear from the Closing.

9.6 Closing Documents.

Highmark and the UPE Parties shall have executed and delivered to the WPAHS Parties all of the items required to be delivered by Highmark and the UPE Parties as contemplated by Section 3.3 or otherwise pursuant to any term or provision of this Agreement.

9.7 Post-Closing Compliance with Laws and Regulations.

The WPAHS Parties shall have received such assurances as they determine to be reasonably necessary to confirm that the Transaction described in the Agreement and the post-Closing operations and affairs of Highmark and the UPE Parties and the WPAHS Parties will be in compliance with all applicable Laws, including those relating to antitrust and competition, and that all other outstanding substantive and regulatory issues have been resolved to the satisfaction of the WPAHS Parties, including those under Laws that place statutory limits on investments by Highmark or its Affiliates.

9.8 [Intentionally left blank.]

9.9 Tax-Exempt Status of the WPAHS Parties.

The WPAHS Parties shall have received such reasonable assurances as each deems reasonably necessary to confirm that, since the date of this Agreement, (i) no changes in Law shall have occurred and (ii) no changes in facts and circumstances (excluding those that were either reasonably foreseeable or caused by or within the control of the WPAHS Parties) shall have transpired, that in either case cause the tax-exempt status of WPAHS and those WPAHS Parties identified on Schedule 4.23, respectively, for federal income tax purposes to be reasonably placed in jeopardy by the Closing of the Transaction; provided that, if Highmark or the UPE Parties believe that the WPAHS Parties have abused their discretion with respect to this provision, Highmark or the UPE Parties shall notify the WPAHS Parties and the matter shall be submitted to a neutral arbitrator selected by WPAHS and Highmark to resolve and the matter will proceed to resolution within the same time frames and in accord with the same process as is set forth in the last four sentences of Section 6.11(b) of this Agreement.

9.10 Tax-Exempt Status of the Ultimate Parent Entity and Provider Subsidiary.

The WPAHS Parties shall have received such assurances as they deem reasonably necessary to confirm the tax-exempt status of the Ultimate Parent Entity and Provider Subsidiary, respectively, for federal income tax purposes under § 501(c)(3) of the Code and the supporting organization status of the Ultimate Parent Entity and Provider Subsidiary under § 509(a)(3) of the Code, other than a non-functionally integrated Type III supporting organization.

9.11 Formation of Integrated Financing and Delivery System.

The Ultimate Parent Entity shall have become a member of Highmark in accordance with Sections 2.1(c), 2.2(b) and 2.3 and the organizational documents in Exhibit E shall have been duly adopted, ratified and filed with the Commonwealth of Pennsylvania to be effective not later than the Effective Time.

9.12 Bond Compliance.

The WPAHS Parties shall have obtained the opinion described in Section 6.13 of this Agreement.

**ARTICLE 10
TERMINATION**

10.1 Termination.

This Agreement may be terminated and the Transaction may be abandoned at any time prior to the Closing only as follows:

- (a) by mutual written consent of Highmark and WPAHS, which shall be binding on all Parties to this Agreement;

- (b) by either Highmark or WPAHS providing written notice to the other Parties at any time on or after May 1, 2013 (the "End Date") if for any reason the Closing of the Transaction shall not have occurred by such date (including in the case of Highmark and the UPE Parties by reason of the failure of one of the conditions in Article 8 and in the case of the WPAHS Parties by reason of the failure of one of the conditions in Article 9), unless Highmark and WPAHS mutually agree to extend the End Date;
- (c) by either Highmark or WPAHS if a final nonappealable Order permanently enjoining, restraining or otherwise prohibiting the Closing will have been issued by a Governmental Authority of competent jurisdiction;
- (d) by Highmark if either (i) subject to the application of the Representation Basket Amount described in Section 8.1(b) hereof, there is a material breach of, or material inaccuracy in, any representation or warranty of the WPAHS Parties that is contained in this Agreement and made as of either the date of this Agreement or the Closing Date, or (ii) the WPAHS Parties have breached or violated in any material respect any of their material covenants and agreements contained in this Agreement, which breach or violation under clause (i) or (ii) above would give rise, or could reasonably be expected to give rise, to a failure of a condition set forth in Article 8 and cannot be or has not been cured within (A) 30 days after Highmark notifies WPAHS of such breach or violation or (B) the End Date, whichever is sooner; or
- (e) by WPAHS if either (i) there is a material breach of, or material inaccuracy in, any representation or warranty of Highmark and the UPE Parties that is contained in this Agreement and made as of either the date of this Agreement or the Closing Date, or (ii) Highmark and the UPE Parties have breached or violated in any material respect any of their material covenants and agreements contained in this Agreement, which breach or violation under clause (i) or (ii) above would give rise, or could reasonably be expected to give rise, to a failure of a condition set forth in Article 9 and cannot be or has not been cured within (A) 30 days after WPAHS notifies Highmark of such breach or violation or (B) the End Date, whichever is sooner.

10.2 Effect of Termination.

In the event that this Agreement shall be terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement shall terminate without further liability of any Party to another; provided, however, the obligations of the Parties contained in Sections 2.5(a), (b), (c), (d), (g) (as applicable to fifty percent (50%) of the Second Funding Commitment and the entire Third Funding Commitment), (j) and (k), Section 2.6, Section 2.9, Section 6.4, Section 10.2 and Article 12 (General) shall survive such termination (except that, for the absence of doubt, Highmark shall not be obligated to pay any further Funding Commitment following the termination of this Agreement). A termination of this Agreement under Section 10.1 shall not relieve any Party of any liability for a breach of, or for any misrepresentation under, this

Agreement, or be deemed to constitute a waiver of any available remedy (including specific performance if available) for any such breach or misrepresentation.

ARTICLE 11 ADDITIONAL AGREEMENTS

11.1 Exclusivity.

During the period from the date of this Agreement to the earlier of (i) the Closing Date or (ii) the date on which discussions with respect to a potential Transaction have been terminated by either Party pursuant to Section 10.1, the WPAHS Parties agree that they shall not, directly or indirectly, through any officer, director, employee, agent or otherwise (including through any advisor, consultant, placement agent, broker, investment banker, attorney or accountant retained by any WPAHS Party) solicit, initiate or encourage the submission of or entertain any proposal or offer from any Person (including any of such Person's officers, directors, employees, agents or other representatives), related to any business combination, division, conversion, affiliation, member substitution, capital infusion, sale of WPAHS as a whole, merger or consolidation of any WPAHS Party with or into any other entity, sale of all or any substantial portion of the WPAHS Assets, any arrangement with any WPAHS Party similar to any arrangement contemplated by this Agreement, sale or issuance of securities (including debt securities), any transfer of voting rights, any transaction in which there is a required change in the method of selection or identity of the members of Board of Directors of any of the WPAHS Parties, any change in the identity of any Person entitled to receive all or any part of the assets of WPAHS Assets upon liquidation or dissolution thereof, any transaction in which the members of any of the WPAHS Parties immediately prior to such transaction shall not have the power to elect the Board of Directors of any of the WPAHS Parties immediately following such transaction, any transaction in which any of the WPAHS Parties grants to a third Person in whatever manner the power to control the management of any of the WPAHS Parties or the operations of a significant portion of its assets or an action in which any Person is granted the power to approve or to disapprove (directly or indirectly) any action with respect to the management, operations or assets of any of the WPAHS Parties that would otherwise be taken by the Board of Directors of any of the WPAHS Parties, or relating to any other transaction having a similar effect or result on the ownership, capitalization, or financial position of any of the WPAHS Parties (an "Acquisition Proposal"), or participate in any discussions or negotiations regarding, or furnishing to any other Person any information with respect to, or otherwise cooperating in any way with, or assisting or participating in, facilitating, furthering or encouraging any effort or attempt by any other Person to do or seek to do any of the foregoing without the prior written consent of Highmark, which consent may be withheld or delayed by Highmark in its sole and absolute discretion. The WPAHS Parties further agree to immediately cease and cause to be terminated any and all contacts, discussions and/or negotiations with third parties regarding any Acquisition Proposal. The WPAHS Parties shall promptly notify Highmark if any such Acquisition Proposal, or any inquiry or contact with any Person with respect thereto, is made or received by any WPAHS Party.

11.2 Confidentiality.

Each Party agrees to remain subject to and bound by the terms of that certain Confidentiality Agreement dated as of January 20, 2011 (the "Confidentiality Agreement"), which is incorporated by reference into this Agreement, until the earlier of (a) the Closing Date or (b) the date on which this Agreement is terminated pursuant to Section 10.1 herein, unless, notwithstanding anything to the contrary stated herein, the Confidentiality Agreement provides for a longer term, in which case, such term shall apply. No Party will make any public disclosure or issue any press releases pertaining to the existence or terms and conditions of this Agreement or the Transaction between the Parties without having first obtained the written consent of the other Parties, except for communications with governmental or regulatory agencies as may be legally required, necessary or appropriate solely with respect to the Transaction, and which are not inconsistent with the prompt consummation of a Transaction as contemplated by this Agreement. All public communications regarding the Transaction will be made only in accordance with a mutually agreed upon communication plan.

11.3 Specific Performance.

The Parties agree that irreparable damage will occur in the event that any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached. Accordingly, each Party agrees that, in the event of any breach or threatened breach by any other Party of any covenant or obligation contained in this Agreement, the non-breaching party shall be entitled (in addition to any other equitable remedy that may be available) to seek and obtain, without proof of actual damages, (i) a decree or other Order of specific performance to enforce the observance and performance of such covenant or obligation, and (ii) an injunction restraining such breach or threatened breach.

11.4 Survival of Representations.

Notwithstanding any right of any Party (whether or not exercised) to investigate the accuracy of the representations and warranties of the other Party contained in this Agreement, Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other hand, have the right to rely upon the representations, warranties, covenants and agreements of the other contained in this Agreement; provided however, that the representations and warranties of both Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other, will not survive the Closing and will expire as of the Effective Time.

ARTICLE 12 GENERAL

12.1 Notice.

Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by telegraphic or other electronic means (including facsimile transmission) or overnight courier, or five (5) days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Highmark or
the UPE Parties: Highmark Inc.
Fifth Avenue Place
120 Fifth Avenue
Pittsburgh, PA 15222-3099
Attention: President and CEO
[REDACTED] [REDACTED] [REDACTED]

with a copy to: Highmark Inc.
Fifth Avenue Place
120 Fifth Avenue
Pittsburgh, PA 15222-3099
Attention: Executive V.P. and Chief Legal Officer
[REDACTED] [REDACTED] [REDACTED]

If to the WPAHS
Parties: West Penn Allegheny Health System, Inc.
30 Isabella Street, Suite 300
Pittsburgh, PA 15212
Attention: President and CEO
[REDACTED] [REDACTED] [REDACTED]

with a copy to: West Penn Allegheny Health System, Inc.
30 Isabella Street, Suite 300
Pittsburgh, PA 15212
Attention: Executive Vice President and General Counsel
[REDACTED] [REDACTED] [REDACTED]

or to such other address, and to the attention of such other person or officer as any Party may designate.

12.2 Legal Fees and Costs of Disputes.

In the event either Party elects to incur legal expenses to enforce or interpret any provision of this Agreement, the prevailing Party will be entitled to recover such legal expenses, including attorney's fees, costs and necessary disbursements, in addition to any other relief to which such Party shall be entitled.

12.3 Choice of Law; Waiver of Trial by Jury; Venue.

- (a) The Parties agree that this Agreement shall be governed by and construed in accordance with the Laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflicts of law provision or rule thereof.
- (b) EACH PARTY ABSOLUTELY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHTS TO TRIAL BY JURY IN CONNECTION WITH ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTION.

12.4 Benefit; Assignment.

Subject to provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives, successors and permitted assigns. No Party may assign any right, privilege or duty under this Agreement or under any other Transaction Document, unless expressly permitted thereunder, without the prior written consent of the other Party. No provision of this Agreement shall be interpreted as precluding Highmark or the UPE Parties from entering into one or more arrangements with third parties for the purpose of facilitating the Closing of the Transaction, subject to the full involvement and consent of WPAHS.

12.5 Reproduction of Documents.

This Agreement and all documents relating hereto, including (a) consents, waivers and modifications which may hereafter be executed, (b) the documents delivered at the Closing, and (c) certificates and other information previously or hereafter furnished by one Party to the others, may, subject to the provisions of Section 11.2 hereof, be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and the WPAHS Parties, Highmark and the UPE Parties may destroy any original documents so reproduced. The WPAHS Parties, Highmark and the UPE Parties agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial, arbitral or administrative Proceeding (whether or not the original is in existence) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

12.6 Costs of Transaction.

Except as otherwise provided herein, the Parties agree as follows:

- (a) whether or not the Transaction shall be consummated, the WPAHS Parties will pay the fees, expenses and disbursements of the WPAHS Parties and their agents, representatives, accountants, and counsel incurred in connection with the subject matter hereof and any amendments hereto; and
- (b) whether or not the Transaction shall be consummated, Highmark will pay the fees, expenses and disbursements of Highmark and the UPE Parties and their agents, representatives, accountants, and counsel incurred in connection with the subject matter hereof and any amendments hereto.

12.7 Waiver of Breach.

The waiver by any Party of breach or violation of any provision of this Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or other provision hereof.

12.8 Severability.

In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability

12.14 Further Assurances.

On and after the Closing Date, Highmark, the UPE Parties and the WPAHS Parties will take all appropriate action and execute all documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out the terms and conditions hereof.

12.15 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the Parties hereto.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in multiple originals by their authorized officers, all as of the date and year first above written.

UPE PARTIES:

UPE

By: 

Name: Kenneth R. Melani, M.D.

Title: Chief Executive Officer and President

UPE PROVIDER SUB

By: 

Name: John W. Paul

Title: Chief Executive Officer and President

HIGHMARK:

HIGHMARK INC.

By: 

Name: Kenneth R. Melani, M.D.

Title: Chief Executive Officer and President

WPAHS PARTIES:

WEST PENN ALLEGHENY HEALTH
SYSTEM, INC., for itself

By: 

Name: John S. Isherwood

Title: Chair, Board of Directors

WEST PENN ALLEGHENY HEALTH
SYSTEM, INC., as sole Member of all WPAHS
Parties except Alle-Kiski Medical Center Trust,
Canonsburg General Hospital Ambulance
Service and West Penn Allegheny Foundation,
LLC

By: 

Name: John S. Isherwood

Title: Chair, Board of Directors

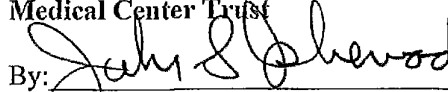
**WEST PENN ALLEGHENY HEALTH
SYSTEM, INC., as sole Member and acting on
behalf of Canonsburg General Hospital as the
sole Member of Canonsburg General Hospital
Ambulance Service**

By: 

Name: John S. Isherwood

Title: Chair, Board of Directors

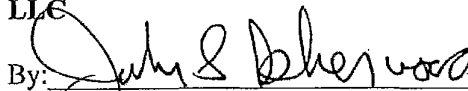
**ALLE-KISKI MEDICAL CENTER, as sole
Member and acting on behalf of Alle-Kiski
Medical Center Trust**

By: 

Name: John S. Isherwood

Title: Authorized Representative

**WEST PENN ALLEGHENY FOUNDATION,
LLC**

By: 

Name: John S. Isherwood

Title: Authorized Representative

EXHIBIT A

EXHIBIT A

Entity #: 4082360
 Date Filed: 10/20/2011
 Carol Alchele
 Secretary of the Commonwealth

PENNSYLVANIA DEPARTMENT OF STATE
 CORPORATION BUREAU

Articles of Incorporation - Nonprofit
 (15 Pa.C.S.)

☒ Domestic Nonprofit Corporation (§ 5306)
☐ Nonprofit Cooperative Corporation (§ 7102B)

PENNCORP SERVICEGROUP, INC.
 600 NORTH SECOND STREET
 PO BOX 1210 17642
 HARRISBURG, PA 17108-1210

Commonwealth of Pennsylvania
 ARTICLES OF INCORPORATION-NON-PROFIT 8 Page(s)



T1129367021

In compliance with the requirements of applicable provisions (relating to incorporation or cooperative corporations generally), the undersigned, desiring to incorporate a nonprofit/nonprofit cooperative corporation, hereby states that:

1. **Corporate Name.** The name of the Corporation is UPE.
2. **Registered Office.** The address of the Corporation's initial registered office is Fifth Avenue Place, 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222, Allegheny County.
3. **Organization.** The Corporation is incorporated under the provisions of the Nonprofit Corporation Law of 1988.
4. **Purpose.** The Corporation is organized for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and to promote, support, and further the scientific, educational and charitable purposes and interests of West Penn Allegheny Health System, Inc., Canonsburg General Hospital, and Alle-Kiski Medical Center, organizations exempt from taxation under Section 501(c)(3) of the Code, and classified as other than private foundations under Section 509(a)(1) or 509(a)(2) of the Code and affiliated exempt entities, the purposes of which are consistent with those of the Corporation. In this capacity, the Corporation is further organized:
 - (a) To establish, maintain, sponsor, and promote activities relating to the improvement of human health and the provision of care to the sick, injured or disabled;
 - (b) To establish, maintain, sponsor and promote education and research programs relating to the promotion of health and the provision of care to the sick, injured or disabled;
 - (c) To coordinate, sponsor, promote and advance programs and activities designed and carried on to improve the physical, psychological, and emotional health and welfare of persons living in and around the territory which it serves;
 - (d) To evaluate, develop and implement long-range health care objectives, strategies, plans and alternative health care delivery systems, in furtherance of the purposes of the Corporation and the purposes of those nonprofit health care organizations which the Corporation was organized to support;
 - (e) To develop, organize, promote and conduct fund raising activities to further the charitable purposes and interests of the Corporation, as well as those of the nonprofit health care organizations

2011 OCT 20 AM 8:53
 PA-DEPT OF STATE

US_ACTIVE-108315863.13-N/SHURLO 10/20/11 4:17 PM

which the Corporation was organized to support;

(f) to carry out such other acts and to undertake such other activities as may be necessary, appropriate, or desirable in furtherance of or in connection with the conduct, promotion or attainment of the forgoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and

(g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.

5. **Pecuniary Gain or Profit.** The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

6. **Non-Stock Basis.** The Corporation is to be organized on a non-stock basis.

7. **Members.** The Corporation is to have no members.

8. **Incorporator.** The name and post office address of the incorporator is Carol A. Soltes, Reed Smith LLP, 225 Fifth Avenue, Pittsburgh, PA 15222-2716.

9. **Management.** The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors of the Corporation. The number, term of office, method of selection and manner of removal of the Board of Directors shall be as set forth in the Bylaws of the Corporation. The Board of Directors shall satisfy the requirements applicable to a supporting organization operated in connection with organizations described in Section 509(a)(1) or 509(a)(2) of the Code within the meaning of Section 509(a)(3) of the Code and applicable regulations.

10. **Exempt Organization.** Notwithstanding any other provision of these Articles, the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a corporation described in Section 501(c)(3) of the Code (hereinafter referred to in these Articles as an "exempt organization"), or as a corporation contributions to which are deductible under Section 170(c)(2) of the Code. No substantial part of the activities of the Corporation shall be devoted to carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided in Section 501(h) of the Code), and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

11. **Earnings.** Notwithstanding any other provision of these Articles, no part of the net earnings or assets of the Corporation shall inure to the benefit of or be distributable to its members, directors, trustees, officers or any other private individual; provided, however, the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to the extent that such payments do not prevent it from qualifying, and continuing to qualify, as an exempt organization and to make such lawful payments and distributions in furtherance of the purposes set forth in Article 4 hereof as may from time to time be either required or permitted by Section 501(c)(3) of the Code.

12. Foundation Status. In the event that the Corporation fails to qualify as an organization described in Section 509(a)(1), (2) or (3) of the Code, then, notwithstanding any other provision of these Articles, the Corporation shall be prohibited from engaging in any act of self-dealing (as defined in Section 4941(d) of the Code); from retaining any excess business holdings (as defined in Section 4943(c) of the Code); from making any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; and from making any taxable expenditures (as defined in Section 4945(d) of the Code), to the extent any action therewith would subject the Corporation to tax under one or more of the cited sections of the Code. To the extent required, the Corporation shall make qualifying distributions at such time and in such manner as do not subject the Corporation to tax under Section 4942 of the Code.

13. Dissolution. In the event that the Corporation shall be dissolved or liquidated, the Board of Directors, after paying or making provision for payment of all of the known liabilities of the Corporation, may transfer or dispose of the Corporation's property and assets to (a) such one or more corporations, trusts, funds or other organizations which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and, in the sole judgment of the Corporation's Board of Directors, have purposes similar to those of the Corporation or (b) the federal government, or to a state or local government for such purposes. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more of such corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, and which are organized and operated for such purposes, or to the federal government or to a state or local government for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution or sale of the assets of the Corporation.

14. Personal Liability of Directors.

(a) **Elimination of Liability.** To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a director.

(b) **Applicability.** The provisions of this Article shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Article is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Article. Any amendment or repeal of this Article or adoption of any bylaw or provision of these Articles which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, bylaw or provision.

15. Indemnification.

(a) **Right to Indemnification – General.** Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article, shall mean any director, officer or employee, including any employee who is a medical doctor,

lawyer or other licensed professional, or any committee created by or pursuant to the Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article 15.

(b) Right to Indemnification - Third Party Actions. Without limiting the generality of Section (a) any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(c) Right to Indemnification - Derivative Actions. Without limiting the generality of Section (a), any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section (c) in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

(d) Advance of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article 15 shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article 15 or otherwise.

(e) Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section (a), Section (b) or Section (c) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

(i) By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

(ii) If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

(f) Indemnification not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article 15 shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of the Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

(g) When Indemnification Not Made. Indemnification pursuant to this Article 15 shall not be made in any case where (i) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness or (ii) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, but the burden of proving any such defense shall be on the Corporation.

(h) Grounds for Indemnification. Indemnification pursuant to this Article 15, under any other provision of the Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article 15 and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article 15 shall be applicable to all actions, suits or proceedings within the scope of Section (a), Section (b) or Section (c), whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

(i) Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article 15.

(j) Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secured or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article 15 or otherwise.

(k) Status of Rights of Indemnities. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article 15 shall (i) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (ii) continue as to a person who has ceased to be a representative of the Corporation.

(l) Applicability to Predecessor Companies. For purposes of this Article 15, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation,

entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article 15 with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section (a).

16. Code. References in these Articles to a section of the Code shall be construed to refer both to such section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended, and to the corresponding provisions of any future federal tax code and the regulations thereunder.

IN TESTIMONY WHEREOF, the incorporator has signed these Articles of Incorporation this 19th day of October, 2011.



Carol A. Soltes, Incorporator

EXHIBIT B

EXHIBIT B

- The composition of the Ultimate Parent Entity Board of Directors as of the Effective Time shall be as follows (subject to change prior to the Effective Time):

Robert J. Baum, Ph.D.
David Arthur Blandino, M.D.
Joseph Clinton Guyaux
David J. Malone
David M. Matter
Kenneth R. Melani, M.D.
Victor A. Roque

- The structure of the Ultimate Parent Entity Board of Directors as of the Effective Time shall be as set forth in the Bylaws proposed for the Ultimate Parent Entity which are attached as part of this Exhibit B.

EXHIBIT B

AMENDED AND RESTATED BYLAWS

OF

[ULTIMATE PARENT ENTITY]

(Adopted [])

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Name	1
1.1 Name	1
ARTICLE II Offices	1
2.1 Registered Office	1
2.2 Business Offices	1
ARTICLE III Purpose	1
3.1 Purpose	1
ARTICLE IV Board of Directors	2
4.1 Powers and Duties	2
4.2 Number/Qualifications	2
4.3 Election and Term	3
4.4 Vacancies	4
4.5 Meetings	4
4.6 Resignation/Removal	5
4.7 Limitation of Liability	5
4.8 Compensation	5
ARTICLE V Officers	6
5.1 Officers; Election	6
5.2 Responsibilities of Officers	6
5.3 Removal of Officers	7
5.4 Bonds	7
ARTICLE VI Committees	7
6.1 Committees	7
6.2 Term	8
6.3 Quorum and Action	8
6.4 Action by Unanimous Written Consent	8
6.5 Removal	8
6.6 Vacancies	8
6.7 Exclusions from Committee Membership	8
6.8 Corporate Governance and Nominating Committee	9
6.9 Audit Committee	9
6.10 Personnel and Compensation Committee	10
ARTICLE VII Indemnification of Directors, Officers and Others	10
7.1 Right to Indemnification - General	10
7.2 Right to Indemnification - Third Party Actions	10

7.3	Right to Indemnification - Derivative Actions	11
7.4	Advance of Expenses	11
7.5	Procedure for Effecting Indemnification	11
7.6	Indemnification Not Exclusive	12
7.7	When Indemnification Not Made	12
7.8	Grounds for Indemnification.....	12
7.9	Power to Purchase Insurance	12
7.10	Creation of a Fund to Secure or Insure Indemnification.....	12
7.11	Status of Rights of Indemnities.....	12
7.12	Applicability to Predecessor Companies	13
ARTICLE VIII Contracts, Loans, Checks and Deposits		13
8.1	Contracts	13
8.2	Loans	13
8.3	Checks.....	13
8.4	Deposits.....	13
ARTICLE IX Notice and Conduct of Meetings		13
9.1	Written Notice.....	13
9.2	Written Waiver of Notice.....	14
9.3	Waiver of Notice by Attendance.....	14
9.4	Procedure	14
ARTICLE X Miscellaneous.....		14
10.1	No Contract Rights	14
10.2	Corporate Seal.....	14
10.3	Fiscal Year	14
ARTICLE XI Amendments		14
11.1	Amendments	14
ARTICLE XII Conflicts of Interest		14
12.1	Disclosure	14
12.2	Recusal and Investigation	15
12.3	Failure to Disclose	15
12.4	Record of Actions	15
12.5	Compensation	16
12.6	Annual Statements	16

ARTICLE I

NAME

1.1 Name. The name of the corporation is *[Ultimate Parent Entity]* (the "Corporation"). The Corporation may do business under such other names as may be determined by the Board of Directors.

ARTICLE II

OFFICES

2.1 Registered Office. The registered office of the Corporation shall at all times be within the Commonwealth of Pennsylvania at such address as may be established by the Board of Directors.

2.2 Business Offices. The Corporation may have offices at such places permitted by law as the business of the Corporation may require.

ARTICLE III

PURPOSE

3.1 Purpose. The Corporation is organized under the Pennsylvania Nonprofit Corporation Law (the "Nonprofit Corporation Law") for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and to promote, support, and further the scientific, educational and charitable purposes and interests of West Penn Allegheny Health System, Inc., Canonsburg General Hospital, and Alle-Kiski Medical Center, organizations exempt from taxation under Section 501(c)(3) of the Code and classified as other than private foundations under Section 509(a)(1) or 509(a)(2) of the Code, and affiliated exempt entities, the purposes of which are consistent with those of the Corporation (collectively the "Hospitals"). In this capacity the Corporation is further organized:

(a) To establish, maintain, sponsor, and promote activities relating to the improvement of human health and the provision of care to the sick, injured or disabled;

(b) To establish, maintain, sponsor and promote education and research programs relating to the promotion of health and the provision of care to the sick, injured or disabled;

(c) To coordinate, sponsor, promote and advance programs and activities designed and carried on to improve the physical, psychological, and emotional health and welfare of persons living in and around the territory which it serves;

(d) To evaluate, develop and implement long-range health care objectives, strategies, plans and alternative health care delivery systems, in furtherance of the

purposes of the Corporation and the purposes of those nonprofit health care organizations which the Corporation was organized to support;

(e) To develop, organize, promote and conduct fund raising activities to further the charitable purposes and interests of the Corporation, as well as those of the nonprofit health care organizations which the Corporation was organized to support;

(f) to carry out such other acts and to undertake such other activities as may be necessary, appropriate or desirable in furtherance of or in connection with the conduct, promotion or attainment of the foregoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and

(g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers and Duties. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. Without limiting the generality of the foregoing and except as otherwise may be provided in these Bylaws, the Board of Directors shall have full power and the duty:

(a) To set policies and provide for carrying out the purposes of the Corporation;

(b) To make rules and regulations for its own governance and for the governance of the committees appointed by the Board of Directors as provided herein; and

(c) To adopt and amend from time to time such rules and regulations for the conduct of the business of the Corporation as may be appropriate or desirable.

4.2 Number/Qualifications.

(a) Composition. The Board of Directors shall consist of such number of persons as the Board of Directors may determine, but in no case less than three, including the individual then serving as the Chief Executive Officer of the Corporation, who shall be a director during his or her term of office (the "Ex-Officio Director").

(b) Certain Qualifications. No individual may be elected to the Board of Directors unless the individual is eligible to serve on the Board of Directors pursuant to applicable law, the Articles of Incorporation and these Bylaws. Each director shall be a natural person of at least 18 years of age.

(c) Classes. The directors shall be divided equally into three (3) classes so that one-third (1/3) of the aggregate number of directors (or as close as practicable to one-third depending on the aggregate number of Directors) may be chosen each year.

(d) Independence. At least a majority of the directors shall be persons whom the Board of Directors has determined are "independent directors" within the meaning of such term as defined by the Internal Revenue Service for exempt organizations under Section 501(c)(3) of the Code, and as such are broadly representative of the community. No director, other than the Ex-Officio Director, shall be an employee of the Corporation or any entity controlled by the Corporation.

(e) Common Directors with Hospitals. The members of the Board of Directors must include at least one person who is also serving as a member of the board of directors of each Hospital. The same member of the Board of Directors need not be serving on all such Hospital boards.

(f) SEC Actions. Any person who is, or ever has been, subject to an order of a court or the Securities and Exchange Commission prohibiting such person from acting as an officer or director of a public company shall not be eligible to serve as a director.

(g) Age Limitations. No person who is seventy-five (75) years of age or older may be nominated or re-nominated for election or re-election as a director. Any director who reaches the age of seventy-five (75) shall no longer be qualified to serve as a director after the next annual meeting of the Board of Directors.

4.3 Election and Term.

(a) Ex-Officio Director. The Ex-Officio Director shall serve as a director by virtue of the office held. Except as provided in Section 4.4, the remaining directors shall be elected by the directors at the annual meetings of the Board of Directors.

(b) Term. The initial Board of Directors elected by the Incorporator of the Corporation shall be divided, as evenly as practicable, into three classes and shall serve staggered terms. Allocation of initial terms among directors for one, two or three-year terms shall be made by the Incorporator. At the end of their respective initial terms, all directors, except the Ex-Officio Director, shall serve for terms of three (3) years or until their successors are elected and have qualified. The Ex-Officio Director shall serve as a director for so long as such person serves as the Chief Executive Officer of the Corporation.

(c) Chairperson. The Board of Directors shall elect from among the directors an individual to serve as Chairperson of the Board. The Chairperson shall not be an employee of the Corporation. The Chairperson shall preside at all meetings of the Board of Directors and shall perform all duties incident to the office of Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

(d) Vice Chairperson. The Board of Directors may elect from among the directors a Vice Chairperson of the Board. The Vice Chairperson shall not be an employee of the Corporation. The Vice Chairperson shall perform the duties of the office of Chairperson of the

Board in the absence of the Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

4.4 Vacancies. Any vacancy in the Board of Directors caused by the death, resignation or removal of a director or a director ceasing to qualify to serve as a director prior to the expiration of that director's term and occurring in the interim between annual meetings of the Board of Directors shall be filled by an individual elected by the Board of Directors. The director so elected shall serve the remaining unexpired term of the director so replaced.

4.5 Meetings.

(a) Annual Meetings. The annual organizational meeting of the Board of Directors for, among other purposes, the election of directors and officers shall be held on such date as the Board of Directors may determine, at such time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held not less than four (4) times a year, each at such date, time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(c) Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairperson of the Board, the Chief Executive Officer or one-third (1/3) of the members of the Board of Directors, the date, time and place of each such meeting to be designated in the notice calling the meeting. Notice of any special meeting of the Board of Directors shall be given at least forty-eight (48) hours prior thereto and shall state the general nature of the business to be transacted.

(d) Adjournment. When a meeting of the Board of Directors is adjourned, it shall not be necessary to give any notice of the adjourned meeting or the business to be transacted at the adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

(e) Quorum. Directors constituting a majority of the directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

(f) Voting and Action. Each director shall be entitled to one vote on any matter submitted to a vote of the Board of Directors, and action by the Board of Directors on any matter shall require the affirmative vote of a majority of the directors in office unless a greater proportion of affirmative votes is required by applicable law, the Articles of Incorporation or these Bylaws.

(g) Use of Conference Telephone. Except as the Board of Directors otherwise may determine, one or more persons may participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and be heard by each other. Participation in a meeting in such manner shall constitute presence in person at the meeting.

(h) Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and filed with the Secretary.

4.6 Resignation/Removal.

(a) Resignation. Any director may resign his or her office at any time, such resignation to be made in writing and to take effect immediately or at such subsequent time stated in such writing. Any director who ceases to meet the eligibility requirements contained in applicable law or in these Bylaws to serve as a director forthwith shall resign his or her office, such resignation to be made in writing and to take effect immediately.

(b) Removal. Any director may be removed, with or without cause, only by the affirmative vote of at least two-thirds (2/3) of the directors in office taken at any regular or special meeting, provided that each director has been given at least ten (10) days written notice that such action is to be considered at such meeting.

(c) Effect of Repeated Absences from Meetings. If a director shall be absent from four consecutive meetings of the Board of Directors, including regular meetings and special meetings duly called, the Board of Directors may, in its discretion, declare the office of such director vacated, and a successor shall be elected as provided in these Bylaws.

4.7 Limitation of Liability.

(a) Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any actions, as a director.

(b) Nature and Extent of Rights. The provisions of this Section 4.7 shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Section is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Section. Any amendment or repeal of this Section or adoption of any Bylaw or provision of the Articles of the Corporation which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, Bylaw or provision.

4.8 Compensation. The Board of Directors may determine the compensation of directors for their services as directors, members of committees of the Board of Directors or otherwise, and also may determine the compensation of persons who are not directors who serve on any committees established by the Board of Directors; provided that such compensation is reasonable compensation within the meaning of Section 4958 of the Code.

ARTICLE V

OFFICERS

5.1 Officers; Election.

(a) Principal Officers. The principal officers of the Corporation shall be a Chief Executive Officer, a Chief Financial Officer, a Treasurer and a Secretary, each of whom shall be elected by the Board of Directors, and such other officers as the Board of Directors may elect, which may include one or more Presidents, one or more Executive, Senior or Corporate Vice Presidents, and one or more Assistant Treasurers or Assistant Secretaries. Each such officer shall hold office for a term of one year (or such other term as the Board of Directors shall determine for any office from time to time) and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. Any number of offices may be held by the same person.

(b) Other Officers. The Chief Executive Officer may appoint President(s), Vice Presidents (including Executive, Senior and Corporate Vice Presidents), Assistant Treasurers or Assistant Secretaries who have not been elected by the Board of Directors and such other officers or agents of the Corporation as he or she determines to be appropriate, who shall hold their offices subject to the discretion of the Chief Executive Officer.

5.2 Responsibilities of Officers.

(a) Chief Executive Officer. The Chief Executive Officer shall be responsible for the general and active management of the business and affairs of the Corporation and shall exercise general supervision and authority over all of its agents and employees and shall perform all duties incident to the office of Chief Executive Officer and such other duties as may be assigned by the Board of Directors. The Chief Executive Officer shall supervise the implementation of all policies, orders and resolutions of the Board of Directors and shall execute all contracts and agreements authorized by the Board of Directors, except that he or she may delegate to other officers of the Corporation the power to execute contracts in the ordinary course of business or as otherwise may be authorized by the Board of Directors.

(b) President(s). The President(s) shall be responsible for the direct administration, supervision and control of such activities in the management of the Corporation as may be assigned by the Chief Executive Officer or the Board of Directors.

(c) Chief Financial Officer. The Chief Financial Officer shall be responsible for financial accounting and reporting for the Corporation and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(d) Vice Presidents. Each Vice President shall perform such duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(d) Treasurer. The Treasurer shall, in accordance with the policies of the Board of Directors and under the direction of the Chief Executive Officer or the Chief Financial Officer, have general charge and custody of and be responsible for all funds and securities of the

Corporation, and shall make such reports in such form and manner as the Chief Executive Officer, the Chief Financial Officer or the Board of Directors may direct. The Treasurer shall receive and give receipts for monies due and payable to the Corporation and deposit such monies in the name of the Corporation in such banks, trust companies or other depositories as may be selected in accordance with the provisions of these Bylaws. The Treasurer shall keep account of such receipts and deposits and approve expenditures of the Corporation and shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors.

(e) Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and its committees in one or more books provided for that purpose, shall notify members of the Board of Directors of their election, shall see that all notices are duly given in accordance with the provisions of these Bylaws, shall be custodian of the corporate records and of the seal of the Corporation, and shall see that the seal of the Corporation is affixed, when necessary, to all instruments and documents the execution of which has been authorized by the Board of Directors or a committee thereof, shall keep a record of the address of each director, and shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors. In the absence of the Secretary or in the event of his or her inability to act, the Chairperson of the Board shall appoint an individual to discharge the duties of the Secretary.

(f) Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall perform such duties as may be assigned by the Secretary or the Treasurer, respectively, or by the Chief Executive Officer or the Chief Financial Officer, as appropriate, or the Board of Directors.

5.3 Removal of Officers. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to such officer's contractual rights, if any. Any officer appointed by the Chief Executive Officer may be removed, with or without cause, by the Chief Executive Officer, without prejudice to such officer's contractual rights, if any.

5.4 Bonds. The Board of Directors may require any officer to give bond and security in such sum and with such surety or sureties as the Board of Directors may determine.

ARTICLE VI

COMMITTEES

6.1 Committees.

(a) Standing Board Committees. The Board of Directors shall have a Corporate Governance and Nominating Committee, an Audit Committee and a Personnel and Compensation Committee and the Board of Directors may establish such other standing committees as it deems to be necessary or desirable (the "Standing Board Committees"). All Standing Board Committees shall be comprised solely of directors and shall have charters governing their powers and duties, which charters shall be approved by the Board of Directors.

The Board of Directors shall appoint the members and a chairperson and a vice chairperson of each Standing Board Committee.

(b) Special Committees and Program Committees. The Board of Directors may establish one or more special committees of directors ("Special Committees") to advise the Board of Directors and to perform such other functions as the Board of Directors determines. The Board of Directors may establish one or more committees, which may include directors and persons who are not directors, to assist it with aspects of the Corporation's operations ("Program Committees"). Subject to the provisions of these Bylaws, the Board of Directors may delegate such authority to a Special Committee or a Program Committee as it deems to be appropriate and desirable and as is not prohibited by applicable law. The Board of Directors shall establish the manner of selecting members, chairpersons and vice chairpersons, if any, and the terms of office of the members of each Special Committee and Program Committee.

6.2 Term. Except as otherwise provided in these Bylaws, each member of a Standing Board Committee shall continue as such until the next annual organizational meeting of the Board of Directors or until a successor has been appointed as provided herein, unless such person resigns, is removed or otherwise ceases to serve on such Standing Board Committee for any reason.

6.3 Quorum and Action. Except as otherwise provided in these Bylaws or the charter of a committee approved by the Board of Directors, a majority of the members comprising any committee appointed by the Board of Directors pursuant to these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of committee members present at a meeting at which a quorum is present shall constitute the acts of the committee, unless a greater proportion is required by applicable law, the Articles of Incorporation or these Bylaws.

6.4 Action by Unanimous Written Consent. Except as otherwise provided in these Bylaws or a charter of a committee approved by the Board of Directors, any action which may be taken at a meeting of any committee appointed by the Board of Directors pursuant to these Bylaws may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the members of such committee and filed with the Secretary.

6.5 Removal. Any member of a Standing Board Committee, Special Committee or Program Committee may be removed at any time, with or without cause, by the Board of Directors at any regular or special meeting.

6.6 Vacancies. Any vacancy in any Standing Board Committee, Special Committee or Program Committee caused by the death, resignation or removal of a member of such committee prior to the expiration of that member's term shall be filled by another person appointed by the Board of Directors. The member so appointed shall serve the remaining unexpired term of the member so replaced.

6.7 Exclusions from Committee Membership. Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or

independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

6.8 Corporate Governance and Nominating Committee.

(a) Composition. The Corporate Governance and Nominating Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Corporate Governance and Nominating Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Corporate Governance and Nominating Committee shall be responsible for:

(i) Recommending the candidates to be nominated by the Board of Directors for election as directors at each annual meeting of the Board of Directors;

(ii) Recommending the candidates to be nominated by the Board of Directors for election as directors to fill any vacancies occurring on the Board of Directors; and

(iii) Recommending the candidates for election or reelection as Chairperson of the Board and Vice Chairperson of the Board.

(c) Timing. At least fifteen (15) days before each annual, regular or special meeting of the Board of Directors, the Corporate Governance and Nominating Committee shall recommend the requisite number of individuals who satisfy the qualifications established in these Bylaws for election as directors of the Corporation.

6.9 Audit Committee.

(a) Composition. The Audit Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Audit Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Audit Committee shall be responsible for:

(i) Recommending to the Board of Directors the selection of independent certified public accountants for the Corporation and the subsidiaries; and

(ii) Overseeing the compliance programs, accounting and financial procedures, systems of internal accounting and financial controls, and internal audit functions of the Corporation and the subsidiaries; and

(iii) Accepting the annual independent audit report of the Corporation's financial statements, as prepared by the external auditors, and render or cause to be rendered an audit report to the Board of Directors at its annual meeting.

6.10 Personnel and Compensation Committee.

(a) Composition. The Personnel and Compensation Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Personnel and Compensation Committee shall be employees of the Corporation or of any entity controlled by the Corporation and none may have a Conflict of Interest as defined in Section 4958 of the Code and the applicable regulations.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Personnel and Compensation Committee shall be responsible for:

- (i) Evaluating the performance of the principal officers of the Corporation; and
- (ii) Recommending to the Board of Directors the selection and compensation of the principal officers of the Corporation.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Right to Indemnification - General. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article VII, shall mean any director, officer or employee, including any employee who is a medical doctor, lawyer or other licensed professional, or any committee created by or pursuant to these Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article VII.

7.2 Right to Indemnification - Third Party Actions. Without limiting the generality of Section 7.1, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no

reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

7.3 Right to Indemnification - Derivative Actions. Without limiting the generality of Section 7.1, any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section 7.3 in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

7.4 Advance of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article VII shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VII or otherwise.

7.5 Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section 7.1, Section 7.2 or Section 7.3 shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

(a) By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

(b) If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

7.6 Indemnification Not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of these Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

7.7 When Indemnification Not Made. Indemnification pursuant to this Article VII shall not be made in any case where (a) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness, or (b) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code.

7.8 Grounds for Indemnification. Indemnification pursuant to this Article VII, under any other provision of these Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article VII and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article VII shall be applicable to all actions, suits or proceedings within the scope of Section 7.1, Section 7.2 or Section 7.3, whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

7.9 Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VII.

7.10 Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article VII or otherwise.

7.11 Status of Rights of Indemnities. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall (a) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (b) continue as to a person who has ceased to be a representative of the Corporation.

7.12 Applicability to Predecessor Companies. For purposes of this Article VII, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation, entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article VII with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section 7.11.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

8.1 Contracts. The Board of Directors may authorize any officer or officers or agent or agents to enter into any contract or execute or deliver any agreement or instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.2 Loans. The Board of Directors may authorize the borrowing by the Corporation of such sum or sums of money as the Board of Directors may deem advisable, and to mortgage or pledge any or all of the real or personal property and any or all of the other available assets of the Corporation in order to secure the payment of the principal amount of any such borrowing and the interest thereon and any and all such other amounts as may become due on account thereof.

8.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness shall be issued in the name of the Corporation and shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as from time to time shall be determined by the Board of Directors.

8.4 Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may approve.

ARTICLE IX

NOTICE AND CONDUCT OF MEETINGS

9.1 Written Notice. Except as otherwise provided in these Bylaws, whenever written notice is required to be given by any person under the provisions of any statute or these Bylaws, it may be given by sending a copy thereof through the mail or overnight delivery or by hand delivery, in each case with charges prepaid, or by facsimile transmission confirmed by one of the

foregoing methods, to the individual's address appearing on the books of the Corporation or supplied by the individual to the Corporation for the purpose of notice.

9.2 Written Waiver of Notice. Whenever any written notice is required as set forth in these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

9.3 Waiver of Notice by Attendance. Attendance of a person in person at any meeting shall constitute a waiver of notice of such meeting except when a person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

9.4 Procedure. All meetings of the Board of Directors and the committees thereof shall be conducted in an orderly manner with a view to affording full and fair discussion of the matters properly before such meetings.

ARTICLE X

MISCELLANEOUS

10.1 No Contract Rights. Except as specifically set forth in Sections 4.7 and 7.11, no provision of these Bylaws shall vest any property or contract right in any person.

10.2 Corporate Seal. The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Corporation and the year and state of incorporation.

10.3 Fiscal Year. The fiscal year of the Corporation shall end on such day as shall be fixed by the Board of Directors.

ARTICLE XI

AMENDMENTS

11.1 Amendments. These Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, by the Board of Directors at any meeting of the Board of Directors by the vote of not less than seventy-five percent (75%) of the directors present, but not less than a majority of the directors in office, at any such meeting, provided that notice of any proposed amendment or a summary thereof shall have been given to each director not less than ten (10) days prior to the date of the meeting.

ARTICLE XII

CONFLICTS OF INTEREST

12.1 Disclosure. In connection with any actual or possible conflict of interest, an interested person must disclose the existence and nature of his or her financial interest to the

Board of Directors and any relevant committee members. For this purpose, an interested person shall include any director, officer, or member of a committee of the Corporation or an entity affiliated with the Corporation who has a direct or indirect financial interest in a proposed transaction. A financial interest shall include: (a) an ownership or investment interest in any entity with which the Corporation has a proposed transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a proposed transaction or arrangement; and (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. If a person is an interested person with respect to any entity in the health care system of which the Corporation is a part, he or she is an interested person with respect to all entities in the health care system.

12.2 Recusal and Investigation. After disclosure of the financial interest, the interested person shall leave the Board of Directors or committee meeting while the financial interest is discussed and voted upon. The remaining directors or committee members shall decide if a conflict of interest exists. If a conflict of interest exists, the following procedures shall be followed: (a) the Chief Executive Officer shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement; (b) after exercising due diligence, the Board of Directors or committee shall determine whether the Corporation could obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest; and (c) if a more advantageous transaction or arrangement is not reasonably attainable, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interests and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall decide as to whether to enter into the transaction or arrangement in conformity with such determination.

12.3 Failure to Disclose. If a director or committee member has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, he shall inform the interested person of the basis of such belief and afford the interested person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board of Directors or committee determines that the interested person has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate steps to protect the Corporation.

12.4 Record of Actions. The minutes of the Board of Directors and all relevant committees shall contain the following: (a) the names of persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

12.5 Compensation. Special procedures shall be in effect with respect to compensation issues. A voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation. Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

12.6 Annual Statements. Each interested person shall annually sign a statement that affirms that such person (a) has received a copy of the conflicts of interest policy, (b) has read and understands the policy, (c) has agreed to comply with the policy, and (d) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes. This policy shall be reviewed annually for the information and guidance of members of the Board of Directors, and any new member shall be advised of the policy upon entering on the duties of his office. In addition, the Corporation shall conduct periodic reviews of its activities, including any transactions or arrangements with interested persons, to ensure that its activities in the aggregate promote and further the Corporation's exempt charitable, scientific, and educational purposes.

EXHIBIT C

EXHIBIT C

Entity #: 4062364
 Date Filed: 10/20/2011
 Carol Aichele
 Secretary of the Commonwealth

PENNSYLVANIA DEPARTMENT OF STATE
 CORPORATION BUREAU

Articles of Incorporation – Nonprofit
 (15 Pa.C.S.)

- ☒ Domestic Nonprofit Corporation (§ 5306)
☐ Nonprofit Cooperative Corporation (§ 7102B)

PENNSYLVANIA SERVICE GROUP INC.
 600 NORTH SECOND STREET
 PO BOX 1210
 HARRISBURG, PA 17108-1210

Commonwealth of Pennsylvania
 ARTICLES OF INCORPORATION-NON-PROFIT 8 Page(s)



T1129387022

In compliance with the requirements of applicable provisions (relating to incorporation or cooperative corporations generally), the undersigned, desiring to incorporate a nonprofit/nonprofit cooperative corporation, hereby states that:

1. **Corporate Name.** The name of the Corporation is UPE Provider Sub.

2. **Registered Office.** The address of the Corporation's initial registered office in this Commonwealth is Fifth Avenue Place, 120 Fifth Avenue, Pittsburgh, Pennsylvania 15222, Allegheny County.

3. **Organization.** The Corporation is incorporated under the provisions of the Nonprofit Corporation Law of 1988.

4. **Purpose.** The Corporation is organized for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and to promote, support, and further the scientific, educational and charitable purposes and interests of West Penn Allegheny Health System, Inc., Canonsburg General Hospital, and Alle-Kiski Medical Center, organizations exempt from taxation under Section 501(c)(3) of the Code, and classified as other than private foundations under Section 509(a)(1) or 509(a)(2) of the Code and affiliated exempt entities, the purposes of which are consistent with those of the Corporation. In this capacity the Corporation is further organized:

- (a) To establish, maintain, sponsor, and promote activities relating to the improvement of human health and the provision of care to the sick, injured or disabled;
- (b) To establish, maintain, sponsor and promote education and research programs relating to the promotion of health and the provision of care to the sick, injured or disabled;
- (c) To coordinate, sponsor, promote and advance programs and activities designed and carried on to improve the physical, psychological, and emotional health and welfare of persons living in and around the territory which it serves;
- (d) To evaluate, develop and implement long-range health care objectives, strategies, plans and alternative health care delivery systems, in furtherance of the purposes of the Corporation and the purposes of those nonprofit health care organizations which the Corporation was organized to support;
- (e) To develop, organize, promote and conduct fund raising activities to further the charitable purposes and interests of the Corporation, as well as those of the nonprofit health care organizations

2011 OCT 20 AM 8: 53

PA DEPT OF STATE

US_ACTIVE-106622295.14-NJSHURLO 10/19/11 4:18 PM

which the Corporation was organized to support;

(f) to carry out such other acts and to undertake such other activities as may be necessary, appropriate, or desirable in furtherance of or in connection with the conduct, promotion or attainment of the forgoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and

(g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.

5. **Pecuniary Gain or Profit.** The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

6. **Non-Stock Basis.** The Corporation is to be organized on a non-stock basis.

7. **Members.** The Corporation shall have a single member. The single member shall be UPE, a Pennsylvania nonprofit corporation.

8. **Incorporator.** The name and post office address of the incorporator is Carol A. Soltes, Reed Smith LLP, 225 Fifth Avenue, Pittsburgh, PA 15222-2716.

9. **Management.** The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors of the Corporation. The number, term of office, method of selection and manner of removal of the Board of Directors shall be as set forth in the Bylaws of the Corporation. The Board of Directors shall satisfy the requirements applicable to a supporting organization operated in connection with organizations described in Section 509(a)(1) or 509(a)(2) of the Code within the meaning of Section 509(a)(3) of the Code and applicable regulations.

10. **Exempt Organization.** Notwithstanding any other provision of these Articles, the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a corporation described in Section 501(c)(3) of the Code (hereinafter referred to in these Articles as an "exempt organization"), or as a corporation contributions to which are deductible under Section 170(c)(2) of the Code. No substantial part of the activities of the Corporation shall be devoted to carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided in Section 501(h) of the Code), and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

11. **Earnings.** Notwithstanding any other provision of these Articles, no part of the net earnings or assets of the Corporation shall inure to the benefit of or be distributable to its members, directors, trustees, officers or any other private individual; provided, however, the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to the extent that such payments do not prevent it from qualifying, and continuing to qualify, as an exempt organization and to make such lawful payments and distributions in furtherance of the purposes set forth in Article 4 hereof as may from time to time be either required or permitted by Section 501(c)(3) of the Code.

12. Foundation Status. In the event that the Corporation fails to qualify as an organization described in Section 509(a)(1), (2) or (3) of the Code, then, notwithstanding any other provision of these Articles, the Corporation shall be prohibited from engaging in any act of self-dealing (as defined in Section 4941(d) of the Code); from retaining any excess business holdings (as defined in Section 4943(c) of the Code); from making any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; and from making any taxable expenditures (as defined in Section 4945(d) of the Code), to the extent any action therewith would subject the Corporation to tax under one or more of the cited sections of the Code. To the extent required, the Corporation shall make qualifying distributions at such time and in such manner as do not subject the Corporation to tax under Section 4942 of the Code.

13. Dissolution. In the event that the Corporation shall be dissolved or liquidated, the Board of Directors, after paying or making provision for payment of all of the known liabilities of the Corporation, may transfer or dispose of the Corporation's property and assets to (a) such one or more corporations, trusts, funds or other organizations which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and, in the sole judgment of the Corporation's Board of Directors, have purposes similar to those of the Corporation or (b) the federal government, or to a state or local government for such purposes. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more of such corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, and which are organized and operated for such purposes, or to the federal government or to a state or local government for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution or sale of the assets of the Corporation.

14. Personal Liability of Directors.

(a) **Elimination of Liability.** To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a director.

(b) **Applicability.** The provisions of this Article shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Article is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Article. Any amendment or repeal of this Article or adoption of any bylaw or provision of these Articles which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, bylaw or provision.

15. Indemnification.

(a) **Right to Indemnification – General.** Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article, shall mean any director, officer or employee, including any employee who is a medical doctor,

lawyer or other licensed professional, or any committee created by or pursuant to the Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article 15.

(b) Right to Indemnification - Third Party Actions. Without limiting the generality of Section (a) any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(c) Right to Indemnification - Derivative Actions. Without limiting the generality of Section (a), any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section (c) in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

(d) Advance of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article 15 shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article 15 or otherwise.

(e) Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section (a), Section (b) or Section (c) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

(i) By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

(ii) If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

(f) Indemnification not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article 15 shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of the Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

(g) When Indemnification Not Made. Indemnification pursuant to this Article 15 shall not be made in any case where (i) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness or (ii) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, but the burden of proving any such defense shall be on the Corporation.

(h) Grounds for Indemnification. Indemnification pursuant to this Article 15, under any other provision of the Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article 15 and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article 15 shall be applicable to all actions, suits or proceedings within the scope of Section (a), Section (b) or Section (c), whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

(i) Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article 15.

(j) Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secured or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article 15 or otherwise.

(k) Status of Rights of Indemnities. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article 15 shall (i) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (ii) continue as to a person who has ceased to be a representative of the Corporation.

(l) Applicability to Predecessor Companies. For purposes of this Article 15, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation,

entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article 15 with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section (a).

16. Code. References in these Articles to a section of the Code shall be construed to refer both to such section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended, and to the corresponding provisions of any future federal tax code and the regulations thereunder.

IN TESTIMONY WHEREOF, the incorporator has signed these Articles of Incorporation this 19th day of October, 2011.



Carol A. Soltes, Incorporator

EXHIBIT D

EXHIBIT D

- The composition of the Provider Subsidiary Board of Directors as of the Effective Time shall be as follows (subject to change prior to the Effective Time):

Robert J. Baum, Ph.D.
David Arthur Blandino, M.D.
Joseph Clinton Guyaux
David J. Malone
David M. Matter
Kenneth R. Melani, M.D.
Victor A. Roque
John S. Isherwood (WPAHS Representative)

- The structure of the Provider Subsidiary Board of Directors as of the Effective Time shall be as set forth in the Bylaws proposed for the Provider Subsidiary which are attached as part of this Exhibit D.

Final Copy

EXHIBIT D

AMENDED AND RESTATED BYLAWS

OF

[PROVIDER SUBSIDIARY ENTITY]

(Effective [_____])

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Name and Purposes.....	1
1.1 Name	1
1.2 Purpose.....	1
ARTICLE II Offices	2
2.1 Registered Office	2
2.2 Business Offices.....	2
ARTICLE III Members.....	2
3.1 Membership	2
3.2 Meetings.....	2
3.3 Powers.....	2
ARTICLE IV Board of Directors	5
4.1 Powers and Duties.....	5
4.2 Election of Directors	5
4.3 Number/Qualifications.....	5
4.4 Election and Term.....	6
4.5 Vacancies	6
4.6 Meetings.....	7
4.7 Resignation/Removal	7
4.8 Limitation of Liability.....	8
4.9 Compensation	9
ARTICLE V Officers.....	9
5.1 Officers; Election	9
5.2 Responsibilities of Officers.....	9
5.3 Removal of Officers.....	10
5.4 Bonds	10
ARTICLE VI Committees	10
6.1 Committees	10
6.2 Term.....	11
6.3 Quorum and Action.....	11
6.4 Action by Unanimous Written Consent.....	11
6.5 Removal	11
6.6 Vacancies	11
6.7 Exclusions from Committee Membership	11
6.8 Corporate Governance and Nominating Committee.....	12
6.9 Audit Committee.....	12
6.10 Personnel and Compensation Committee	12
ARTICLE VII Indemnification of Directors, Officers and Others.....	13
7.1 Right to Indemnification - General	13
7.2 Right to Indemnification - Third Party Actions	13
7.3 Right to Indemnification - Derivative Actions	13
7.4 Advance of Expenses	14

7.5	Procedure for Effecting Indemnification	14
7.6	Indemnification Not Exclusive	14
7.7	When Indemnification Not Made	14
7.8	Grounds for Indemnification.....	15
7.9	Power to Purchase Insurance	15
7.10	Creation of a Fund to Secure or Insure Indemnification.....	15
7.11	Status of Rights of Indemnities.....	15
7.12	Applicability to Predecessor Companies	15
ARTICLE VIII	Contracts, Loans, Checks and Deposits	16
8.1	Contracts	16
8.2	Loans.....	16
8.3	Checks.....	16
8.4	Deposits.....	16
ARTICLE IX	Notice and Conduct of Meetings	16
9.1	Written Notice.....	16
9.2	Written Waiver of Notice.....	16
9.3	Waiver of Notice by Attendance.....	16
9.4	Procedure	17
ARTICLE X	Miscellaneous.....	17
10.1	No Contract Rights	17
10.2	Corporate Seal.....	17
10.3	Fiscal Year	17
ARTICLE XI	Amendments	17
11.1	Amendments	17
ARTICLE XII	Conflicts of Interest	17
12.1	Disclosure.	17
12.2	Recusal and Investigation	18
12.3	Failure to Disclose	18
12.4	Record of Actions	18
12.5	Compensation	18
12.6	Annual Statements	18

ARTICLE I
NAME AND PURPOSES

1.1 Name. The name of the corporation is [*Provider Subsidiary Entity*] (the "Corporation"). The Corporation may do business under such other names as may be determined by the Board of Directors.

1.2 Purpose. The Corporation is organized under the Pennsylvania Nonprofit Corporation Law (the "Nonprofit Corporation Law") for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and to promote, support, and further the scientific, educational and charitable purposes and interests of West Penn Allegheny Health System, Inc. ("WPAHS"), Canonsburg General Hospital, and Alle-Kiski Medical Center, organizations exempt from taxation under Section 501(c)(3) of the Code and classified as other than private foundations under Section 509(a)(1) or 509(a)(2) of the Code, and affiliated exempt entities, the purposes of which are consistent with those of the Corporation (collectively, the "Hospitals"). In this capacity the Corporation is further organized:

- (a) To establish, maintain, sponsor, and promote activities relating to the improvement of human health and the provision of care to the sick, injured or disabled;
- (b) To establish, maintain, sponsor and promote education and research programs relating to the promotion of health and the provision of care to the sick, injured or disabled;
- (c) To coordinate, sponsor, promote and advance programs and activities designed and carried on to improve the physical, psychological, and emotional health and welfare of persons living in and around the territory which it serves;
- (d) To evaluate, develop and implement long-range health care objectives, strategies, plans and alternative health care delivery systems, in furtherance of the purposes of the Corporation and the purposes of those nonprofit health care organizations which the Corporation was organized to support;
- (e) To develop, organize, promote and conduct fund raising activities to further the charitable purposes and interests of the Corporation, as well as those of the nonprofit health care organizations which the Corporation was organized to support;
- (f) To carry out such other acts and to undertake such other activities as may be necessary, appropriate or desirable in furtherance of or in connection with the conduct, promotion or attainment of the foregoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and
- (g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.

ARTICLE II

OFFICES

2.1 Registered Office. The registered office of the Corporation shall at all times be within the Commonwealth of Pennsylvania at such address as may be established by the Board of Directors.

2.2 Business Offices. The Corporation may have business offices at such places permitted by law as the business of the Corporation may require.

ARTICLE III

MEMBERS

3.1 Membership. The Corporation shall have one (1) member, which shall be [*Name of Ultimate Parent Entity*] (the "Member"). There shall be no other members or classes of membership. The Chief Executive Officer or the President of the Member shall be entitled to vote on behalf of the Member in accordance with the authority granted to the Chief Executive Officer or the President of the Member unless the Member notifies the Corporation in writing that another officer is authorized to vote on behalf of the Member.

3.2 Meetings.

(a) Annual Meeting. The annual meeting of the Member of the Corporation shall be held immediately following the annual meeting of the Board of Directors of the Member, or at such other time as the Member may determine, to elect members of the Board of Directors and officers of the Corporation, and to transact such other business as may come before the meeting.

(b) Special Meetings. Special meetings of the Member may be called by the Chairperson of the Board of the Corporation, one-third (1/3) of the members of the Board of Directors of the Corporation or by one-third (1/3) of the members of the Board of Directors of the Member.

(c) Notice of Meetings. Notice of any meeting of the Member shall be given by, or at the direction of, the Secretary of the Corporation at least then (10) days prior to the day named for a meeting that will consider a fundamental change under Chapter 59 of the Nonprofit Corporation Law or five days prior to the day named for the meeting in any other case.

(d) Written Consent. Any action which may be taken at a meeting of the Member may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by the Member and filed with the Secretary.

3.3 Powers. The following rights and powers are reserved to the Member:

(a) Subject to the provisions of Section [4.3] of these Bylaws, to determine the number of directors that will comprise the Board of Directors of the Corporation and

those corporations and other entities over which the Corporation exercises governance control (the “subsidiaries”);

(b) Subject to the provisions of Sections [4.2, 4.3, 4.4, and 4.5] of these Bylaws and with respect to WPAHS, Sections [4.2 and 4.5] of the Bylaws of WPAHS, to elect the directors of the Corporation and the subsidiaries;

(c) Subject to Section [4.2. and 4.7(b)] of these Bylaws and with respect to WPAHS, Sections [4.2, 4.5 and 4.7(b)] of the Bylaws of WPAHS, to remove any of the directors of the Corporation or the subsidiaries, and to replace any such removed director for the unexpired portion of his or her term;

(d) To approve the election, re-election and removal of all officers, including the Chief Executive Officer, of the Corporation and the subsidiaries in accordance with Article V;

(e) Subject to, with respect to WPAHS, Section [7.1(a)] of the Affiliation Agreement, dated as of [], 2011, among Ultimate Parent, the Corporation, Highmark Inc., WPAHS, Canonsburg General Hospital, Alle-Kiski Medical Center and the other WPAHS Subsidiaries as defined therein (the “Affiliation Agreement”), to amend, revise or restate the Corporation’s or the subsidiaries’ Articles of Incorporation and Bylaws;

(f) Subject to Section [7.5(i)] of the Affiliation Agreement to adopt or change the mission, purpose, philosophy or objectives of the Corporation or the subsidiaries;

(g) Subject to Sections [7.5(i) and 7.6] of the Affiliation Agreement, to change the general structure of the Corporation or any of the subsidiaries as a voluntary, nonprofit corporation;

(h) Subject to Sections [7.5(i) and 7.6] of the Affiliation Agreement, to (i) dissolve or liquidate the Corporation or divide or convert the Corporation or the subsidiaries, (ii) consolidate or merge the Corporation or the subsidiaries with another corporation or entity, or (iii) sell or acquire assets, whether in a single transaction or series of transactions, where the consideration exceeds 1% of the Corporation’s and the subsidiaries total assets, taken as a whole;

(i) To approve the annual capital and operating budgets of the Corporation and the subsidiaries, and any amendments thereto or significant variances therefrom;

(j) Subject to Section [7.6] of the Affiliation Agreement, to approve the incurrence of debt by the Corporation and the subsidiaries or the making of capital expenditures by the Corporation and the subsidiaries during any fiscal year, in either case in excess of one quarter of 1% of the annual operating budget of the Corporation and the subsidiaries, taken as a whole, for such fiscal year, if such debt or capital expenditures are not included in the Corporation’s or subsidiaries’ approved budgets, whether in a single transaction or a series of related transactions;

(k) To approve any donation or any other transfer of the Corporation's or the subsidiaries' assets, taken as a whole, other than to the Member or to the Corporation by the subsidiaries, in excess of \$10,000.00, unless specifically authorized in the Corporation's or the subsidiaries' approved budgets;

(l) To select and appoint auditors of the Corporation and the subsidiaries;

(m) Subject to Section [7.5(i)] of the Affiliation Agreement, to approve strategic plans and mission statements of the Corporation and the subsidiaries;

(n) To approve investment policies of the Corporation and the subsidiaries;

(o) To approve the closure or relocation of a licensed health care facility of the Corporation or the subsidiaries;

(p) Subject to Section [7.5(i) and 7.6)] of the Affiliation Agreement, to approve the formation of subsidiary corporations, partnerships and joint ventures or to make investments in existing subsidiary corporations, partnerships and joint ventures, if the new investments of the Corporation and the subsidiaries in such subsidiary corporations, partnerships and joint ventures during any fiscal year would, in the aggregate, exceed 1% of the total assets of the Corporation and the subsidiaries, taken as a whole, at the end of the prior fiscal year of the Corporation;

(q) Subject to Section [7.5(i) and 7.6)] of the Affiliation Agreement, to approve the dissolution of subsidiary corporations, partnerships and joint ventures of the Corporation and the subsidiaries, if the aggregate value of the ownership interests of the Corporation and the subsidiaries in such subsidiary corporations, partnerships and joint ventures so dissolved in any fiscal year would exceed 1% of the total assets of the Corporation and the subsidiaries, taken as a whole, at the end of the prior fiscal year;

(r) To establish and maintain the Corporation's program for compliance with all legal requirements applicable to the Corporation and the subsidiaries; and

(s) To give such other approvals and take such other actions as are specifically reserved to members of Pennsylvania nonprofit corporations under the Nonprofit Corporation Law.

Except as may otherwise be provided by the Nonprofit Corporation Law, the Member shall have the right to both initiate and approve action in furtherance of such reserved powers, as well as the authority to directly bind the Corporation and the subsidiaries on such matters. Any action taken in this regard by Member shall be sufficient to finally approve and adopt such actions and no action of the Board of Directors or other governing body or officer with respect to such action shall be necessary with respect thereto.

ARTICLE IV
BOARD OF DIRECTORS

4.1 Powers and Duties. Subject to Section 3.3 of these Bylaws, all powers of the Corporation shall be vested in the Board of Directors, which shall have charge, control and management of the property, business, affairs and funds of the Corporation and shall have the power and authority to perform all necessary and appropriate functions not otherwise inconsistent with these Bylaws, the Articles of Incorporation or applicable law. Subject to Section 3.3 of these Bylaws, and without limiting the generality of the foregoing and except as otherwise may be provided in these Bylaws, the Board of Directors shall have full power and the duty:

- (a) To set policies and provide for carrying out the purposes of the Corporation;
- (b) To make rules and regulations for its own governance and for the governance of the committees appointed by the Board of Directors as provided herein; and
- (c) To adopt and amend from time to time such rules and regulations for the conduct of the business of the Corporation as may be appropriate or desirable.

4.2 Election of Directors. Subject to the limitations set forth in this Section 4.2 of these Bylaws, the Member shall elect all directors; provided, that

- (a) On the effective date of these Bylaws, after consultation with WPAHS, the Member shall elect one director designated by WPAHS (the "WPAHS Director"); and
- (b) prior to [*insert date that is four years after Closing*], any vacancy in the Board of Directors caused by the death, resignation or removal of the WPAHS Director or by the expiration of the term of the WPAHS Director shall be filled by the Member from nominee(s) identified by the WPAHS Representatives [and the Self-Perpetuating Directors] (as defined in the Bylaws of WPAHS).

4.3 Number/Qualifications.

- (a) Composition. The Board of Directors shall consist of such number of persons as the Member may determine, but in no case less than three (3).
- (b) Certain Qualifications. No individual may be elected to the Board of Directors unless the individual is eligible to serve on the Board of Directors pursuant to applicable law, the Articles of Incorporation and these Bylaws. Each director shall be a natural person of at least 18 years of age.
- (c) Independence. At least a majority of the directors shall be persons whom the Board of Directors has determined are "independent directors" within the meaning of such

term as defined by the Internal Revenue Service for exempt organizations under Section 501(c)(3) of the Code, and as such, are broadly representative of the community.

(d) Common Directors With Hospitals. The members of the Board of Directors must include at least one person who is also serving as a member of the board of directors of each Hospital. The same member of the Board of Directors need not be serving on all such Hospital boards.

(e) SEC Actions. Any person who is, or ever has been, subject to an order of a court or the Securities and Exchange Commission prohibiting such person from acting as an officer or director of a public company shall not be eligible to serve as a director.

(f) Age Limitations. No person who is seventy-five (75) years of age or older may be nominated or re-nominated for election or re-election as a director. Any director who reaches the age of seventy-five (75) shall no longer be qualified to serve as a director after the next annual meeting of the Board of Directors.

4.4 Election and Term.

(a) Term of Directors. The initial Board of Directors elected by the Incorporator of the Corporation shall be divided, as evenly as practicable, into three classes and shall serve staggered terms. Allocation of initial terms among directors for one, two or three-year terms shall be made by the Incorporator. At the end of their respective initial terms, all directors shall serve for terms of three (3) years or until their successors are elected and have qualified. If the term of the WPAHS Director expires prior to *[four years after the Closing]*, the Member shall re-elect such WPAHS Director for such additional term as may be necessary to assure that such WPAHS Representative serves on the Board of Directors until at least *[four years after the Closing]*.

(b) Chairperson. The Board of Directors shall elect from among the directors an individual to serve as Chairperson of the Board. The Chairperson shall not be an employee of the Corporation. The Chairperson shall preside at all meetings of the Board of Directors and shall perform all duties incident to the office of Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

(c) Vice Chairperson. The Board of Directors may elect from among the directors a Vice Chairperson of the Board. The Vice Chairperson shall not be an employee of the Corporation. The Vice Chairperson shall perform the duties of the office of Chairperson of the Board in the absence of the Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

4.5 Vacancies. Any vacancy in the Board of Directors caused by the death, resignation or removal of a director or a director ceasing to qualify to serve as a director prior to the expiration of that director's term between annual meetings of the Member shall be filled by an individual elected by the Member in accordance with the provisions of Section 4.2(b) of these Bylaws, including the provisions with respect to the WPAHS Director if there is a vacancy in such position. The director so elected shall serve the remaining unexpired term of the director so replaced.

4.6 Meetings.

(a) Annual Meetings. The annual organizational meeting of the Board of Directors shall be held on such other date as the Board of Directors may determine, at such time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held not less than four (4) times a year, each at such date, time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(c) Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairperson of the Board, the Chief Executive Officer or one-third (1/3) of the members of the Board of Directors, the date, time and place of each such meeting to be designated in the notice calling the meeting. Notice of any special meeting of the Board of Directors shall be given at least forty-eight (48) hours prior thereto and shall state the general nature of the business to be transacted.

(d) Adjournment. When a meeting of the Board of Directors is adjourned, it shall not be necessary to give any notice of the adjourned meeting or the business to be transacted at the adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

(e) Quorum. Directors constituting a majority of the directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

(f) Voting and Action. Each director shall be entitled to one vote on any matter submitted to a vote of the Board of Directors, and action by the Board of Directors on any matter shall require the affirmative vote of a majority of the directors in office unless a greater proportion of affirmative votes is required by applicable law, the Articles of Incorporation or these Bylaws.

(g) Use of Conference Telephone. Except as the Board of Directors otherwise may determine, one or more persons may participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and be heard by each other. Participation in a meeting in such manner shall constitute presence in person at the meeting.

(h) Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and filed with the Secretary.

4.7 Resignation/Removal.

(a) Resignation. Any director may resign his or her office at any time, such resignation to be made in writing and to take effect immediately or at such subsequent time

stated in such writing. Any director who ceases to meet the eligibility requirements contained in applicable law or in these Bylaws to serve as a director forthwith shall resign his or her office, such resignation to be made in writing and to take effect immediately.

(b) Removal. Any director may be removed, with or without cause, by the Member; provided, that prior to [*insert date that is four years after Closing*], the Member may remove the WPAHS Director only for “cause” unless a majority of the [other] WPAHS Representatives (as defined in the Bylaws of WPAHS) has consented to the removal. For this purpose “cause” shall mean:

- (i) the director is declared of unsound mind by an order of court;
- (ii) the director is indicted for, or convicted of, or enters a plea of guilty or nolo contendere to, a felony;
- (iii) the director engages in fraudulent or dishonest acts or in any act of moral turpitude;
- (iv) the director engages in gross abuse of authority or discretion with respect to the Corporation;
- (v) the director violates the Corporation’s [*Code of Conduct Policy*];
- (vi) the director fails to attend [*four*] consecutive meetings of the Board of Directors;
- (vii) the director engages in other conduct that is detrimental to the best interests of the Corporation or its reputation; or
- (viii) the director has breached such director’s duties under Section 5712 of the Nonprofit Corporation Law.

4.8 Limitation of Liability

(a) Limitation of Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a director.

(b) Nature and Extent of Rights. The provisions of this Section 4.8 shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Section is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Section. Any amendment or repeal of this Section or adoption of any Bylaw or provision of the Articles of the Corporation which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, Bylaw or provision.

4.9 Compensation. The Board of Directors may determine the compensation of directors for their services as directors, members of committees of the Board of Directors or otherwise, and also may determine the compensation of persons who are not directors who serve on any committees established by the Board of Directors; provided that such compensation is reasonable compensation within the meaning of Section 4958 of the Code.

ARTICLE V

OFFICERS

5.1 Officers; Election. The principal officers of the Corporation shall be a Chief Executive Officer, a Chief Financial Officer, a Treasurer and a Secretary, each of whom shall be elected by the Board of Directors, subject to the approval of the Member, and such other officers as the Board of Directors, subject to the approval of the Member, may elect, which may include one or more Presidents, one or more Executive, Senior or Corporate Vice Presidents, and one or more Assistant Treasurers or Assistant Secretaries. Each such officer shall hold office for a term of one year (or such other term as the Board of Directors shall determine for any office from time to time) and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. Any number of offices may be held by the same person.

5.2 Responsibilities of Officers.

(a) Chief Executive Officer. The Chief Executive Officer shall be responsible for the general and active management of the business and affairs of the Corporation and shall exercise general supervision and authority over all of its agents and employees and shall perform all duties incident to the office of Chief Executive Officer and such other duties as may be assigned by the Member or the Board of Directors. The Chief Executive Officer shall supervise the implementation of all policies, orders and resolutions of the Board of Directors and shall execute all contracts and agreements authorized by the Board of Directors, except that he or she may delegate to other officers of the Corporation the power to execute contracts in the ordinary course of business or as otherwise may be authorized by the Board of Directors.

(b) President(s). The President(s) shall be responsible for the direct administration, supervision and control of such activities in the management of the Corporation as may be assigned by the Chief Executive Officer or the Board of Directors.

(c) Chief Financial Officer. The Chief Financial Officer shall be responsible for financial accounting and reporting for the Corporation and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(d) Vice Presidents. Each Vice President shall perform such duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(e) Treasurer. The Treasurer shall, in accordance with the policies of the Board of Directors and under the direction of the Chief Executive Officer or the Chief Financial Officer, have general charge and custody of and be responsible for all funds and securities of the Corporation, and shall make such reports in such form and manner as the Chief Executive Officer, the Chief Financial Officer or the Board of Directors may direct. The Treasurer shall

receive and give receipts for monies due and payable to the Corporation and deposit such monies in the name of the Corporation in such banks, trust companies or other depositories as may be selected in accordance with the provisions of these Bylaws. The Treasurer shall keep account of such receipts and deposits and approve expenditures of the Corporation and shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors.

(f) Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and its committees in one or more books provided for that purpose, shall notify members of the Board of Directors of their election, shall see that all notices are duly given in accordance with the provisions of these Bylaws, shall be custodian of the corporate records and of the seal of the Corporation, and shall see that the seal of the Corporation is affixed, when necessary, to all instruments and documents the execution of which has been authorized by the Board of Directors or a committee thereof, shall keep a record of the address of each director, and shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors. In the absence of the Secretary or in the event of his or her inability to act, the Chairperson of the Board of Directors shall appoint an individual to discharge the duties of the Secretary.

(g) Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall perform such duties as may be assigned by the Secretary or the Treasurer, respectively, or by the Chief Executive Officer or the Chief Financial Officer, as appropriate, or the Board of Directors.

5.3 Removal of Officers. Any officer of the Corporation (including the Chief Executive Officer) may be removed, with or without cause, by the Board of Directors, subject to the approval of the Member, without prejudice to such officer's contractual rights, if any.

5.4 Bonds. The Board of Directors may require any officer to give bond and security in such sum and with such surety or sureties as the Board of Directors may determine.

ARTICLE VI

COMMITTEES

6.1 Committees.

(a) Standing Board Committees. The Board of Directors shall have a Corporate Governance and Nominating Committee, an Audit Committee and a Personnel and Compensation Committee and the Board of Directors may establish such other standing committees as it deems to be necessary or desirable (the "Standing Board Committees"). All Standing Board Committees shall be comprised solely of directors and shall have charters governing their powers and duties, which charters shall be approved by the Board of Directors. The Board of Directors shall appoint the members and a chairperson and a vice chairperson of each Standing Board Committee.

(b) Special Committees and Program Committees. The Board of Directors may establish one or more special committees of directors ("Special Committees") to advise the

Board of Directors and to perform such other functions as the Board of Directors determines. The Board of Directors may establish one or more committees, which may include directors and persons who are not directors, to assist it with aspects of the Corporation's operations ("Program Committees"). Subject to the provisions of these Bylaws, the Board of Directors may delegate such authority to a Special Committee or a Program Committee as it deems to be appropriate and desirable and as is not prohibited by applicable law. The Board of Directors shall establish the manner of selecting members, chairpersons and vice chairpersons, if any, and the terms of office of the members of each Special Committee and Program Committee.

6.2 Term. Except as otherwise provided in these Bylaws, each member of a Standing Board Committee shall continue as such until the next annual meeting of the Board of Directors or until a successor has been appointed as provided herein, unless such person resigns, is removed or otherwise ceases to serve on such Standing Board Committee for any reason.

6.3 Quorum and Action. Except as otherwise provided in these Bylaws or the charter of a committee approved by the Board of Directors, a majority of the members comprising any committee appointed by the Board of Directors pursuant to these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of committee members present at a meeting at which a quorum is present shall constitute the acts of the committee, unless a greater proportion is required by applicable law, the Articles of Incorporation or these Bylaws.

6.4 Action by Unanimous Written Consent. Except as otherwise provided in these Bylaws or a charter of a committee approved by the Board of Directors, any action which may be taken at a meeting of any committee appointed by the Board of Directors pursuant to these Bylaws may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the members of such committee and filed with the Secretary.

6.5 Removal. Any member of a Standing Board Committee, Special Committee or Program Committee may be removed at any time, with or without cause, by the Board of Directors at any regular or special meeting.

6.6 Vacancies. Any vacancy in any Standing Board Committee, Special Committee or Program Committee caused by the death, resignation or removal of a member of such committee prior to the expiration of that member's term shall be filled by another person appointed by the Board of Directors. The member so appointed shall serve the remaining unexpired term of the member so replaced.

6.7 Exclusions from Committee Membership. Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

6.8 Corporate Governance and Nominating Committee.

(a) Composition. The Corporate Governance and Nominating Committee shall consist of such number of directors, but in no case less than three (3), as may be determined by the Board of Directors. None of the members of the Corporate Governance and Nominating Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Corporate Governance and Nominating Committee shall be responsible for:

(i) Recommending the candidates for election as directors at each annual meeting of the Member;

(ii) Recommending the candidates for election as directors to fill any vacancies occurring on the Board of Directors; and

(iii) Recommending the candidates for election or reelection as Chairperson of the Board and Vice Chairperson of the Board.

(c) Timing. At least fifteen (15) days before each annual, regular or special meeting of the Member, the Corporate Governance and Nominating Committee shall recommend the requisite number of individuals who satisfy the qualifications established in these Bylaws for election as directors of the Corporation.

6.9 Audit Committee.

(a) Composition. The Audit Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Audit Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Audit Committee shall be responsible for accepting the annual independent audit report of the Corporation's financial statements, as prepared by the external auditors, and render or cause to be rendered an audit report to the Board of Directors at its annual meeting.

6.10 Personnel and Compensation Committee.

(a) Composition. The Personnel and Compensation Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Personnel and Compensation Committee shall be employees of the Corporation or of any entity controlled by the Corporation or of any entity controlled by the Corporation and none may have a conflict of interest as defined in Section 4958 of the Code and applicable regulations.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Personnel and Compensation Committee shall be responsible for:

(i) Evaluating the performance of the principal officers of the Corporation;
and

(ii) Recommending to the Board of Directors for recommendation to the Member the selection and compensation of the principal officers of the Corporation.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Right to Indemnification - General. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article VII, shall mean any director, officer or employee, including any employee who is a medical doctor, lawyer or other licensed professional or any committee created by or pursuant to these Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article VII.

7.2 Right to Indemnification - Third Party Actions. Without limiting the generality of Section 7.1 of these Bylaws, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

7.3 Right to Indemnification - Derivative Actions. Without limiting the generality of Section 7.1 of these Bylaws, any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a

representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section 7.3 in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

7.4 Advance of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article VII shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VII or otherwise.

7.5 Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section 7.1, Section 7.2 or Section 7.3 of these Bylaws shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

- (a) By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or
- (b) If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

7.6 Indemnification Not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of these Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

7.7 When Indemnification Not Made. Indemnification pursuant to this Article VII shall not be made in any case where (a) the act or failure to act giving rise to the claim for

indemnification is determined by a court to have constituted willful misconduct or recklessness or (b) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code.

7.8 Grounds for Indemnification. Indemnification pursuant to this Article VII, under any other provision of these Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article VII and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article VII shall be applicable to all actions, suits or proceedings within the scope of Section 7.1, Section 7.2 or Section 7.3 of these Bylaws, whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

7.9 Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VII.

7.10 Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article VII or otherwise.

7.11 Status of Rights of Indemnities. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall (a) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (b) continue as to a person who has ceased to be a representative of the Corporation.

7.12 Applicability to Predecessor Companies. For purposes of this Article VII, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation, entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article VII with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director,

officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section 7.11 of these Bylaws.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

8.1 Contracts. Subject to Section 3.3 of these Bylaws, the Board of Directors may authorize any officer or officers or agent or agents to enter into any contract or execute or deliver any agreement or instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.2 Loans. Subject to Section 3.3(j) of these Bylaws, the Board of Directors may authorize the borrowing by the Corporation of such sum or sums of money as the Board of Directors may deem advisable, and to mortgage or pledge any or all of the real or personal property and any or all of the other available assets of the Corporation in order to secure the payment of the principal amount of any such borrowing and the interest thereon and any and all such other amounts as may become due on account thereof.

8.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness shall be issued in the name of the Corporation and shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as from time to time shall be determined by the Board of Directors.

8.4 Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may approve.

ARTICLE IX

NOTICE AND CONDUCT OF MEETINGS

9.1 Written Notice. Except as otherwise provided in these Bylaws, whenever written notice is required to be given by any person under the provisions of any statute or these Bylaws, it may be given by sending a copy thereof through the mail or overnight delivery or by hand delivery, in each case with charges prepaid, or by facsimile transmission confirmed by one of the foregoing methods, to the individual's address appearing on the books of the Corporation or supplied by the individual to the Corporation for the purpose of notice.

9.2 Written Waiver of Notice. Whenever any written notice is required as set forth in these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

9.3 Waiver of Notice by Attendance. Attendance of a person in person at any meeting shall constitute a waiver of notice of such meeting except when a person attends the

meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

9.4 Procedure. All meetings of the Board of Directors and the committees thereof shall be conducted in an orderly manner with a view to affording full and fair discussion of the matters properly before such meetings.

ARTICLE X

MISCELLANEOUS

10.1 No Contract Rights. Except as specifically set forth in Sections 4.2, 4.4(b), 4.5, 4.7(b), 4.8 and 7.11 of these Bylaws, no provision of these Bylaws shall vest any property or contract right in any person.

10.2 Corporate Seal. The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Corporation and the year and state of incorporation.

10.3 Fiscal Year. The fiscal year of the Corporation shall end on such day as shall be fixed by the Board of Directors.

ARTICLE XI

AMENDMENTS

11.1 Amendments. Subject to Section 7.1(a) of the Affiliation Agreement, these Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, only by the Member.

ARTICLE XII

CONFLICTS OF INTEREST

12.1 Disclosure. In connection with any actual or possible conflict of interest, an interested person must disclose the existence and nature of his or her financial interest to the Board of Directors and any relevant committee members. For this purpose, an interested person shall include any director, officer, or member of a committee of the Corporation or an entity affiliated with the Corporation who has a direct or indirect financial interest in a proposed transaction. A financial interest shall include: (a) an ownership or investment interest in any entity with which the Corporation has a proposed transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a proposed transaction or arrangement; and (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. If a person is an interested person with respect to any entity in the health care system of which the Corporation is a part, he or she is an interested person with respect to all entities in the health care system.

12.2 Recusal and Investigation. After disclosure of the financial interest, the interested person shall leave the Board of Directors or committee meeting while the financial interest is discussed and voted upon. The remaining directors or committee members shall decide if a conflict of interest exists. If a conflict of interest exists, the following procedures shall be followed: (a) the Chief Executive Officer shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement; (b) after exercising due diligence, the Board of Directors or committee shall determine whether the Corporation could obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest; and (c) if a more advantageous transaction or arrangement is not reasonably attainable, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interests and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall decide as to whether to enter into the transaction or arrangement in conformity with such determination.

12.3 Failure to Disclose. If a director or committee member has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, he shall inform the interested person of the basis of such belief and afford the interested person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board of Directors or committee determines that the interested person has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate steps to protect the Corporation.

12.4 Record of Actions. The minutes of the Board of Directors and all relevant committees shall contain the following: (a) the names of persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

12.5 Compensation. Special procedures shall be in effect with respect to compensation issues. A voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation. Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

12.6 Annual Statements. Each interested person shall annually sign a statement that affirms that such person (a) has received a copy of the conflicts of interest policy, (b) has read and understands the policy, (c) has agreed to comply with the policy, and (d) understands that the

Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes. This policy shall be reviewed annually for the information and guidance of members of the Board of Directors, and any new member shall be advised of the policy upon entering on the duties of his office. In addition, the Corporation shall conduct periodic reviews of its activities, including any transactions or arrangements with interested persons, to ensure that its activities in the aggregate promote and further the Corporation's exempt charitable, scientific, and educational purposes.

EXHIBIT E

EXHIBIT E

SECOND AMENDED AND RESTATED

BYLAWS

OF

HIGHMARK INC.

(Adopted _____, 200__)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Name.....	1
1.1 Name	1
ARTICLE II Offices	1
2.1 Registered Office	1
2.2 Business Offices.....	1
ARTICLE III Members.....	1
3.1 Members	1
3.2 Meetings and Actions	1
3.3 Powers.....	2
ARTICLE IV Board of Directors	2
4.1 Powers and Duties.....	2
4.2 Number/Qualifications.....	2
4.3 Election and Term.....	4
4.4 Vacancies	4
4.5 Meetings.....	4
4.6 Resignation/Removal.....	5
4.7 Conflict of Interest	6
4.8 Limitation of Liability.....	6
4.9 Compensation	6
ARTICLE V Regional Advisory Boards	7
5.1 Establishment.....	7
5.2 Purpose and Functions	7
5.3 Limitations on Authority.....	7
5.4 Meetings.....	7
5.5 Compensation	7
ARTICLE VI Officers	7
6.1 Principal Officers; Election.....	7
6.2 Removal of Officers.....	9
6.3 Bonds	9
ARTICLE VII Committees.....	9
7.1 Standing Board Committees	9
7.2 Term.....	9
7.3 Special Committees and Program Committees.....	9
7.4 Quorum	10
7.5 Action by Unanimous Written Consent.....	10
7.6 Removal	10
7.7 Vacancies	10
7.8 Executive Committee.....	10
7.9 Corporate Governance and Nominating Committee.....	11
7.10 Audit Committee.....	11
7.11 Personnel and Compensation Committee	12
7.12 Controlled Entities	12
ARTICLE VIII Medical Review Committee.....	12
8.1 General.....	12
8.2 Medical Review Committee Selection Committee.....	13

8.3	Appointment of Medical Review Committee Members; Term; Removal.....	13
8.4	Officers of the Medical Review Committee	14
8.5	Submission of Matters to the Medical Review Committee	15
8.6	Medical Review Committee Proceedings	15
8.7	Proceedings Involving Status of Registered Health Service Doctor	16
8.8	Other Appeals	17
8.9	Compensation	17
ARTICLE IX	Indemnification of Directors, Officers and Others	17
9.1	Right to Indemnification - General	17
9.2	Right to Indemnification – Third Party Actions	18
9.3	Right to Indemnification – Derivative Actions.....	18
9.4	Advance of Expenses.....	18
9.5	Procedure for Effecting Indemnification	19
9.6	Indemnification not Exclusive	19
9.7	When Indemnification Not Made	19
9.8	Grounds for Indemnification.....	19
9.9	Power to Purchase Insurance	19
9.10	Creation of a Fund to Secure or Insure Indemnification.....	19
9.11	Status of Rights of Indemnitees	20
9.12	Applicability to Predecessor Companies	20
ARTICLE X	Contracts, Loans, Checks and Deposits	20
10.1	Contracts	20
10.2	Loans.....	20
10.3	Checks.....	20
10.4	Deposits.....	20
ARTICLE XI	Notice and Conduct of Meetings	21
11.1	Written Notice.....	21
11.2	Written Waiver of Notice.....	21
11.3	Waiver of Notice by Attendance.....	21
11.4	Procedure	21
ARTICLE XII	Miscellaneous	21
12.1	No Contract Rights	21
12.2	Corporate Seal.....	21
12.3	Fiscal Year	21
ARTICLE XIII	Amendments	21
13.1	Amendments	21

AMENDED AND RESTATED
BYLAWS
OF
HIGHMARK INC.

ARTICLE I

Name

1.1 **Name**. The name of the corporation is Highmark Inc. (the "Corporation"). The Corporation may do business under such other names as may be determined by the Board of Directors.

ARTICLE II

Offices

2.1 **Registered Office**. The registered office of the Corporation shall at all times be within the Commonwealth of Pennsylvania at such address as may be established by the Board of Directors.

2.2 **Business Offices**. The Corporation may have business offices at such places permitted by law as the business of the Corporation may require.

ARTICLE III

Members

3.1 **Members**. The members of the Corporation shall consist of two classes, namely (i) [Ultimate Parent Entity], a Pennsylvania nonprofit corporation (hereinafter, the "Corporate Member"); and (ii) the persons who from time to time constitute the Board of Directors shall be the sole members of the Corporation for all intents and purposes, with all rights, powers and duties afforded such members by these Bylaws and applicable law. The term "member," as used herein, shall have the meaning assigned to such term in Section 5103 of the Pennsylvania Nonprofit Corporation Law of 1988 (15 Pa.C.S.A. § 5101 et seq.), as amended (the "Nonprofit Corporation Law").

3.2 **Meetings and Actions**.

3.2.1 To the extent that, as a matter of law, any actions may or are required to be taken by director members, Board of Director meetings or actions taken in lieu of such meetings, as the case may be, shall be deemed to be membership meetings or actions of the director members.

3.2.2 The Chief Executive Officer of the Corporate Member shall be entitled to vote on behalf of the Corporate Member in accordance with the authority granted to the Chief Executive Officer of the Corporate Member unless the Corporate Member notifies the

Corporation in writing that another officer is authorized to vote on behalf of the Corporate Member.

3.3 Powers.

3.3.1 Reserved Powers of Director Members. The director members shall have the right, power and duty to determine the requisites for persons of low income eligible for benefits under the Corporation's health care plans, subject to approval by the Insurance Commissioner of the Commonwealth of Pennsylvania. A person who ceases to be a director shall automatically cease to be a director member. To the extent that, as a matter of law, any actions may or are required to be taken by the director members, Board of Director meetings or actions taken in lieu of such meetings, as the case may be, shall be deemed to be meetings of the director members or actions of the director members.

3.3.2 Reserved Powers of the Corporate Member. The following rights and powers shall be reserved to the Corporate Member and be exercised in accordance with these Bylaws:

[To be determined by Highmark prior to the Closing]

ARTICLE IV

Board of Directors

4.1 Powers and Duties. Subject to Section 3.3 of these Bylaws, all powers of the Corporation shall be vested in the Board of Directors, which shall have charge, control and management of the property, business, affairs and funds of the Corporation and shall have the power and authority to perform all necessary and appropriate functions not otherwise inconsistent with these Bylaws, the Articles of Incorporation or applicable law. Subject to Section 3.3 of these Bylaws, and without limiting the generality of the foregoing and except as otherwise may be provided in these Bylaws, the Board of Directors shall have full power and the duty:

4.1.1 To set policies and provide for carrying out the purposes of the Corporation;

4.1.2 To make rules and regulations for its own governance and for the governance of the committees appointed by the Board of Directors as provided herein; and

4.1.3 To adopt and amend from time to time such rules and regulations for the conduct of the business of the Corporation as may be appropriate or desirable.

4.2 Number/Qualifications.

4.2.1 The Board of Directors shall consist of such number of persons as the Corporate Member may determine, but in no case less than twenty-one (21) or more than thirty-six (36), including the individual then serving as the Chief Executive Officer of the Corporation, who shall be a director during his or her term of office (the "Ex-Officio Director").

4.2.2 No individual may be elected to the Board of Directors unless the individual is eligible to serve on the Board of Directors pursuant to applicable law, the Articles of Incorporation and these Bylaws. Each director shall be a natural person of at least 18 years of age and a resident of the Commonwealth of Pennsylvania.

4.2.3 At no time shall the Board of Directors be less than 50% subscribers who have coverage under contracts issued by the Corporation and who are generally representative of broad segments of subscribers covered under contracts issued by the Corporation, whose background and experience indicate that they are qualified to act in the interests of such subscribers and who (or whose spouse) does not derive substantial income from the delivery or administration of health care.

4.2.4 The directors shall be divided equally into three (3) classes so that one-third (1/3) of the aggregate number of directors (or as close as practicable to one-third depending on the aggregate number of Directors) may be chosen each year.

4.2.5 The Board of Directors shall be divided between the number of directors who are Lay Directors (as hereafter provided) and the number of directors who are Professional Directors (as hereafter provided) so as to assure as closely as is practicable that seventy-five percent (75%) of the total number of directors are Lay Directors and twenty-five percent (25%) of the total number of directors are Professional Directors. The Ex-Officio Director shall be counted in arriving at the number of directors who are Lay Directors or the number of directors who are Professional Directors, as the case may be.

4.2.6 To be eligible to serve as a Professional Director, an individual must be a health service doctor (as defined in 40 Pa.C.S.A. § 6302(a)) (each such person, a "Health Service Doctor") and a party to one or more professional provider contracts with the Corporation.

4.2.7 At least a majority of the directors shall be persons whom the Board of Directors has determined are "independent directors" within the meaning of such term as defined in the listing requirements of the New York Stock Exchange or such other requirements as the Board of Directors may approve. Notwithstanding the previous sentence, considering the unique relationship of the Corporation with providers of health care, a person's status as a Health Service Doctor in and of itself shall not cause such person to be considered to be lacking independence. No director, other than the Ex Officio Director, shall be an officer or employee of the Corporation or any entity controlled by the Corporation.

4.2.8 Any person who is, or ever has been, subject to an order of a court or the Securities and Exchange Commission prohibiting such person from acting as an officer or director of a public company shall not be eligible to serve as a director.

4.2.9 No person who is seventy-five (75) years of age or older may be nominated or re-nominated for election or re-election as a director. Any director who reaches the age of seventy-five (75) shall no longer be qualified to serve as a director after the next annual meeting of the Corporate Member.

4.3 Election and Term.

4.3.1 The Ex-Officio Director shall serve as a director by virtue of the office held. Except as provided in Section 4.4, the remaining directors shall be elected by the Corporate Member.

4.3.2 All directors, except the Ex-Officio Director, shall serve for terms of three (3) years or until their successors are elected and have qualified. The Ex-Officio Director shall serve as a director for so long as such person serves as the Chief Executive Officer of the Corporation.

4.3.3 The Board of Directors shall elect from among the directors an individual to serve as Chairperson of the Board. The Chairperson shall not be an officer or employee of the Corporation. The Chairperson shall preside at all meetings of the Board of Directors and of the Executive Committee and shall perform all duties incident to the office of Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

4.3.4 The Board of Directors may elect from among the directors a Vice Chairperson of the Board. The Vice Chairperson shall not be an officer or employee of the Corporation. The Vice Chairperson shall perform the duties of the office of Chairperson of the Board in the absence of the Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

4.4 Vacancies. Any vacancy in the Board of Directors caused by the death, resignation or removal of a director or a director ceasing to qualify to serve as a director prior to the expiration of that director's term and occurring in the interim between annual meetings of the Corporate Member may be filled by an individual elected by the Board of Directors, subject to the approval of the Corporate Member, or by the Corporate Member. The director so elected shall serve the remaining unexpired term of the director so replaced or until his or her earlier death, resignation or removal or ceasing to qualify to serve as a director.

4.5 Meetings.

4.5.1 Annual Meetings. The annual organizational meeting of the Board of Directors for, among other purposes, the election of officers shall be held during the month of April or May of each year or such other date as the Board of Directors may determine, at such time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

4.5.2 Regular Meetings. Regular meetings of the Board of Directors shall be held not less than four (4) times a year, each at such date, time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

4.5.3 Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairperson of the Board, the Chief Executive Officer, one-third (1/3rd) of the members of the Board of Directors, or the Chief Executive Officer of the Corporate Member, the date, time and place of each such meeting to be designated in the notice calling the

meeting. Notice of any special meeting of the Board of Directors shall be given at least forty-eight (48) hours prior thereto and shall state the general nature of the business to be transacted.

4.5.4 Adjournment. When a meeting of the Board of Directors is adjourned, it shall not be necessary to give any notice of the adjourned meeting or the business to be transacted at the adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

4.5.5 Quorum and Voting. Directors constituting a majority of the directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Each director shall be entitled to one vote on any matter submitted to a vote of the Board of Directors, and action by the Board of Directors on any matter shall require the affirmative vote of a majority of the directors in office unless a greater proportion of affirmative votes is required by applicable law, the Articles of Incorporation or these Bylaws.

4.5.6 Use of Conference Telephone. Except as the Board of Directors otherwise may determine, one or more persons may participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and be heard by each other. Participation in a meeting in such manner shall constitute presence in person at the meeting.

4.5.7 Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and filed with the Secretary.

4.6 Resignation/Removal.

4.6.1 Resignation. Any director may resign his or her office at any time, such resignation to be made in writing and to take effect immediately or at such subsequent time stated in such writing. Any director who ceases to meet the eligibility requirements contained in applicable law or in these Bylaws to serve as a director forthwith shall resign his or her office, such resignation to be made in writing and to take effect immediately.

4.6.2 Removal. Any director may be removed, with or without cause, either (a) by the affirmative vote of at least two-thirds ($2/3^{\text{rd}}$) of the directors in office taken at any regular or special meeting, provided that each director has been given at least ten (10) days written notice that such action is to be considered at such meeting or (b) by action of the Corporate Member.

4.6.3 Mandatory Offer of Resignation for Retirement or Change in Employment Circumstances. Any director who retires from active employment or whose employment circumstances change materially from those in effect at the time of his or her election or re-election as a director shall submit promptly to the chairperson of the Corporate Governance and Nominating Committee an offer of resignation from the Board of Directors. Such resignation shall not be effective unless and until accepted by the Board of Directors. The chairperson of the Corporate Governance and Nominating Committee shall cause such offer of resignation to be considered by the Corporate Governance and Nominating Committee and a recommendation to

be made to the Board of Directors as soon as practicable concerning the advisability of accepting such resignation.

4.6.4 Effect of Repeated Absences from Meetings. If a director shall be absent from four consecutive meetings of the Board of Directors, including regular meetings and special meetings duly called, the Board of Directors may, in its discretion, declare the office of such director vacated, and a successor shall be elected as provided in these Bylaws.

4.7 Conflict of Interest.

4.7.1 Related Party Transactions. No contract or transaction between the Corporation and one or more of its directors, officers or employees, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of the Corporation's directors, officers or employees are directors, officers or employees or have a financial interest, shall be void or voidable solely for such reason, or solely because such director, officer or employee is present at or participates in the meeting of the Board of Directors which authorizes such contract or transaction, or solely because any such person's vote is counted for such purpose, if the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors and the Board of Directors in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors even though the disinterested directors are less than a quorum.

4.7.2 Determination of Quorum. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes a contract or transaction specified in Section 4.7.1.

4.7.3 No Improper Influence. In no event shall a director vote on or otherwise use his or her position as a director to influence any matter on which he or she has a conflict of interest, including, without limitation, on any matter involving payment made or to be made to him or her, directly or indirectly, for the provision of health care services; provided, however, that any director may vote on matters that affect providers of health care services in general.

4.8 Limitation of Liability. A director shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless (a) the director has breached or failed to perform the duties of the director's office as set forth in the Nonprofit Corporation Law; and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The preceding provisions of this Section 4.8 shall not apply to (x) the responsibility or liability of a director pursuant to any criminal statute; or (y) the liability of a director for the payment of taxes pursuant to federal, state or local law. The provisions of this Section 4.8 shall be deemed to be a contract with each director who serves as such at any time while this Section 4.8 is in effect, and each such director shall be deemed to be so serving in reliance on the provisions of this Section 4.8. Any repeal or modification of this Section 4.8 shall be prospective only and shall not affect, to the detriment of any director, any limitation on the personal liability of a director existing at the time of such repeal or modification.

4.9 Compensation. The Board of Directors may determine the compensation of directors for their services as directors, committees of the Board of Directors or otherwise, and also may determine the compensation of persons who are not directors who serve on any committees established by the Board of Directors.

ARTICLE V

Regional Advisory Boards

5.1 Establishment. The Corporation shall have a Regional Advisory Board for each of the Corporation's primary service areas as determined by the Board of Directors. Each such Regional Advisory Board shall consist of not fewer than ten (10) or more than twenty (20) persons, who shall be appointed by the Board of Directors. In making appointments to the Regional Advisory Boards, the Board of Directors shall consider the interests of customers, health care professionals, suppliers, creditors and the communities served by the Corporation.

5.2 Purpose and Functions. The purpose and functions of the Regional Advisory Boards shall be determined by the Board of Directors. The Regional Advisory Boards initially shall have the following purposes and functions:

5.2.1 To advise the Corporation on regional advertising, marketing, product development and community initiatives;

5.2.2 To advise the Corporation on matters of public policy and, if requested by the Board of Directors, to advocate the Corporation's position in the community; and

5.2.3 To advise the Corporation on such other matters as may be requested by the Board of Directors.

5.3 Limitations on Authority. The Regional Advisory Boards shall have no authority to direct the activities of the Corporation or to bind the Corporation in any respect and shall at all times be subject to the powers and prerogatives of the Board of Directors. Nothing in these Bylaws is intended to create in any individual or group of individuals serving on a Regional Advisory Board any rights or duties of a member, director, member of an other body, officer or otherwise pursuant to the Nonprofit Corporation Law.

5.4 Meetings. Meetings of each Regional Advisory Board shall be held at such date, time and place as shall be determined by such Regional Advisory Board, and each Regional Advisory Board may adopt procedures with respect to the conduct of its meetings as such Regional Advisory Board deems to be appropriate and desirable, provided such procedures are not inconsistent with applicable law, the Articles of Incorporation or these Bylaws.

5.5 Compensation. Members of the Regional Advisory Boards shall be entitled to be reimbursed for their reasonable expenses incurred in connection with attendance at meetings of the Regional Advisory Boards and such other compensation for their services as may be determined by the Board of Directors.

ARTICLE VI

Officers

6.1 Principal Officers; Election. The principal officers of the Corporation shall be a Chief Executive Officer, a Chief Financial Officer, a Treasurer and a Secretary, each of whom

shall be elected by the Board of Directors, and such other officers as the Board of Directors may elect, which may include one or more Presidents, one or more Executive, Senior or Corporate Vice Presidents, and one or more Assistant Treasurers or Assistant Secretaries. Each such officer shall hold office for a term of one year (or such other term as the Board shall determine for any office from time to time) and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. Any number of offices may be held by the same person.

6.1.1 Other Officers. The Chief Executive Officer may appoint President(s), Vice Presidents (including Executive, Senior and Corporate Vice Presidents), Assistant Treasurers or Assistant Secretaries who have not been elected by the Board of Directors and such other officers or agents of the Corporation as he or she determines to be appropriate, who shall hold their offices subject to the discretion of the Chief Executive Officer.

6.1.2 Chief Executive Officer. The Chief Executive Officer shall be responsible for the general and active management of the business and affairs of the Corporation and shall exercise general supervision and authority over all of its agents and employees and shall perform all duties incident to the office of Chief Executive Officer and such other duties as may be assigned by the Board of Directors. The Chief Executive Officer shall supervise the implementation of all policies, orders and resolutions of the Board of Directors and shall execute all contracts and agreements authorized by the Board of Directors, except that he or she may delegate to other officers of the Corporation the power to execute contracts in the ordinary course of business or as otherwise may be authorized by the Board of Directors.

6.1.3 President(s). The President(s) shall be responsible for the direct administration, supervision and control of such activities in the management of the Corporation as may be assigned by the Chief Executive Officer or the Board of Directors.

6.1.4 Chief Financial Officer. The Chief Financial Officer shall be responsible for financial accounting and reporting for the Corporation and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors.

6.1.5 Vice Presidents. Each Vice President shall perform such duties as may be assigned by the Chief Executive Officer or the Board of Directors.

6.1.6 Treasurer. The Treasurer shall, in accordance with the policies of the Board of Directors and under the direction of the Chief Executive Officer or the Chief Financial Officer, have general charge and custody of and be responsible for all funds and securities of the Corporation, and shall make such reports in such form and manner as the Chief Executive Officer, the Chief Financial Officer or the Board of Directors may direct. The Treasurer shall receive and give receipts for monies due and payable to the Corporation and deposit such monies in the name of the Corporation in such banks, trust companies or other depositories as may be selected in accordance with the provisions of these Bylaws. The Treasurer shall keep account of such receipts and deposits and approve expenditures of the Corporation and shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors.

6.1.7 Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and its committees in one or more books provided for that purpose, shall

notify members of the Board of Directors of their election, shall see that all notices are duly given in accordance with the provisions of these Bylaws, shall be custodian of the corporate records and of the seal of the Corporation, and shall see that the seal of the Corporation is affixed, when necessary, to all instruments and documents the execution of which has been authorized by the Board of Directors or a committee thereof, shall keep a record of the address of each director, and shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors. In the absence of the Secretary or in the event of his or her inability to act, the Chairperson of the Board shall appoint an individual to discharge the duties of the Secretary.

6.1.8 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall perform such duties as may be assigned by the Secretary or the Treasurer, respectively, or by the Chief Executive Officer or the Chief Financial Officer, as appropriate, or the Board of Directors.

6.2 Removal of Officers. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors. Any officer appointed by the Chief Executive Officer may be removed, with or without cause, by the Chief Executive Officer.

6.3. Bonds. The Board of Directors may require any officer to give bond and security in such sum and with such surety or sureties as the Board of Directors may determine.

ARTICLE VII

Committees

7.1 Standing Board Committees. The Board of Directors shall have an Executive Committee, a Corporate Governance and Nominating Committee, an Audit Committee, an Investment Committee, an Affirmative Action and Diversity Committee and a Personnel and Compensation Committee, and the Board of Directors may establish such other standing committees as it deems to be necessary or desirable (the "Standing Board Committees"). All Standing Board Committees shall be comprised solely of directors and shall have charters governing their powers and duties, which charters shall be approved by the Board of Directors. The Board of Directors shall appoint the members and a chairperson and a vice chairperson of each Standing Board Committee.

7.2 Term. Except as otherwise provided in these Bylaws, each member of a Standing Board Committee shall continue as such until the next annual organizational meeting of the Board of Directors or until a successor has been appointed as provided herein, unless such person resigns, is removed or otherwise ceases to serve on such Standing Board Committee for any reason.

7.3 Special Committees and Program Committees. The Board of Directors may establish one or more special committees of directors ("Special Committees") to advise the Board of Directors and to perform such other functions as the Board of Directors determines. The Board of Directors may establish one or more committees, such as a Medical Affairs Committee and a Quality and Safety Committee, which may include directors and persons who are not directors, to assist it with program aspects of the Corporation's operations ("Program Committees"). Subject to the provisions of these Bylaws, the Board of Directors may delegate

such authority to a Special Committee or a Program Committee as it deems to be appropriate and desirable and as is not prohibited by applicable law. The Board of Directors shall establish the manner of selecting members, chairpersons and vice chairpersons, if any, and the terms of office of the members of each Special Committee and Program Committee.

7.4 Quorum. Except as otherwise provided in these Bylaws or the charter of a committee approved by the Board of Directors, one-third (1/3rd) of the members comprising any committee appointed by the Board of Directors pursuant to these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of committee members present at a meeting at which a quorum is present shall constitute the acts of the committee, unless a greater proportion is required by applicable law, the Articles of Incorporation or these Bylaws.

7.5 Action by Unanimous Written Consent. Except as otherwise provided in these Bylaws or a charter of a committee approved by the Board of Directors, any action which may be taken at a meeting of any committee appointed by the Board of Directors pursuant to these Bylaws may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the members of such committee and filed with the Secretary.

7.6 Removal. Any member of a Standing Board Committee, Special Committee or Program Committee may be removed at any time, with or without cause, by the Board of Directors at any regular or special meeting.

7.7 Vacancies. Any vacancy in any Standing Board Committee or Special Committee caused by the death, resignation or removal of a director prior to the expiration of that director's term shall be filled by another director appointed by the Board of Directors. The director so appointed shall serve the remaining unexpired term of the director so replaced.

7.8 Executive Committee.

7.8.1 The Executive Committee shall consist of at least seven (7) but not more than twelve (12) directors as the Board of Directors shall determine. The Chairperson of the Board, the Vice Chairperson of the Board and the Chief Executive Officer shall be members of the Executive Committee, and the Chairperson of the Board shall serve as the chairperson of the Executive Committee. In the absence of the Chairperson of the Board, the Vice Chairperson of the Board, if any, shall serve as the chairperson of the Executive Committee and, in the absence of the Vice Chairperson, the Chief Executive Officer shall act as such chairperson.

7.8.2 The Executive Committee shall have and may exercise the power and authority of the Board of Directors when the Board of Directors is not in session, except such power and authority as by law, the Articles of Incorporation or these Bylaws may be required to be exercised by the Board of Directors or Corporate Member, or as the Board of Directors or Corporate Member may expressly reserve for itself or delegate to another committee.

7.8.3 Regular meetings of the Executive Committee may be held at such date, time and place as determined by the Board of Directors or the Executive Committee, without further notice than the resolution setting such date, time and place. Special meetings of the Executive Committee may be called at any time by the Chairperson of the Board, the Chief Executive Officer or any two members of the Executive Committee, the date, time and place of

such meeting to be designated in the notice calling the meeting. Notice of any special meeting of the Executive Committee shall be given at least forty-eight (48) hours prior thereto and shall state the general nature of the business to be transacted.

7.8.4 A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business, and the acts of a majority of the members of the Executive Committee shall be the acts of the Executive Committee.

7.8.5 The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors at its next regular meeting or when otherwise required.

7.9 Corporate Governance and Nominating Committee.

7.9.1 The Corporate Governance and Nominating Committee shall consist of at least eight (8) directors, comprised as closely as is practicable of seventy-five percent (75%) Lay Directors and twenty-five percent (25%) Professional Directors. None of the members of the Corporate Governance and Nominating Committee shall be officers or employees of the Corporation or of any entity controlled by the Corporation.

7.9.2 In addition to any responsibilities delegated to it by the Board of Directors, the Corporate Governance and Nominating Committee shall be responsible for:

- (a) Recommending the candidates to be nominated by the Board of Directors for election as directors at each annual meeting of the Corporate Member;
- (b) Recommending the candidates to be nominated by the Board of Directors for election as directors to fill any vacancies occurring on the Board of Directors; and
- (c) Recommending the candidates for election or reelection as Chairperson of the Board and Vice Chairperson of the Board.

7.9.3 At least fifteen (15) days before each annual, regular or special meeting of the Board of Directors, the Corporate Governance and Nominating Committee shall recommend the requisite number of individuals who satisfy the qualifications established in these Bylaws for election as directors of the Corporation.

7.10 Audit Committee.

7.10.1 The Audit Committee shall consist of at least five (5) directors. None of the members of the Audit Committee shall be officers or employees of the Corporation or of any entity controlled by the Corporation.

7.10.2 In addition to any responsibilities delegated to it by the Board of Directors, the Audit Committee shall be responsible for:

- (a) Recommending to the Board of Directors the selection of independent certified public accountants for the Corporation, subject to approval by the Corporate Member; and

(b) Reviewing the Corporation's financial condition and the scope and results of the independent audit and any internal audit of the Corporation.

7.11 Personnel and Compensation Committee.

7.11.1 The Personnel and Compensation Committee shall consist of at least five (5) directors. None of the members of the Personnel and Compensation Committee shall be officers or employees of the Corporation or of any entity controlled by the Corporation.

7.11.2 In addition to any responsibilities delegated to it by the Board of Directors, the Personnel and Compensation Committee shall be responsible for:

(a) Evaluating the performance of the principal officers of the Corporation; and

(b) Recommending to the Board of Directors the selection and compensation of the principal officers of the Corporation.

7.12 Controlled Entities. The Board of Directors may designate the Corporate Governance and Nominating Committee, the Personnel and Compensation Committee and/or the Audit Committee to serve as such committee(s) for one or more insurers or other entities controlled by the Corporation.

ARTICLE VIII

Medical Review Committee

8.1 General.

8.1.1 All matters, disputes or controversies relating to the professional health services (as defined in 40 Pa.C.S.A. § 6302(a)) rendered by Health Service Doctors to subscribers who have coverage under contracts issued by the Corporation, and any questions involving the professional ethics of such persons, shall be considered and determined exclusively by the committee established pursuant to this Article VIII in accordance with the requirements of 40 Pa.C.S.A. § 6324(c) (the "Medical Review Committee") to provide a fair and impartial forum for resolution of all matters, disputes and controversies relating to professional health services and all questions involving professional ethics.

8.1.2 The Medical Review Committee also shall provide a fair and impartial forum to consider and determine any other matters, disputes or controversies which may be submitted to it as set forth in these Bylaws or as may be provided in any written agreement between the Corporation or any one or more entities controlled by the Corporation and any Health Service Doctor or other provider of health care services (all such persons collectively, "Providers").

8.1.3 The Medical Review Committee shall operate independently of the Corporation, and the Board of Directors shall have no authority over the decisions of the Medical Review Committee. Except as otherwise provided in Section 8.7 or in any agreement with a

Provider, all decisions of the Medical Review Committee shall be final and binding upon all parties to any matter, dispute or controversy submitted to it.

8.1.4 The Corporation shall, at its expense, provide reasonable resources to the Medical Review Committee to discharge its duties under these Bylaws.

8.2 Medical Review Committee Selection Committee.

8.2.1 The members of the Medical Review Committee, who must satisfy the requirements set forth in Section 8.3, shall be appointed and may be removed as provided in this Article VIII by the Medical Review Committee Selection Committee (the "Selection Committee").

8.2.2 The Selection Committee shall consist of at least five (5) persons, a majority of whom shall be Health Service Doctors, and the balance of whom shall be subscribers who are not Health Service Doctors and who have coverage under contracts issued by the Corporation or an entity controlled by the Corporation. All Health Service Doctors who are members of the Selection Committee shall be parties to one or more professional provider contracts with the Corporation.

8.2.3 No member of the Selection Committee may be a director, officer or employee of the Corporation or a member of a Regional Advisory Board, nor may any such person have served on the Medical Review Committee during any part of the two (2) year period immediately prior to his or her appointment to the Selection Committee.

8.2.4 The members of the Selection Committee shall be appointed by the Chairperson of the Board, and each shall hold office for a term of two (2) years.

8.3 Appointment of Medical Review Committee Members; Term; Removal. The Medical Review Committee shall consist of at least eight (8) persons who meet the criteria set forth in this Section. Any person may submit to the Selection Committee names of prospective Medical Review Committee members; provided, however, that the Selection Committee shall not be bound to appoint any person whose name is so submitted. The Selection Committee shall make appointments to the Medical Review Committee using the following criteria:

8.3.1 A majority of the members of the Medical Review Committee shall be Health Service Doctors, and the balance shall be subscribers who are not Health Service Doctors and who have coverage under contracts issued by the Corporation or an entity controlled by the Corporation. At least seventy-five percent (75%) of the Health Service Doctors who are members of the Medical Review Committee shall be medical doctors or doctors of osteopathy.

8.3.2 All Health Service Doctors who are members of the Medical Review Committee shall be parties to one or more professional provider contracts with the Corporation.

8.3.3 No member of the Medical Review Committee shall be a director, officer or employee of the Corporation or a member of a Regional Advisory Board.

8.3.4 At least two-thirds (2/3) of the members of the Medical Review Committee shall have no relationship with the Corporation or any entity controlled by the Corporation, other than as Health Service Doctors who submit claims in the ordinary course of business or as subscribers.

8.3.5 No member of the Medical Review Committee shall have any conflict of interest that would prevent him or her from rendering a fair and impartial decision in matters, disputes or controversies between the Corporation, or, if applicable, any entity controlled by the Corporation, and a Provider; provided, however, that a member may be recused from individual matters, disputes or controversies in the event of any specific conflict of interest with respect thereto.

8.3.6 No Health Service Doctor who is a member of the Medical Review Committee shall have any history of (a) material adverse utilization or claims coding determinations by the Medical Review Committee, or (b) material repayments to the Corporation or any entity controlled by the Corporation resulting from utilization or claims coding reviews.

8.3.7 The Health Service Doctors who are members of the Medical Review Committee shall be broadly representative of the various specialties whose professional health services generally are covered under contracts issued by the Corporation.

8.3.8 Members of the Medical Review Committee must be willing to commit to regular attendance at committee meetings and to devoting adequate time to committee business to permit them to fully understand the committee's work and to give full and fair consideration to all matters coming before the committee.

8.3.9 Each member of the Medical Review Committee shall be appointed for a term of two (2) years and may be removed during his or her term only for cause as determined by the Selection Committee, including, but not limited to, failure to regularly attend committee meetings or to devote adequate attention to committee work.

8.3.10 The Selection Committee shall consider the need for continuity and orderly rotation of members when making appointments or reappointments to the Medical Review Committee.

8.4 Officers of the Medical Review Committee. The Medical Review Committee shall have three officers: a chairperson, a vice chairperson and a secretary, selected as follows:

8.4.1 The Selection Committee shall appoint a chairperson of the Medical Review Committee. The chairperson shall be a member of the Medical Review Committee and shall preside at all meetings of the Medical Review Committee, but shall not vote in any matter being considered by the Medical Review Committee except when necessary to break a tie.

8.4.2 The Selection Committee shall appoint a vice chairperson of the Medical Review Committee. The vice chairperson shall be a member of the Medical Review Committee and preside at meetings of the Medical Review Committee in the chairperson's absence and, when serving in such capacity, shall vote only when necessary to break a tie. The vice chairperson shall also perform such other duties as the chairperson may assign.

8.4.3 The Corporation shall provide one of its employees to serve as secretary for the Medical Review Committee. The secretary's role shall be solely that of administrator, and not that of a member of the Medical Review Committee. The secretary shall keep the minutes of the Medical Review Committee meetings and perform the duties enumerated in Section 8.6 and such other duties as the committee may assign.

8.5 Submission of Matters to the Medical Review Committee. All matters, disputes or controversies relating to professional health services and questions involving professional ethics referred to in Section 8.1 or otherwise required to be considered and determined by the Medical Review Committee shall be submitted in writing to the secretary of the Medical Review Committee. Either the Corporation or a Provider may submit a matter, dispute or controversy relating to professional health services or a question involving professional ethics for consideration and determination.

8.6 Medical Review Committee Proceedings.

8.6.1 The Medical Review Committee shall maintain written procedural guidelines to assure that each Provider receives full, fair and impartial consideration of any matter, dispute, controversy or question presented to the Medical Review Committee.

8.6.2 Only the Health Service Doctors who are members of the Medical Review Committee may vote on any matter brought before the committee.

8.6.3 One-third (1/3rd) of the voting members of the Medical Review Committee shall constitute a quorum for the transaction of business, and the acts of a majority of voting members of the committee present at a meeting at which a quorum is present shall constitute the acts of the committee.

8.6.4 In considering any matter, dispute or controversy relating to professional health services or any question involving professional ethics brought before it, the Medical Review Committee shall have authority to take any one or more of the following actions (subject to any binding contractual prohibitions or restrictions agreed to in writing by the Corporation or, if applicable, any entity controlled by the Corporation):

(a) Make a referral to any appropriate committee, board or division of any applicable state or local professional society;

(b) Make a referral to an appropriate law enforcement officer or agency of any applicable federal, state or local government if the Medical Review Committee has probable cause to believe that a Provider secured payment for services performed on the basis of material false information submitted with the intention of defrauding the recipient(s);

(c) Make a referral to the applicable state professional licensure board of a Provider;

(d) Render a determination that the Corporation or, if applicable, one or more entities controlled by the Corporation is or is not entitled, in whole or in part, to a refund of fees paid to a Provider;

(e) Render a determination that authorizes the Corporation or one or more entities controlled by the Corporation to collect any refund by withholding future payments due to a Provider; or

(f) Render any such other determination or take any such other action as may be necessary or appropriate.

8.6.5 If a particular matter, dispute or controversy relating to professional health services or a particular question involving professional ethics includes any actual or alleged action or failure to act which would justify denying a Health Service Doctor registration with the Corporation pursuant to 40 Pa.C.S.A. § 6324(a), or the suspension or termination of such registration, the Corporation may request that a hearing be held by the Medical Review Committee in accordance with Section 8.7 to consider such registration status. Such action or failure to act may include by way of example and not limitation:

(a) Violation of the Health Service Doctor's professional provider contract with the Corporation or any regulations of the Corporation for participating providers; or

(b) Violation of any statute with which the Corporation or the Provider is required to comply.

8.7 Proceedings Involving Status of Registered Health Service Doctor.

8.7.1 The procedures set forth in this Section 8.7 apply in all cases where the Corporation has requested pursuant to Section 8.6.5 that a hearing of the Medical Review Committee be held to determine the status of an individual as a registered Health Service Doctor. In any such case, the Corporation shall prepare an appropriate complaint setting forth the allegations against the individual.

8.7.2 The chairperson of the Medical Review Committee promptly shall fix a time, date and place for such hearing of the Medical Review Committee. The applicable Health Service Doctor shall be given at least thirty (30) days written notice by the secretary of the Medical Review Committee of the date, time and place of such hearing and shall be furnished with a copy of the complaint.

8.7.3 The Health Service Doctor shall be allowed to file a written answer to the complaint, provided such answer is filed with the secretary of the Medical Review Committee at least ten (10) days prior to the hearing. At the hearing, such witnesses may be heard and such evidence may be received as is deemed by the Medical Review Committee to be relevant and of reasonable probative value; provided, however, that formal rules of evidence or procedure need not be followed. The Health Service Doctor shall be afforded a reasonable opportunity to be heard before the Medical Review Committee, either in person or by counsel, and to produce evidence and witnesses at such hearing. All testimony shall be recorded and a complete record shall be kept of the hearing.

8.7.4 Promptly following the hearing, the Medical Review Committee shall take whatever action it deems appropriate, based on the evidence and testimony produced at the hearing. If such action involves either the denial of registration as a Health Service Doctor with the Corporation or the suspension or termination of such registration, the matter shall be referred promptly to the Secretary of the Commonwealth of Pennsylvania Department of Health for approval or for such other action as said Secretary of Health may deem appropriate.

8.8 Other Appeals.

8.8.1 The Medical Review Committee also shall serve as the final and binding appeal body for any Provider whose registration as a preferred or similar provider pursuant to any other professional provider contract of the Corporation or, if applicable, one or more entities controlled by the Corporation is rejected, suspended or terminated by the Corporation or such other entity.

8.8.2 Any such Provider may appeal such decision by a written submission to the secretary of the Medical Review Committee. The appealing Provider shall be entitled to appear before the Medical Review Committee and to present evidence or argument, but the hearing will not be recorded and the committee's decision will not be referred to the Secretary of the Commonwealth of Pennsylvania Department of Health for approval.

8.8.3 In connection with any such appeal, the Medical Review Committee may consider any:

(a) Violation of the Provider's agreement(s) with the Corporation or any entity controlled by the Corporation to render health care services or supplies to subscribers;

(b) Violation of any statute with which the Corporation or the Provider is required to comply;

(c) Violation of any of the regulations or requirements referenced in the Provider's agreement(s) with the Corporation or any entity controlled by the Corporation with which the Provider is required to comply; or

(d) Refusal to adhere to the billing, payment or service benefit provisions of any contract issued by the Corporation or any entity controlled by the Corporation which utilizes the applicable professional provider network in which the Provider has agreed to participate.

8.9 Compensation. Members of the Medical Review Committee and the Selection Committee shall be entitled to be reimbursed for their reasonable expenses incurred in connection with attendance at meetings of the Medical Review Committee or the Selection Committee, as the case may be, and such other compensation for their services as may be determined by the Board of Directors.

ARTICLE IX

Indemnification of Directors, Officers and Others

9.1 Right to Indemnification – General. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding) arising out of such person's service to the Corporation or to such

other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article IX, shall mean any director, officer or employee, including any employee who is a medical doctor, lawyer or other licensed professional, any member of a Regional Advisory Board, or any committee created by or pursuant to these Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article IX.

9.2 Right to Indemnification - Third Party Actions. Without limiting the generality of Section 9.1, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

9.3 Right to Indemnification - Derivative Actions. Without limiting the generality of Section 9.1, any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section 9.3 in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

9.4 Advance of Expenses. Expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article IX shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article IX or otherwise.

9.5 Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section 9.1, Section 9.2 or Section 9.3 shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

9.5.1 By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

9.5.2 If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

9.6 Indemnification not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article IX shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of these Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

9.7 When Indemnification Not Made. Indemnification pursuant to this Article IX shall not be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

9.8 Grounds for Indemnification. Indemnification pursuant to this Article IX, under any other provision of these Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article IX and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article IX shall be applicable to all actions, suits or proceedings within the scope of Section 9.1, Section 9.2 or Section 9.3, whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

9.9 Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article IX.

9.10 Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article IX or otherwise.

9.11 Status of Rights of Indemnitees. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article IX shall (i) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while such Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of such Article), and (ii) continue as to a person who has ceased to be a representative of the Corporation.

9.12 Applicability to Predecessor Companies. For purposes of this Article IX, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation, entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article IX with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section 9.11.

ARTICLE X

Contracts, Loans, Checks and Deposits

10.1 Contracts. The Board of Directors may authorize any officer or officers or agent or agents to enter into any contract or execute or deliver any agreement or instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

10.2 Loans. The Board of Directors may authorize the borrowing by the Corporation of such sum or sums of money as the Board of Directors may deem advisable, and to mortgage or pledge any or all of the real or personal property and any or all of the other available assets of the Corporation in order to secure the payment of the principal amount of any such borrowing and the interest thereon and any and all such other amounts as may become due on account thereof.

10.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness shall be issued in the name of the Corporation and shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as from time to time shall be determined by the Board of Directors.

10.4 Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may approve.

ARTICLE XI

Notice and Conduct of Meetings

11.1 Written Notice. Except as otherwise provided in these Bylaws, whenever written notice is required to be given by any person under the provisions of any statute or these Bylaws, it may be given by sending a copy thereof through the mail or overnight delivery or by hand delivery, in each case with charges prepaid, or by facsimile confirmed by one of the foregoing methods, to the individual's address appearing on the books of the Corporation or supplied by the individual to the Corporation for the purpose of notice.

11.2 Written Waiver of Notice. Whenever any written notice is required as set forth in these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

11.3 Waiver of Notice by Attendance. Attendance of a person in person at any meeting shall constitute a waiver of notice of such meeting except when a person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

11.4 Procedure. All meetings of the Board of Directors, the committees thereof and the Regional Advisory Boards shall be conducted in an orderly manner with a view to affording full and fair discussion of the matters properly before such meetings.

ARTICLE XII

Miscellaneous

12.1 No Contract Rights. Except as specifically set forth in Sections 4.8, 9.3 and 9.4, no provision of these Bylaws shall vest any property or contract right in any person.

12.2 Corporate Seal. The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Corporation and the year and state of incorporation.

12.3 Fiscal Year. The fiscal year of the Corporation shall end on such day as shall be fixed by the Board of Directors, subject to approval by the Corporate Member.

ARTICLE XIII

Amendments

13.1 Amendments. These Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, by the Board of Directors at any meeting of the Board of Directors, subject to approval by the Corporate Member, by the vote of not less than seventy-five percent (75%) of the directors present, but not less than a majority of the directors in office, at any such meeting, provided that notice of any proposed amendment or a summary thereof shall have been

given to each director not less than ten (10) days prior to the date of the meeting, or by the Corporate Member.

EXHIBIT F

EXHIBIT F

- By agreement of the Parties, the composition of the WPAHS Board of Directors as of the Effective Time will not be finally determined until ten (10) days prior to the Closing Date and will be effected by notice from the Ultimate Parent Entity to WPAHS as to the Non-Perpetual WPAHS Representative Designees, and by notice from WPAHS to the Ultimate Parent Entity as to the Perpetual WPAHS Representative Designees. Prior to such date, the Ultimate Parent Entity will consult with WPAHS with regard to the Non-Perpetual WPAHS Representative Designees, as required by Section 2.4.3 of the Agreement.
- The structure of the WPAHS Board of Directors as of the Effective Time shall be as set forth in the Bylaws proposed for WPAHS which are attached as part of this Exhibit F.

EXHIBIT A

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.**

In compliance with the requirements of the Pennsylvania Nonprofit Corporation Law of 1988, West Penn Allegheny Health System, Inc., a Pennsylvania nonprofit corporation (the "Corporation"), hereby amends and restates its Articles of Incorporation as follows, which Amended and Restated Articles supersede the original Articles of Incorporation and all amendments thereto:

1. Corporate Name. The name of the corporation is West Penn Allegheny Health System, Inc.
2. Registered Office. The location and post office address of the registered office of the Corporation in this Commonwealth is 4800 Friendship Avenue, Pittsburgh, PA 15224.
3. Organization and Purpose. The Corporation is organized under the Pennsylvania Nonprofit Corporation Law, (the "Nonprofit Corporation Law") for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and in this connection is organized:
 - (a) To provide, maintain, operate, and support, directly and through its controlled affiliates, the provision, maintenance, management, and operation of, on a not-for-profit basis, in-patient and out-patient hospital facilities and health care services for the benefit of persons who require medical care and services of the kind customarily furnished most effectively by hospitals, without regard to race, creed, color, sex, age, religion, national origin, sexual orientation, ability to pay, or any other criteria not related to medical indications for admission or treatment;
 - (b) To carry on educational and scientific activities related to the care of the sick and injured;
 - (c) To carry on scientific research related to the care of the sick and injured;
 - (d) To carry on activities designed to promote the general health of the communities in which it operates;
 - (e) To operate as part of the nonprofit regional health care system governed by [Ultimate Parent Entity] and support a health care provider network comprised of the Corporation and those corporations and other entities over which the Corporation exercises governance control (the "subsidiaries"), each of which
 - (i) operates, raises funds for, or conducts activities otherwise ancillary to the operation of, health care facilities in order to extend health care to sick, injured

and disabled persons, without regard to age, sex, race, religion, national origin or sexual orientation, or (ii) carries on educational and/or scientific research activities related to the causes, diagnosis, treatment, prevention or control of physical or mental diseases and impairments of persons, and each of which is an organization exempt from taxation under Section 501(c)(3) of the Code and classified as other than private foundations under Section 509(a)(1), 509(a)(2) or 509(a)(3) of the Code;

- (f) To carry out such other acts and to undertake such other activities as may be necessary, appropriate or desirable in furtherance of or in connection with the conduct, promotion or attainment of the foregoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and
 - (g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.
- 4. Pecuniary Gain or Profit. The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise.
 - 5. Non-Stock Basis. The Corporation is to be organized on a non-stock basis.
 - 6. Members. The Corporation shall have a single member, which shall be [Provider Subsidiary] a Pennsylvania nonprofit corporation (the "Member").
 - 7. Management. Except for those powers reserved to the Member and the [Ultimate Parent Entity] in the Bylaws of the Corporation, the business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors of the Corporation. The number, term of office, method of selection and manner of removal of the Board of Directors shall be as set forth in the Bylaws of the Corporation.
 - 8. Exempt Organization. Notwithstanding any other provision of these Articles, the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a corporation described in Section 501(c)(3) of the Code (hereinafter referred to in these Articles as an "exempt organization"), or as a corporation contributions to which are deductible under Section 170(c)(2) or the Code. No substantial part of the activities of the Corporation shall be devoted to carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided in Section 501(h) of the Code), and the Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.
 - 9. Earnings. Notwithstanding any other provision of these Articles, no part of the net earnings or assets of the Corporation shall inure to the benefit of or be distributable to its members, directors, trustees, officers or any other private individual; provided, however, the Corporation shall be authorized and empowered to pay reasonable compensation for

services rendered to the extent such payments do not prevent it from qualifying, and continuing to qualify, as an exempt organization and to make such lawful payments and distributions in furtherance of the purposes set forth in Article 3 hereof as may from time to time be either required or permitted by Section 501(c)(3) of the Code.

10. Foundation Status. In the event that the Corporation fails to qualify as an organization described in Section 509(a)(1), (2) or (3) of the Code, then, notwithstanding any other provision of these Articles, the Corporation shall be prohibited from engaging in any act of self-dealing (as defined in Section 4941(d) of the Code); from retaining any excess business holdings (as defined in Section 4943(c) of the Code); from making any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; and from making any taxable expenditures (as defined in Section 4945(d) of the Code), to the extent any action therewith would subject the Corporation to tax under one or more of the cited sections of the Code. To the extent required, the Corporation shall make qualifying distributions at such time and in such manner as do not subject the Corporation to tax under Section 4942 of the Code.
11. Dissolution. Upon the dissolution or liquidation of the Corporation, after paying or making provision for payment of all of the known liabilities of the Corporation, any remaining assets of the Corporation shall be transferred to the Member, or its successor, provided that the Member or such successor is then in existence and then exempt from federal income taxes under Section 501(c)(3) of the Code. If upon the dissolution or liquidation of the Corporation, the Member, or its successor, is not in existence or no longer qualifies as an exempt organization under Section 501(c)(3) of the Code, any remaining assets of the Corporation shall be distributed to [Ultimate Parent Entity], or its successor, provided that [Ultimate Parent Entity] is then in existence and then exempt from federal income taxes under Section 501(c)(3) of the Code. If upon dissolution of the Corporation, both the Member and [Ultimate Parent Entity], or their successors, are not in existence or no longer qualify as exempt organizations under Section 501(c)(3) of the Code, any remaining assets of the Corporation may be distributed to (a) such one or more corporations, trusts, funds or other organizations which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and, in the sole judgment of the Corporation's Board of Directors, have purposes similar to those of the Corporation or (b) the federal government, or to a state or local government for such purposes. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more of such corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, and which are organized and operated for such purposes, or to the federal government or to a state or local government for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution or sale of the assets of the Corporation.
12. Personal Liability of Directors.
 - (a) Elimination of Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or

limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a director.

- (b) Applicability. The provisions of this Article shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Section is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Section. Any amendment or repeal of this Section or adoption of any bylaw or provision of the Articles of the Corporation which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, bylaw or provision.

13. Indemnification.

- (a) Right to Indemnification - General. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article 13, shall mean any director, officer or employee, including any employee who is a medical doctor, lawyer or other licensed professional or any committee created by or pursuant to the Bylaws of the Corporation, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article 13.
- (b) Right to Indemnification - Third Party Actions. Without limiting the generality of Section 13(a), any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon

a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

- (c) Right to Indemnification - Derivative Actions. Without limiting the generality of Section 13(a), any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section 13(c) in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.
- (d) Advance of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article 13 shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article 13 or otherwise.
- (e) Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Section 13(a), Section 13(b) or Section 13(c) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made: (i) by the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or, (ii) if such a quorum is not obtainable, or if obtainable and a

majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

- (f) Indemnification Not Exclusive. The indemnification and advancement of expenses provided by or granted pursuant to this Article 13 shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of the Bylaws of the Corporation, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.
- (g) When Indemnification Not Made. Indemnification pursuant to this Article 13 shall not be made in any case where (a) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness or (b) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code.
- (h) Grounds for Indemnification. Indemnification pursuant to this Article 13, under any other provision of the Bylaws of the Corporation, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article 13 and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article 13 shall be applicable to all actions, suits or proceedings within the scope of Section 13(a), Section 13(b) or Section 13(c), whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.
- (i) Power to Purchase Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article 13.
- (j) Creation of a Fund to Secure or Insure Indemnification. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article 13 or otherwise.

- (k) Status of Rights of Indemnities. The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article 13 shall (a) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (b) continue as to a person who has ceased to be a representative of the Corporation.
- (l) Applicability to Predecessor Companies. For purposes of this Article 13, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation, entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article 13 with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to members, directors, officers and employees of the Corporation pursuant to Section 13(a).
14. Code. References in these Articles to a section of the Internal Revenue Code of 1986 shall be construed to refer both to the section and to the regulations promulgated thereunder, as they now exist or may hereafter be adopted or amended in this or in subsequent internal revenue laws.

EXHIBIT F

**AMENDED AND RESTATED
BYLAWS
OF
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.**

Effective Date: _____, 20__

TABLE OF CONTENTS

ARTICLE I NAME AND PURPOSES.....	1
1.1 Name.....	1
1.2 Purposes.....	1
ARTICLE II OFFICES	2
2.1 Registered Office.....	2
2.2 Business Offices.....	2
ARTICLE III MEMBERS	2
3.1 Membership.....	2
3.2 Meetings.....	2
3.3 Powers.....	3
ARTICLE IV BOARD OF DIRECTORS	5
4.1 Powers and Duties.....	5
4.2 Election of Directors.....	6
4.3 Number/Qualifications.....	7
4.4 Election and Term.....	7
4.5 Vacancies.....	8
4.6 Meetings.....	8
4.7 Resignation/Removal.....	9
4.8 Limitation of Liability.....	10
4.9 Compensation.....	10
ARTICLE V OFFICERS.....	10
5.1 Officers; Election.....	10
5.2 Responsibilities of Officers.....	10
5.3 Removal of Officers.....	11
5.4 Bonds.....	12
ARTICLE VI COMMITTEES.....	12
6.1 Committees.....	12
6.2 Term.....	12
6.3 Quorum and Action.....	12
6.4 Action by Unanimous Written Consent.....	13
6.5 Removal.....	13
6.6 Vacancies.....	13
6.7 Exclusions from Committee Membership.....	13
6.8 Corporate Governance and Nominating Committee.....	13
6.9 Audit Committee.....	14
6.10 Personnel and Compensation Committee.....	14

ARTICLE VII INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS	14
7.1 Right to Indemnification - General.....	14
7.2 Right to Indemnification - Third Party Actions.....	15
7.3 Right to Indemnification - Derivative Actions.....	15
7.4 Advance of Expenses.....	16
7.5 Procedure for Effecting Indemnification.....	16
7.6 Indemnification Not Exclusive.....	16
7.7 When Indemnification Not Made.....	16
7.8 Grounds for Indemnification.....	17
7.9 Power to Purchase Insurance.....	17
7.10 Creation of a Fund to Secure or Insure Indemnification.....	17
7.11 Status of Rights of Indemnities.....	17
7.12 Applicability to Predecessor Companies.....	17
 ARTICLE VIII MEDICAL STAFFS	 18
8.1 Medical Staffs Generally.....	18
8.2 Organization of Medical Staff.....	18
8.3 Appointment to Medical Staff.....	18
8.4 Denial of Privileges.....	19
 ARTICLE IX PATIENT'S BILL OF RIGHTS	 19
 ARTICLE X CONTRACTS, LOANS, CHECKS AND DEPOSITS	 19
10.1 Contracts.....	19
10.2 Loans.....	19
10.3 Checks.....	19
10.4 Deposits.....	20
 ARTICLE XI NOTICE AND CONDUCT OF MEETINGS	 20
11.1 Written Notice.....	20
11.2 Written Waiver of Notice.....	20
11.3 Waiver of Notice by Attendance.....	20
11.4 Procedure.....	20
 ARTICLE XII MISCELLANEOUS	 20
12.1 No Contract Rights.....	20
12.2 Corporate Seal.....	21
12.3 Fiscal Year.....	21
12.4 Auxiliary Organizations.....	21
 ARTICLE XIII AMENDMENTS.....	 21
13.1 Amendments.....	21
 ARTICLE XIV CONFLICTS OF INTEREST	 21

14.1	Disclosure.	21
14.2	Recusal and Investigation.	22
14.3	Failure to Disclose.	22
14.4	Record of Actions.	22
14.5	Compensation.	22
14.6	Annual Statements.	23

AMENDED AND RESTATED BYLAWS
OF
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

ARTICLE I
NAME AND PURPOSES

1.1 Name.

The name of the Corporation is West Penn Allegheny Health System, Inc. The Corporation may do business under such other names as may be determined by the Board of Directors.

1.2 Purposes.

The Corporation is organized under the Pennsylvania Nonprofit Corporation Law, (the "Nonprofit Corporation Law") for scientific, educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and in this connection is organized:

(a) To provide, maintain, operate, and support, directly and through its controlled affiliates, the provision, maintenance, management, and operation of, on a nonprofit basis, in-patient and out-patient hospital facilities and health care services for the benefit of persons who require medical care and services of the kind customarily furnished most effectively by hospitals, without regard to race, creed, color, sex, age, religion, national origin, sexual orientation, ability to pay, or any other criteria not related to medical indications for admission or treatment;

(b) To carry on educational and scientific activities related to the care of the sick and injured;

(c) To carry on scientific research related to the care of the sick and injured;

(d) To carry on activities designed to promote the general health of the communities in which it operates;

(e) To operate as part of the nonprofit regional health care system governed by [*name of Ultimate Parent Entity*], a Pennsylvania nonprofit corporation ("Ultimate Parent"), and support a health care provider network comprised of the Corporation and those corporations and other entities over which the Corporation exercises governance control (the "subsidiaries"), each of which (i) operates, raises funds for, or conducts activities otherwise ancillary to the operation of, health care facilities in order to extend health care to sick, injured and disabled persons, without regard to age, sex, race, religion, national origin or sexual orientation, or (ii) carries on educational and/or scientific research activities related to the causes, diagnosis,

treatment, prevention or control of physical or mental diseases and impairments of persons, and each of which is an organization exempt from taxation under Section 501(c)(3) of the Code and classified as other than private foundations under Section 509(a)(1), 509(a)(2) or 509(a)(3) of the Code;

(f) To carry out such other acts and to undertake such other activities as may be necessary, appropriate or desirable in furtherance of or in connection with the conduct, promotion or attainment of the foregoing purposes, provided, that none of such activities shall be undertaken which would cause the Corporation to lose its status as an organization described in Section 501(c)(3) of the Code, or as an organization contributions to which are deductible under Section 170(c)(2) of the Code; and

(g) To otherwise operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Code.

ARTICLE II

OFFICES

2.1 Registered Office.

The registered office of the Corporation shall at all times be within the Commonwealth of Pennsylvania at such address as may be established by the Board of Directors.

2.2 Business Offices.

The Corporation may have business offices at such places permitted by law as the business of the Corporation may require.

ARTICLE III

MEMBERS

3.1 Membership.

The Corporation shall have one (1) member, which shall be [*name of Provider Subsidiary*] (the "Member"). There shall be no other members or classes of membership. The Chief Executive Officer or the President of the Member shall be entitled to vote on behalf of the Member in accordance with the authority granted to the Chief Executive Officer or the President of the Member unless the Member notifies the Corporation in writing that another officer is authorized to vote on behalf of the Member.

3.2 Meetings.

(a) Annual Meeting. The annual meeting of the Member of the Corporation shall be held immediately following the annual meeting of the Board of Directors of the Member, or at such other time as the Member may determine, to elect members of the Board of

Directors and officers of the Corporation, and to transact such other business as may come before the meeting.

(b) Special Meetings. Special meetings of the Member may be called by the Chairperson of the Board of the Corporation, one-third (1/3) of the members of the Board of Directors of the Corporation or by one-third (1/3) of the members of the Board of Directors of the Member.

(c) Notice of Meetings. Notice of any meeting of the Member shall be given by, or at the direction of, the Secretary of the Corporation at least then (10) days prior to the day named for a meeting that will consider a fundamental change under Chapter 59 of the Nonprofit Corporation Law or five days prior to the day named for the meeting in any other case.

(d) Written Consent. Any action which may be taken at a meeting of the Member may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by the Member and filed with the Secretary.

3.3 Powers.

(a) Reserved Powers of Member. For so long as such rights and powers do not result in the revocation of the Corporation's status as an organization described in Section 501(c)(3) of the Code, the Member shall have the right and power to make recommendations to Ultimate Parent with respect to actions by Ultimate Parent on the matters reserved to Ultimate Parent under Section 3.3(b) of these Bylaws. Ultimate Parent shall have no obligation to approve any such recommendations, and Ultimate Parent may take actions that have not been recommended by, or that are contrary to recommendations of, the Member.

(b) Reserved Powers of Ultimate Parent. For so long as such rights and powers do not result in the revocation of the Corporation's status as an organization described in Section 501(c)(3) of the Code, the following rights and powers are reserved to Ultimate Parent:

(i) Subject to the provisions of Section [4.3] of these Bylaws, to determine the number of directors that will comprise the Board of Directors of the Corporation and the subsidiaries;

(ii) Subject to the provisions of Section [4.2, 4.3, 4.4 and 4.5] of these Bylaws, to elect the directors of the Corporation and the subsidiaries;

(iii) Subject to Sections [4.2 and 4.7(b)] of these Bylaws, to remove of any of the directors of the Corporation and subsidiaries and to replace any such director for the unexpired portion of his or her term;

(iv) To approve the election, re-election and removal of all officers, including the Chief Executive Officer, of the Corporation and the subsidiaries in accordance with Article V;

(v) Subject to Section [7.1(a)] of the Affiliation Agreement, dated as of [], 2011, among Ultimate Parent, the Corporation, Highmark Inc., Member, Canonsburg

General Hospital, Alle-Kiski Medical Center and the other WPAHS Subsidiaries as defined therein (the “Affiliation Agreement”), to amend, revise or restate the Corporation’s and the subsidiaries’ Articles of Incorporation and Bylaws;

(vi) Subject to Section [7.5(i)] of the Affiliation Agreement, to adopt or change the mission, purpose, philosophy or objectives of the Corporation or the subsidiaries;

(vii) Subject to Sections [7.5(i) and 7.6] of the Affiliation Agreement, to change the general structure of the Corporation or any of the subsidiaries as a voluntary, nonprofit corporation;

(viii) Subject to Sections [7.5(i) and 7.6] of the Affiliation Agreement, to (1) dissolve, divide, convert or liquidate the Corporation or the subsidiaries, (2) consolidate or merge the Corporation or the subsidiaries with another corporation or entity, (3) sell or acquire assets, whether in a single transaction or series of transactions, where the consideration exceeds 1% of the Corporation’s consolidated total assets;

(ix) To approve the annual consolidated capital and operating plan and budget of the Corporation and the subsidiaries, and any amendments thereto or significant variances therefrom;

(x) Subject to Section [7.6] of the Affiliation Agreement, to approve the incurrence of debt by the Corporation and the subsidiaries or the making of capital expenditures by the Corporation and the subsidiaries during any fiscal year of the Corporation, in either case in excess of one quarter of 1% of the consolidated annual operating budget of the Corporation for such fiscal year, if such debt or capital expenditures are not included in the Corporation’s or subsidiaries’ approved budgets, whether in a single transaction or a series of related transactions;

(xi) Subject to Section [7.6] of the Affiliation Agreement, to approve any donation or any other transfer of the Corporation’s or the subsidiaries’ assets, other than to the Member or to the Corporation by the subsidiaries, in excess of \$10,000.00, unless specifically authorized in the Corporation’s or the subsidiaries’ approved budgets;

(xii) Subject to Section [7.5(i)] of the Affiliation Agreement, to approve strategic plans and mission statements of the Corporation and the subsidiaries;

(xiii) To approve investment policies of the Corporation and the subsidiaries;

(xiv) To approve the closure or relocation of a licensed healthcare facility of the Corporation and the subsidiaries;

(xv) Subject to Section [7.5(i) and 7.6] of the Affiliation Agreement, to approve the formation of subsidiary corporations, partnerships and joint ventures or to make investments in existing subsidiary corporations, partnerships and joint ventures, if the new investments of the Corporation and the subsidiaries in such subsidiary corporations, partnerships and joint ventures during any fiscal year would, in the

aggregate, exceed 1% of the Corporation's consolidated total assets at the end of the prior fiscal year of the Corporation;

(xvi) Subject to Section [7.5(i) and 7.6] of the Affiliation Agreement, to approve the dissolution of subsidiary corporations, partnerships and joint ventures of the Corporation and the subsidiaries, if the aggregate value of the ownership interests of the Corporation and the subsidiaries in such subsidiary corporations, partnerships and joint ventures so dissolved in any fiscal year would exceed 1% of the Corporation's consolidated total assets at the end of the prior fiscal year;

(xvii) To establish and manage the Corporation's program for compliance with all legal requirements applicable to the Corporation and the hospitals operated by the Corporation (the "Corporation Hospitals"), all accreditation and licensing requirements and the conditions of participation in all governmental payor programs applicable to the Corporation or the Corporation Hospitals;

(xviii) To select and appoint auditors and to designate the fiscal year of the Corporation and the subsidiaries; and

(xix) To give such other approvals and take such other actions as are specifically reserved to members of Pennsylvania nonprofit corporations under the Nonprofit Corporation Law.

Except as may otherwise be provided by the Nonprofit Corporation Law, Ultimate Parent, shall have the right to both initiate and approve action in furtherance of such reserved powers, as well as the authority to directly bind the Corporation and the subsidiaries on such matters. Any action taken in this regard by Ultimate Parent shall be sufficient to finally approve and adopt such actions and no action of the Board of Directors or other governing body or officer with respect to such action shall be necessary with respect thereto.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers and Duties.

Subject to Section 3.3 of these Bylaws, all powers of the Corporation shall be vested in the Board of Directors, which shall have charge, control and management of the property, business, affairs and funds of the Corporation and shall have the power and authority to perform all necessary and appropriate functions not otherwise inconsistent with these Bylaws, the Articles of Incorporation or applicable law.

Subject to Section 3.3 of these Bylaws, and without limiting the generality of the foregoing and except as otherwise may be provided in these Bylaws, the Board of Directors shall have full power and the duty:

(a) To set policies and provide for carrying out the purposes of the Corporation;

- (b) To make rules and regulations for its own governance and for the governance of the committees appointed by the Board of Directors as provided herein;
- (c) To adopt and amend from time to time such rules and regulations for the conduct of the business of the Corporation as may be appropriate or desirable.
- (d) To manage the Medical Staffs as contemplated in Article VIII hereof;
- (e) To adopt, amend, repeal and restate the Medical Staff Bylaws, as proposed by the Medical Staff pursuant to these Bylaws;
- (f) To maintain the quality of patient care; and
- (g) To periodically reexamine the relationship of the Board of Directors to the communities of the Corporation Hospitals.

4.2 Election of Directors.

- (a) General. Subject to the limitations set forth in this Section 4.2 of these Bylaws, Ultimate Parent shall elect all directors.
- (b) Self-Perpetuating Directors. Not less than 25% of the Board of Directors shall consist of directors ("Self Perpetuating Directors") who are elected in accordance with this Section 4.2(b). The initial Self Perpetuating Directors shall be designated by the Board of Directors of this Corporation immediately prior to [*Closing Date*] and shall be community representatives and physicians affiliated with the Corporation . Any vacancy in the Board of Directors caused by the death, resignation or removal of a Self-Perpetuating Director or by the expiration of the term of a Self-Perpetuating Director shall be filled by a person designated by a majority of the remaining Self-Perpetuating Directors. If the number of directors is increased or decreased, additional Self-Perpetuating Directors shall be elected or existing Self-Perpetuating Directors may be removed, as the case may be, by a majority of the existing Self-Perpetuating Directors, such that the number of Self-Perpetuating Directors is as close as possible to, but not less than, 25% of all directors on the Board of Directors after such increase or decrease. Until [*date that is four years after the Closing Date*], any new Self-Perpetuating Director must be a community representative or a physician affiliated with the Corporation.
- (c) Non-Self Perpetuating Representatives. On [*Closing Date*], Ultimate Parent, after consultation with WPAHS, shall elect such number of community representatives and physicians affiliated with the Corporation to the Board of Directors ("Non-Self Perpetuating Representatives") such that the Non-Self Perpetuating Representatives and the Self-Perpetuating Directors together constitute at least forty percent (40%) of all the directors serving on the Board of Directors. Until [*date that is four years after the Closing Date*], any vacancy in the Board of Directors caused by the death, resignation or removal of a Non-Self Perpetuating Representative or by the expiration of the term of a Non-Self Perpetuating Representative shall be filled by Ultimate Parent from nominee(s) identified by a majority of the remaining Non-Self Perpetuating Representatives and the Self-Perpetuating Directors. All Non-Self Perpetuating Representatives must be community representatives or physicians affiliated with the Corporation.

4.3 Number/Qualifications.

(a) Composition. Subject to Section 4.2 of these Bylaws, the Board of Directors shall consist of such number of persons as the Member may determine, but in no case less than three (3).

(b) Certain Qualifications. No individual may be elected to the Board of Directors unless the individual is eligible to serve on the Board of Directors pursuant to applicable law, the Articles of Incorporation and these Bylaws. Each director shall be a natural person of at least 18 years of age.

(c) Independence. At least a majority of the directors shall be persons whom the Board of Directors has determined are "independent directors" within the meaning of such term as defined by the Internal Revenue Service for exempt organizations under Section 501(c)(3) of the Code, and as such, are broadly representative of the community.

(d) Common Directors With Member and Ultimate Parent. The members of the Board of Directors must include at least one person who is also serving as a member of the board of directors of Member and Ultimate Parent. The same member of the Board of Directors need not be serving on both such boards.

(e) SEC Actions. Any person who is, or ever has been, subject to an order of a court or the Securities and Exchange Commission prohibiting such person from acting as an officer or director of a public company shall not be eligible to serve as a director.

(f) Age Limitations. No person who is seventy-five (75) years of age or older may be nominated or re-nominated for election or re-election as a director. Any director who reaches the age of seventy-five (75) shall no longer be qualified to serve as a director after the next annual meeting of the Board of Directors.

4.4 Election and Term.

(a) Term of Directors. The Board of Directors shall be divided, as evenly as practicable, into three classes and shall serve staggered terms. Except as otherwise indicated in this Section 4.4(a), at the end of their respective initial terms, all directors shall serve for terms of three (3) years or until their successors are elected and have qualified. If the term of any of the Non-Self Perpetuating Representatives expires prior to *[date that is four years after the Closing Date]*, the remaining Non-Self Perpetuating Representatives shall re-elect the Non-Self Perpetuating Representative for such additional term that may be necessary to assure that such Non-Self Perpetuating Representative serves on the Board until at least *[date that is four years after Closing]*.

(b) Chairperson. The Board of Directors shall elect from among the directors an individual to serve as Chairperson of the Board. The Chairperson shall not be an employee of the Corporation. The Chairperson shall preside at all meetings of the Board of Directors and shall perform all duties incident to the office of Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

(c) Vice Chairperson. The Board of Directors may elect from among the directors a Vice Chairperson of the Board. The Vice Chairperson shall not be an employee of the Corporation. The Vice Chairperson shall perform the duties of the office of Chairperson of the Board in the absence of the Chairperson of the Board and such other duties as may be prescribed by the Board of Directors.

4.5 Vacancies.

Any vacancy in the Board of Directors caused by the death, resignation or removal of a director or a director ceasing to qualify to serve as a director prior to the expiration of that director's term between annual meetings of Ultimate Parent shall be filled by an individual elected by Ultimate Parent, except as otherwise provided in Section 4.2(b) or 4.2(c) of these Bylaws with respect to Self-Perpetuating Directors and Non-Self Perpetuating Representatives.

4.6 Meetings.

(a) Annual Meetings. The annual organizational meeting of the Board of Directors shall be held on such other date as the Board of Directors may determine, at such time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(b) Regular Meetings. Regular meetings of the Board of Directors shall be held not less than four (4) times a year, each at such date, time and place as shall be determined by the Board of Directors, without further notice than the resolution setting such date, time and place.

(c) Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairperson of the Board, the Chief Executive Officer or one-third (1/3) of the members of the Board of Directors, the date, time and place of each such meeting to be designated in the notice calling the meeting. Notice of any special meeting of the Board of Directors shall be given at least forty-eight (48) hours prior thereto and shall state the general nature of the business to be transacted.

(d) Adjournment. When a meeting of the Board of Directors is adjourned, it shall not be necessary to give any notice of the adjourned meeting or the business to be transacted at the adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

(e) Quorum. Directors constituting a majority of the directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

(f) Voting and Action. Each director shall be entitled to one vote on any matter submitted to a vote of the Board of Directors, and action by the Board of Directors on any matter shall require the affirmative vote of a majority of the directors in office unless a greater proportion of affirmative votes is required by applicable law, the Articles of Incorporation or these Bylaws.

(g) Use of Conference Telephone. Except as the Board of Directors otherwise may determine, one or more persons may participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and be heard by each other. Participation in a meeting in such manner shall constitute presence in person at the meeting.

(h) Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and filed with the Secretary.

4.7 **Resignation/Removal.**

(a) Resignation. Any director may resign his or her office at any time, such resignation to be made in writing and to take effect immediately or at such subsequent time stated in such writing. Any director who ceases to meet the eligibility requirements contained in applicable law or in these Bylaws to serve as a director forthwith shall resign his or her office, such resignation to be made in writing and to take effect immediately.

(b) Removal. Any director may be removed, with or without cause, by Ultimate Parent; provided, that (i) only a majority of the other Self-Perpetuating Directors may remove a Self-Perpetuating Director, whether with or without "cause", and (ii) prior to [*date that is four years after the Closing Date*], Ultimate Parent may remove Non-Self Perpetuating Representatives only for "cause" unless a majority of the other Non-Self Perpetuating Representatives has consented to the removal. For this purpose "cause" shall mean:

- (i) the director is declared of unsound mind by an order of court;
- (ii) the director is indicted for, or convicted of, or enters a plea of guilty or nolo contendere to, a felony;
- (iii) the director engages in fraudulent or dishonest acts or in any act of moral turpitude;
- (iv) the director engages in gross abuse of authority or discretion with respect to the Corporation;
- (v) the director violates the Corporation's [Code of Conduct Policy];
- (vi) the director fails to attend [four] consecutive meetings of the Board of Directors;
- (vii) the director engages in other conduct that is detrimental to the best interests of the Corporation or its reputation; or
- (viii) the director has breached such director's duties under Section 5712 of the Nonprofit Corporation Law.

4.8 Limitation of Liability.

(a) Limitation of Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no director of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a director.

(b) Nature and Extent of Rights. The provisions of this Section 4.8 shall be deemed to be a contract with each director of the Corporation who serves as such at any time while this Section is in effect and each such director shall be deemed to be so serving in reliance on the provisions of this Section. Any amendment or repeal of this Section or adoption of any Bylaw or provision of the Articles of the Corporation which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, Bylaw or provision.

4.9 Compensation.

The Board of Directors may determine the compensation of directors for their services as directors, members of committees of the Board of Directors or otherwise, and also may determine the compensation of persons who are not directors who serve on any committees established by the Board of Directors; provided that such compensation is reasonable compensation within the meaning of Section 4958 of the Code.

ARTICLE V

OFFICERS

5.1 Officers; Election.

The principal officers of the Corporation shall be a Chief Executive Officer, a Chief Financial Officer, a Treasurer and a Secretary, each of whom shall be elected by the Board of Directors, subject to the approval of Ultimate Parent, and such other officers as the Board of Directors, subject to the approval of Ultimate Parent, may elect, which may include one or more Presidents, one or more Executive, Senior or Corporate Vice Presidents, and one or more Assistant Treasurers or Assistant Secretaries. Each such officer shall hold office for a term of one year (or such other term as the Board of Directors shall determine for any office from time to time) and until his or her successor has been selected and qualified or until his or her earlier death, resignation or removal. Any number of offices may be held by the same person.

5.2 Responsibilities of Officers.

(a) Chief Executive Officer. The Chief Executive Officer shall be responsible for the general and active management of the business and affairs of the Corporation and shall exercise general supervision and authority over all of its agents and employees and shall perform all duties incident to the office of Chief Executive Officer and such other duties as may be assigned by the Member or the Board of Directors. The Chief Executive Officer shall supervise the implementation of all policies, orders and resolutions of the Board of Directors and shall execute all contracts and agreements authorized by the Board of Directors, except that he or she

may delegate to other officers of the Corporation the power to execute contracts in the ordinary course of business or as otherwise may be authorized by the Board of Directors.

(b) President(s). The President(s) shall be responsible for the direct administration, supervision and control of such activities in the management of the Corporation as may be assigned by the Chief Executive Officer or the Board of Directors.

(c) Chief Financial Officer. The Chief Financial Officer shall be responsible for financial accounting and reporting for the Corporation and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(d) Vice Presidents. Each Vice President shall perform such duties as may be assigned by the Chief Executive Officer or the Board of Directors.

(e) Treasurer. The Treasurer shall, in accordance with the policies of the Board of Directors and under the direction of the Chief Executive Officer or the Chief Financial Officer, have general charge and custody of and be responsible for all funds and securities of the Corporation, and shall make such reports in such form and manner as the Chief Executive Officer, the Chief Financial Officer or the Board of Directors may direct. The Treasurer shall receive and give receipts for monies due and payable to the Corporation and deposit such monies in the name of the Corporation in such banks, trust companies or other depositories as may be selected in accordance with the provisions of these Bylaws. The Treasurer shall keep account of such receipts and deposits and approve expenditures of the Corporation and shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors.

(f) Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors and its committees in one or more books provided for that purpose, shall notify members of the Board of Directors of their election, shall see that all notices are duly given in accordance with the provisions of these Bylaws, shall be custodian of the corporate records and of the seal of the Corporation, and shall see that the seal of the Corporation is affixed, when necessary, to all instruments and documents the execution of which has been authorized by the Board of Directors or a committee thereof, shall keep a record of the address of each director, and shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Chief Executive Officer or the Board of Directors. In the absence of the Secretary or in the event of his or her inability to act, the Chairperson of the Board of Directors shall appoint an individual to discharge the duties of the Secretary.

(g) Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall perform such duties as may be assigned by the Secretary or the Treasurer, respectively, or by the Chief Executive Officer or the Chief Financial Officer, as appropriate, or the Board of Directors.

5.3 Removal of Officers.

Any officer of the Corporation (including the Chief Executive Officer) may be removed, with or without cause, by the Board of Directors, subject to the approval of Ultimate Parent, without prejudice to such officer's contractual rights, if any.

5.4 Bonds.

The Board of Directors may require any officer to give bond and security in such sum and with such surety or sureties as the Board of Directors may determine.

ARTICLE VI **COMMITTEES**

6.1 Committees.

(a) Standing Board Committees. The Board of Directors shall have a Corporate Governance and Nominating Committee, an Audit Committee and a Personnel and Compensation Committee and the Board of Directors may establish such other standing committees as it deems to be necessary or desirable (the "Standing Board Committees"). All Standing Board Committees shall be comprised solely of directors and shall have charters governing their powers and duties, which charters shall be approved by the Board of Directors. The Board of Directors shall appoint the members and a chairperson and a vice chairperson of each Standing Board Committee.

(b) Special Committees and Program Committees. The Board of Directors may establish one or more special committees of directors ("Special Committees") to advise the Board of Directors and to perform such other functions as the Board of Directors determines, including without limitation a Medical Education and Research Committee and a Quality and Satisfaction Committee. The Board of Directors may establish one or more committees, which may include directors and persons who are not directors, to assist it with aspects of the Corporation's operations ("Program Committees"). Subject to the provisions of these Bylaws, the Board of Directors may delegate such authority to a Special Committee or a Program Committee as it deems to be appropriate and desirable and as is not prohibited by applicable law. The Board of Directors shall establish the manner of selecting members, chairpersons and vice chairpersons, if any, and the terms of office of the members of each Special Committee and Program Committee.

6.2 Term.

Except as otherwise provided in these Bylaws, each member of a Standing Board Committee shall continue as such until the next annual meeting of the Board of Directors or until a successor has been appointed as provided herein, unless such person resigns, is removed or otherwise ceases to serve on such Standing Board Committee for any reason.

6.3 Quorum and Action.

Except as otherwise provided in these Bylaws or the charter of a committee approved by the Board of Directors, a majority of the members comprising any committee appointed by the Board of Directors pursuant to these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of committee members present at a meeting at which a quorum is present shall constitute the acts of the committee, unless a greater proportion is required by applicable law, the Articles of Incorporation or these Bylaws.

6.4 Action by Unanimous Written Consent.

Except as otherwise provided in these Bylaws or a charter of a committee approved by the Board of Directors, any action which may be taken at a meeting of any committee appointed by the Board of Directors pursuant to these Bylaws may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the members of such committee and filed with the Secretary.

6.5 Removal.

Any member of a Standing Board Committee, Special Committee or Program Committee may be removed at any time, with or without cause, by the Board of Directors at any regular or special meeting.

6.6 Vacancies.

Any vacancy in any Standing Board Committee, Special Committee or Program Committee caused by the death, resignation or removal of a member of such committee prior to the expiration of that member's term shall be filled by another person appointed by the Board of Directors. The member so appointed shall serve the remaining unexpired term of the member so replaced.

6.7 Exclusions from Committee Membership.

Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

6.8 Corporate Governance and Nominating Committee.

(a) Composition. The Corporate Governance and Nominating Committee shall consist of such number of directors, but in no case less than three (3), as may be determined by the Board of Directors. None of the members of the Corporate Governance and Nominating Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) Responsibilities. In addition to any responsibilities delegated to it by the Board of Directors, the Corporate Governance and Nominating Committee shall be responsible for:

(i) Recommending candidates for election as directors at each annual meeting of [*Ultimate Parent Entity*];

(ii) Recommending to [*Ultimate Parent Entity*] candidates for election as directors to fill any vacancies occurring on the Board of Directors; and

(iii) **Recommending candidates for election or reelection as Chairperson of the Board and Vice Chairperson of the Board.**

(c) **Timing.** At least fifteen (15) days before each annual, regular or special meeting of the Member, the Corporate Governance and Nominating Committee shall recommend the requisite number of individuals who satisfy the qualifications established in these Bylaws for election as directors of the Corporation.

6.9 Audit Committee.

(a) **Composition.** The Audit Committee shall consist of such number of directors, but in no case less than three (3), as the Board of Directors shall determine. None of the members of the Audit Committee shall be employees of the Corporation or of any entity controlled by the Corporation.

(b) **Responsibilities.** In addition to any responsibilities delegated to it by the Board of Directors, the Audit Committee shall be responsible for accepting the annual independent audit report of the Corporation's financial statements, as prepared by the external auditors, and render or cause to be rendered an audit report to the Board of Directors at its annual meeting.

6.10 Personnel and Compensation Committee.

(a) **Composition.** The Personnel and Compensation Committee shall consist of such number of directors, in no case less than three (3), as the Board of Directors shall determine. None of the members of the Personnel and Compensation Committee shall be employees of the Corporation or of any entity controlled by the Corporation or of any entity controlled by the Corporation and none may have a conflict of interest as defined in Section 4958 of the Code and applicable regulations.

(b) **Responsibilities.** In addition to any responsibilities delegated to it by the Board of Directors, the Personnel and Compensation Committee shall be responsible for:

(i) Evaluating the performance of the principal officers of the Corporation;
and

(ii) Recommending to the Board of Directors for recommendation to Ultimate Parent the selection and compensation of the principal officers of the Corporation.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Right to Indemnification - General.

Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether brought by or in the name of the Corporation or

otherwise), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation to the fullest extent now or hereafter permitted by applicable law in connection with such action, suit or proceeding arising out of such person's service to the Corporation or to such other corporation, partnership, joint venture, trust or other enterprise at the Corporation's request. The term "representative," as used in this Article VII, shall mean any director, officer or employee, including any employee who is a medical doctor, lawyer or other licensed professional or any committee created by or pursuant to these Bylaws, and any other person who may be determined by the Board of Directors to be a representative entitled to the benefits of this Article VII.

7.2 Right to Indemnification - Third Party Actions.

Without limiting the generality of Section 7.1 of these Bylaws, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

7.3 Right to Indemnification - Derivative Actions.

Without limiting the generality of Section 7.1 of these Bylaws, any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation; except, however, that indemnification shall not be made under this Section 7.3 in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such action, suit or proceeding was brought determines upon application that, despite the adjudication of liability but

in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or such other court shall deem proper.

7.4 Advance of Expenses.

Unless in a particular case advancement of expenses would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, expenses (including attorneys' fees) incurred by any representative of the Corporation in defending any action, suit or proceeding referred to in this Article VII shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the representative to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VII or otherwise.

7.5 Procedure for Effecting Indemnification.

Unless ordered by a court, any indemnification under Section 7.1, Section 7.2 or Section 7.3 of these Bylaws shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such subsections. Such determination shall be made:

- (a) By the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding; or
- (b) If such a quorum is not obtainable, or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

7.6 Indemnification Not Exclusive.

The indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any other provision of these Bylaws, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office shall continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of such person.

7.7 When Indemnification Not Made.

Indemnification pursuant to this Article VII shall not be made in any case where (a) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness or (b) indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code.

7.8 Grounds for Indemnification.

Indemnification pursuant to this Article VII, under any other provision of these Bylaws, agreement, vote of directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Corporation would have the power to indemnify the person under any provision of law except as otherwise provided in this Article VII and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Corporation. The provisions of this Article VII shall be applicable to all actions, suits or proceedings within the scope of Section 7.1, Section 7.2 or Section 7.3 of these Bylaws, whether commenced before or after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof.

7.9 Power to Purchase Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a representative of the Corporation or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VII.

7.10 Creation of a Fund to Secure or Insure Indemnification.

The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article VII or otherwise.

7.11 Status of Rights of Indemnities.

The rights to indemnification and advancement of expenses provided by or granted pursuant to this Article VII shall (a) be deemed to create contractual rights in favor of each person who serves as a representative of the Corporation at any time while this Article is in effect (and each such person shall be deemed to be so serving in reliance on the provisions of this Article), and (b) continue as to a person who has ceased to be a representative of the Corporation.

7.12 Applicability to Predecessor Companies.

For purposes of this Article VII, references to the "Corporation" includes all constituent corporations or other entities which shall have become a part of the Corporation by consolidation or merger or other similar transaction and their respective current and former affiliates, and references to "representatives" shall include members of any such corporation, entity or affiliate, so that any person who was a member, director, officer, employee, agent or other representative of such a corporation, entity or affiliate or served as a member, director, officer, employee, agent or other representative of another corporation, partnership, joint venture, trust or other enterprise at the request of any such corporation, entity or affiliate shall stand in the same position under the provisions of this Article VII with respect to the Corporation as he or she would if he or she had served the Corporation in the same capacity. Without limitation of

the foregoing, each member, director, officer and employee of each predecessor to the Corporation shall have the same contract rights as are afforded to directors, officers and employees of the Corporation pursuant to Section 7.11 of these Bylaws.

ARTICLE VIII

MEDICAL STAFFS

8.1 Medical Staffs Generally.

The Board of Directors shall create one functional unit within Allegheny General Hospital (“AGH Medical Staff”) and one functional unit covering both The Western Pennsylvania Hospital - West Penn Campus, and The Western Pennsylvania Hospital - Forbes Regional Campus (“WPH Medical Staff”; the AGH Medical Staff and the WPH Medical Staff are sometimes hereinafter referred to collectively as the “Medical Staffs”; each a “Medical Staff”). The AGH Medical Staff and the WPH Medical Staff shall each be composed of physicians, dentists, and such other health care practitioners as determined by the Board of Directors. Each Medical Staff shall be delegated the responsibility for making recommendations at their respective Corporation Hospital(s) concerning clinical privileges, the medical staff appointment of practitioners, the quality of medical care delivered in the respective Corporation Hospital(s), and the rules and regulations governing the practice of practitioners within such Corporation Hospital(s). The AGH Medical Staff shall be an internal component of Allegheny General Hospital and the WPH Medical Staff shall be an internal component of The Western Pennsylvania Hospital - West Penn Campus and The Western Pennsylvania Hospital - Forbes Regional Campus. Each Medical Staff shall have bylaws outlining its structure and function so that it may fulfill its delegated responsibilities in an effective fashion. Only such Medical Staff Bylaws as are adopted by the Board of Directors shall be effective. The Board of Directors retains the right to rescind any authority or procedures delegated to either or both of the AGH Medical Staff or the WPH Medical Staff by bylaws or otherwise and to amend the bylaws as necessary for the good operation of the relevant Corporation Hospital. The power of the Board of Directors to adopt or amend Medical Staff bylaws, rules, and regulations, shall not be dependent upon ratification by the respective Medical Staff.

8.2 Organization of Medical Staff.

The AGH Medical Staff and the WPH Medical Staff shall be divided into clinical departments. The appointment of clinical department chairs and of all Medical Staff standing committee chairs for each Medical Staff shall be approved by the Board of Directors.

8.3 Appointment to Medical Staff.

All appointments to the AGH Medical Staff and to the WPH Medical Staff shall be made by the Board of Directors for a period not to exceed two years. Appointments, reappointments, and the delineation of privileges shall be made in accordance with such Corporation Hospital’s policy and/or its or their Medical Staff bylaws; provided, however, that nothing therein contained shall limit the legal rights and obligations of the Board of Directors with respect to such matters.

8.4 Denial of Privileges.

In the circumstances delineated in, as appropriate, the AGH Medical Staff bylaws or the WPH Medical Staff Bylaws and to the extent provided therein, an applicant to the Medical Staff or a Medical Staff member affected by an action relating to Medical Staff privileges shall be afforded the opportunity of a full hearing before an appropriately constituted body (which body may be a joint conference of other hospitals comprising part of the System), conducted in such manner as to assure due process and to afford full opportunity for the presentation of all pertinent information, pursuant to the specific Corporation Hospital policy or the respective Medical Staff bylaws. No recommendation or action other than as set forth in the relevant Medical Staff bylaws shall constitute grounds for a hearing.

ARTICLE IX

PATIENT'S BILL OF RIGHTS

The Chief Executive Officer shall designate one or more management individuals with the responsibility of ensuring that a Patient's Bill of Rights for each of the Corporation Hospitals not less in substance and coverage than required by the Pennsylvania Department of Health regulations is disseminated to all patients of the Hospital.

ARTICLE X

CONTRACTS, LOANS, CHECKS AND DEPOSITS

10.1 Contracts.

Subject to Section 3.3 of these Bylaws, the Board of Directors may authorize any officer or officers or agent or agents to enter into any contract or execute or deliver any agreement or instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

10.2 Loans.

Subject to Section 3.3 of these Bylaws and Section 7.6 of the Affiliation Agreement, the Board of Directors may authorize the borrowing by the Corporation of such sum or sums of money as the Board of Directors may deem advisable, and to mortgage or pledge any or all of the real or personal property and any or all of the other available assets of the Corporation in order to secure the payment of the principal amount of any such borrowing and the interest thereon and any and all such other amounts as may become due on account thereof.

10.3 Checks.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness shall be issued in the name of the Corporation and shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as from time to time shall be determined by the Board of Directors.

10.4 Deposits.

All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may approve.

ARTICLE XI

NOTICE AND CONDUCT OF MEETINGS

11.1 Written Notice.

Except as otherwise provided in these Bylaws, whenever written notice is required to be given by any person under the provisions of any statute or these Bylaws, it may be given by sending a copy thereof through the mail or overnight delivery or by hand delivery, in each case with charges prepaid, or by facsimile transmission confirmed by one of the foregoing methods, to the individual's address appearing on the books of the Corporation or supplied by the individual to the Corporation for the purpose of notice.

11.2 Written Waiver of Notice.

Whenever any written notice is required as set forth in these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

11.3 Waiver of Notice by Attendance.

Attendance of a person in person at any meeting shall constitute a waiver of notice of such meeting except when a person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

11.4 Procedure.

All meetings of the Board of Directors and the committees thereof shall be conducted in an orderly manner with a view to affording full and fair discussion of the matters properly before such meetings.

ARTICLE XII

MISCELLANEOUS

12.1 No Contract Rights.

Except as specifically set forth in Sections 4.2, 4.4(b), 4.5, 4.7(b), 4.8 and 7.11 of these Bylaws, no provision of these Bylaws shall vest any property or contract right in any person.

12.2 Corporate Seal.

The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Corporation and the year and state of incorporation.

12.3 Fiscal Year.

The fiscal year of the Corporation shall end on such day as shall be fixed by Ultimate Parent.

12.4 Auxiliary Organizations.

The Board may provide for the establishment of auxiliary organizations. the bylaws of any such organizations shall be subject to approval by the Board of Directors.

ARTICLE XIII

AMENDMENTS

13.1 Amendments.

Subject to Section 7.1(a) of the Affiliation Agreement, these Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, only by Ultimate Parent.

ARTICLE XIV

CONFLICTS OF INTEREST

14.1 Disclosure.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence and nature of his or her financial interest to the Board of Directors and any relevant committee members. For this purpose, an interested person shall include any director, officer, or member of a committee of the Corporation or an entity affiliated with the Corporation who has a direct or indirect financial interest in a proposed transaction. A financial interest shall include: (a) an ownership or investment interest in any entity with which the Corporation has a proposed transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a proposed transaction or arrangement; and (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. If a person is an interested person with respect to any entity in the health care system of which the Corporation is a part, he or she is an interested person with respect to all entities in the health care system.

14.2 Recusal and Investigation.

After disclosure of the financial interest, the interested person shall leave the Board of Directors or committee meeting while the financial interest is discussed and voted upon. The remaining directors or committee members shall decide if a conflict of interest exists. If a conflict of interest exists, the following procedures shall be followed: (a) the Chief Executive Officer shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement; (b) after exercising due diligence, the Board of Directors or committee shall determine whether the Corporation could obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest; and (c) if a more advantageous transaction or arrangement is not reasonably attainable, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interests and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall decide as to whether to enter into the transaction or arrangement in conformity with such determination.

14.3 Failure to Disclose.

If a director or committee member has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, he shall inform the interested person of the basis of such belief and afford the interested person an opportunity to explain the alleged failure to disclose. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board of Directors or committee determines that the interested person has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate steps to protect the Corporation.

14.4 Record of Actions.

The minutes of the Board of Directors and all relevant committees shall contain the following: (a) the names of persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

14.5 Compensation.

Special procedures shall be in effect with respect to compensation issues. A voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation. Physicians who receive compensation from the Corporation, whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician, either individually

or collectively, is prohibited from providing information to any committee regarding physician compensation.

14.6 Annual Statements.

Each interested person shall annually sign a statement that affirms that such person (a) has received a copy of the conflicts of interest policy, (b) has read and understands the policy, (c) has agreed to comply with the policy, and (d) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes. This policy shall be reviewed annually for the information and guidance of members of the Board of Directors, and any new member shall be advised of the policy upon entering on the duties of his office. In addition, the Corporation shall conduct periodic reviews of its activities, including any transactions or arrangements with interested persons, to ensure that its activities in the aggregate promote and further the Corporation's exempt charitable, scientific, and educational purposes.

EXHIBIT G

EXHIBIT G

JOINT COMMITTEE CHARTER

The Joint Committee shall be constituted and operate pursuant to this Charter. The purpose, term, composition, meeting, vote and other requirements applicable to the Joint Committee shall be as follows:

1. Purpose and Term: The purposes of the Joint Committee are (i) to exercise oversight with regard to the Initial Funding Commitment, the Second Funding Commitment and the Third Funding Commitment to help assure the preservation of the WPAHS Assets through the Closing of the Transaction, (ii) in certain instances where agreement to modifications of the Funding Deployment Plan has not been reached to resolve differences between the Parties in accordance with the priorities set forth in Section 2.5, (iii) to resolve disputes when either the Consent of Highmark and the UPE Parties is withheld as described in the Section 1.1 definition of "Consent of Highmark and UPE Parties" or as described in Section 6.11(b) and (iv) to resolve any difference in valuation calculated by Highmark and the UPE Parties, on the one hand, and the WPAHS Parties, on the other hand, in matters addressed under Section 6.2 or 6.3 of the Affiliation Agreement. In carrying out said purposes, the Joint Committee will take no action that is inconsistent with the Code Section 501(c)(3) federal income tax-exempt purposes of the WPAHS Parties. The Joint Committee shall be constituted promptly after execution and delivery of the Affiliation Agreement by the Parties and it shall remain in existence until the earlier to occur of the Closing or the termination of the Agreement under Section 10.1 thereof.
2. Composition and Chair: The Joint Committee shall be comprised of four members of the Highmark Board of Directors appointed by Highmark, and four members of the WPAHS Board of Directors appointed by WPAHS. The Co-Chairs of the Joint Committee shall at all times be the Chair of the Board of Directors of Highmark and the Chair of the Board of Directors of WPAHS. Any vacancy in the Joint Committee shall be filled by designation of the entity holding the right of appointment.
3. Quorum and Action: The presence of all members of the Joint Committee, either in person, via conference telephone or similar communications equipment by means of which all those participating may hear one another, or via proxy shall constitute a quorum for the transaction of business. The acts of a majority of the Joint Committee members present at a meeting where a quorum is present shall constitute the acts of the Joint Committee.
4. Action by Unanimous Written Consent: Any action which may be taken at a meeting of the Joint Committee may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all the members of the Joint Committee.

5. Removal: Any Joint Committee member may be removed at any time, with or without cause, by the entity that appointed such individual to serve on such committee.
6. Meetings: Meetings of the Joint Committee shall be held monthly for the term set forth in Section 1 hereinabove and may be called by either Highmark or WPAHS, as otherwise needed, via written and electronic notice directed to the chair of the board of directors of each other entity, stating the general nature of the business to be transacted and otherwise consistent with the notice provisions of the Affiliation Agreement. Any such written notice shall set the date, time and place of the proposed meeting and be given not less than five (5) business days prior to the proposed meeting date. Upon receipt of such notice, it will be the responsibility of Highmark and WPAHS, respectively, to notify their respective Joint Committee-appointees of the meeting.
7. Minutes: The Joint Committee shall provide that regular minutes of its proceedings be prepared with copies thereof being submitted to the chief executive officers of Highmark and WPAHS, respectively, for informational purposes.

EXHIBIT H

EXHIBIT H

TERM SHEET FOR LOAN AGREEMENTS

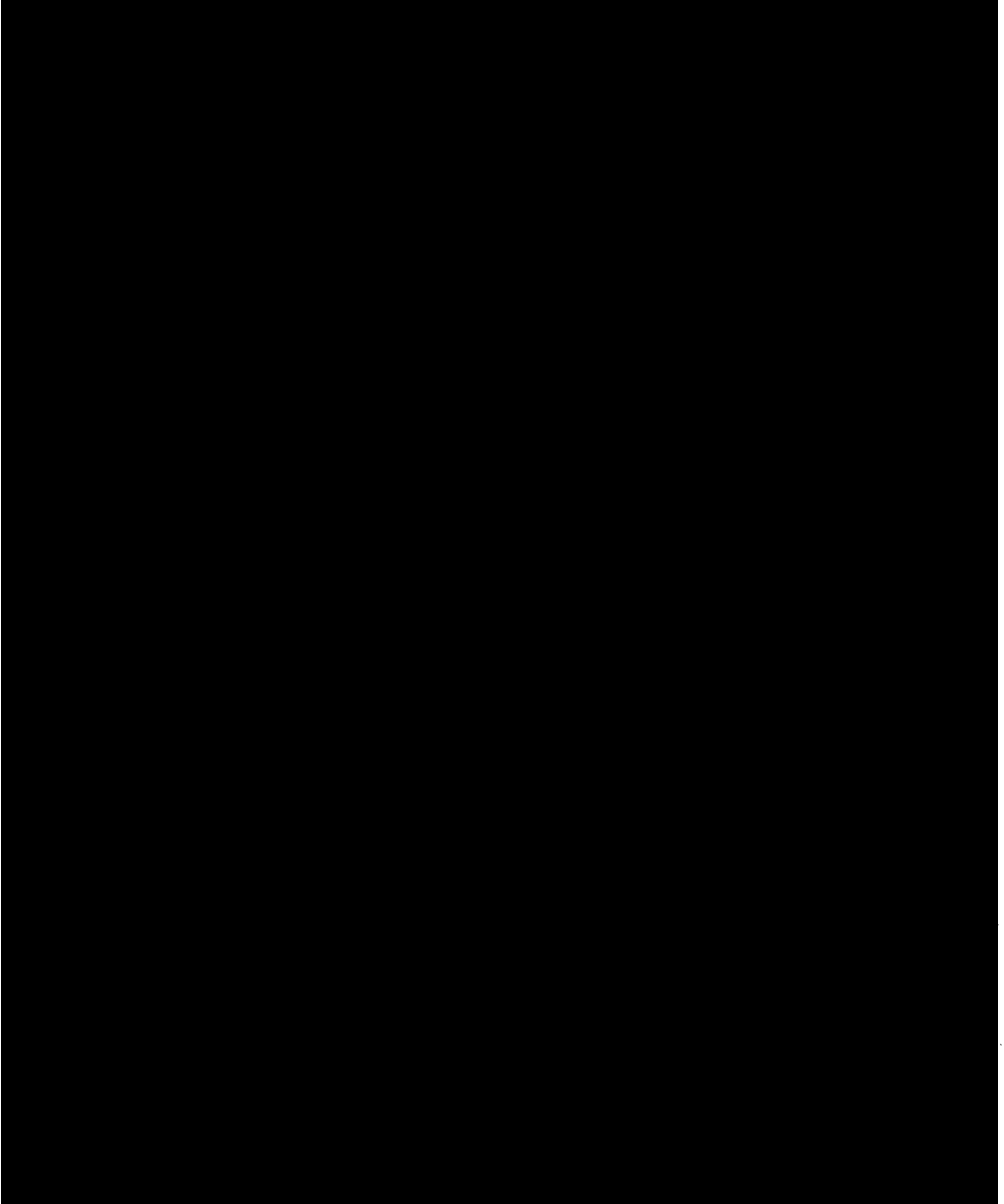
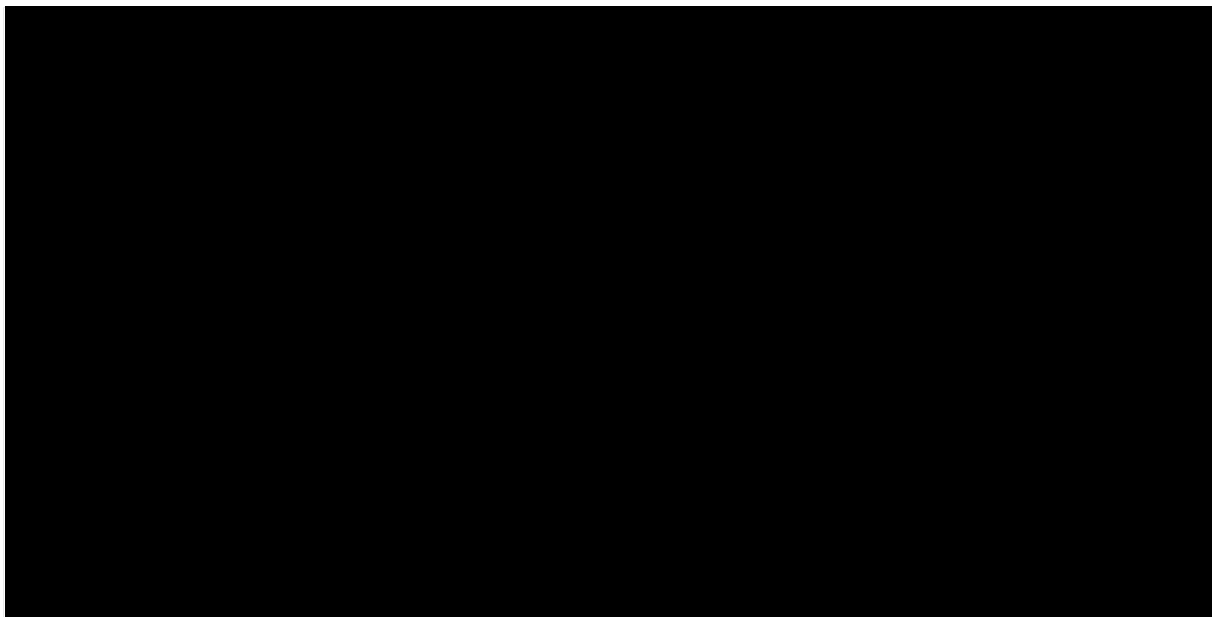


EXHIBIT I

EXHIBIT I



Remainder of Exhibit I Redacted By Deletion

EXHIBIT J

**SPENDING POLICY FOR PERPETUAL
SPECIAL PURPOSE ENDOWMENT FUND**

This Spending Policy for Perpetual Special Purpose Endowment Fund (the "**Policy**") has been adopted for the purpose of establishing guidelines for the management and use of the perpetual special purpose endowment fund known as the Highmark Endowment for Medical and Health Education (West Penn Allegheny Health System, Inc.) (the "**Endowment**").

The Endowment will be held by an entity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (hereinafter cited as "**IRC § ____**" or referred to as the "**Code**").

Section 1. Definitions. In this Policy:

- (a) "Endowment" refers to Highmark Endowment for Medical and Health Education (West Penn Allegheny Health System, Inc.);
- (b) "Endowment Funds" refer to any funds held by the Endowment for uses consistent with its charitable purposes;
- (c) "Board" refers to the Board that controls decisions related to the management and use of the Endowment.
- (d) "WPAHS" refers to West Penn Allegheny Health System, Inc.

Section 2. Asset Preservation Philosophy. The asset preservation philosophy of the Endowment is intended to safeguard the long-term financial welfare of the Endowment. This philosophy embraces the intention that Endowment grant-making and operational decisions be made with due regard for the Endowment's goal of not only preserving, but also enhancing, the value of the Endowment Funds. This philosophy assures that financial decisions are made in such a way that provides an opportunity for the asset value of the Endowment Funds to grow so that, at a minimum, inflation-adjusted spending by the Endowment is perpetuated into the future. It is also anticipated that this philosophy will minimize the impact of the volatility of the Endowment's investments on the year-to-year spending of the Endowment.

Section 3. Investment Authority. The Board, subject to any applicable limitations on donor-designated restricted gifts or as set forth by applicable law, may invest in any manner consistent with the Pennsylvania Prudent Investor Rule (20 Pa. Cons. Stat. §§7201-7214), including, among other investments, that it may:

- (a) invest and reinvest Endowment Funds in any real or personal property deemed advisable by the Board, whether or not it produces a current return, including mortgages, stocks, bonds, debentures, and other securities, and obligations of any government or subdivision or instrumentality thereof;

(b) retain property contributed by a donor for as long as the Board deems advisable;

(c) include all or any part of the Endowment Funds in any pooled or common fund maintained for investment purposes; and

(d) invest all or any part of the Endowment Funds in any other pooled or common fund available for investment, including without limitation shares or interests in mutual funds, common trust funds, real estate investment trusts, or similar organizations in which funds are commingled and investment determinations are made by persons other than the Board.

Section 4. Spending Level Determination.

(a) On an annual basis, the Board will review the financial status of the Endowment and establish an appropriate spending level. The spending level to be established for Endowment Funds will be determined as a percentage of asset market value as of a date fixed by the Board. Included in the spending level calculation will be Endowment Funds to cover the Endowment's grant-making activities and operating expenses for the subsequent 12 months or such other time period determined by the Board. To ensure a stable and predictable base, the Board may elect to use a three- (3) year rolling average market value to determine annual spending levels which should assist in providing management with the time to make calculations for budgeting and distribution purposes. Once established, an annual spending level determination may be modified only by subsequent vote of the Endowment Board.

Section 5. Delegation of Investment Management. Except as otherwise precluded by donor restriction or applicable law, the Board may (1) delegate to committees, officers, or

employees of the Endowment, or agents, including investment counsel, the authority to act in place of the Board in investment and reinvestment of Endowment Funds; (2) contract with independent investment advisors, investment counsel, or managers, banks, or trust companies, so to act; and (3) authorize the payment of compensation for investment advisory or management service.

Section 6. Standard of Conduct. In the administration of the powers to make and retain investments, and to delegate investment management of Endowment Funds, members of the Board shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. In so doing they shall consider long and short-term needs of the Endowment in carrying out its charitable purposes, its present and anticipated financial requirements, expected total return on its investments, and general economic conditions.

Effective Date of Policy: _____

EXHIBIT K

[Closing date]

Highmark, Inc.
Fifth Avenue Place
120 Fifth Avenue
Pittsburgh, PA 15222

Ladies and Gentlemen:

We have acted as counsel to West Penn Allegheny Health System, Inc., a Pennsylvania nonprofit corporation (the "Corporation"), in connection with the Affiliation Agreement, dated as of _____, 2011 (the "Affiliation Agreement") among [Ultimate Parent Entity], a Pennsylvania nonprofit corporation, [Provider Subsidiary], a Pennsylvania nonprofit corporation, Highmark, Inc., a Pennsylvania nonprofit corporation, the Corporation, Canonsburg General Hospital, a Pennsylvania nonprofit corporation, Alle-Kiski Medical Center, a Pennsylvania nonprofit corporation and other subsidiaries of the Corporation identified therein and the "WPAHS Parties". This opinion letter is being furnished to you pursuant to Section 3.2 of the Affiliation Agreement. Capitalized terms not defined in this opinion letter have the meanings ascribed to them in the Affiliation Agreement.

In connection with this opinion letter, we have examined the Affiliation Agreement and the Joint Venture Option Agreement (collectively the "Transaction Documents"). We have examined such certificates, documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinions set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of governmental officers and officers of the Corporation.

The opinions expressed herein are limited to matters governed by the laws of the Commonwealth of Pennsylvania and the federal laws of the United States of America (collectively, the "Covered Laws").

Based upon the foregoing and subject to the additional qualifications set forth below, we are of the opinion that:

1. Each of the WPAHS Parties other than West Penn Allegheny Foundation, LLC (a) is a nonprofit corporation validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and (b) has the corporate power to execute, deliver and perform its obligations under the Transaction Documents to which it is a party. West Penn Allegheny Foundation, LLC (a) is a limited liability company validly existing under the laws of the Commonwealth of Pennsylvania and (b) has the limited liability company power to execute, deliver and perform its obligations under the Transaction Documents to which it is a party

2. Each of the Transaction Documents to which each WPAHS Party is a party has been duly authorized, executed and delivered by or on behalf of such WPAHS Party and constitutes the valid and binding obligation of the such WPAHS Party enforceable against the such WPAHS Party in accordance with its terms.

3. The execution and delivery by each WPAHS Party of the Transaction Documents to which it is a party will not violate the articles of incorporation, by-laws or operating agreement, as applicable, of such WPAHS Party.

Our opinions in paragraph 2 that each of the Transaction Documents constitutes the valid and binding obligation of the WPAHS Parties, enforceable against each such WPAHS Party in accordance with its terms, is subject to (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws of general application affecting the rights and remedies of creditors and secured parties and (ii) general principles of equity. We express no opinion with respect to the applicability of Section 548 of the Bankruptcy Code or any comparable provision of Pennsylvania law.

In addition, we express no opinion as to (i) the extent to which broadly worded waivers, waivers of rights to damages, offset or defenses, waivers of statutory, regulatory or constitutional rights, conclusive presumptions or determinations, or powers of attorney or prohibitions on oral waivers may be enforced, (ii) the enforceability of any provision which is determined to constitute a penalty or forfeiture or which provides for choice of law, submission to jurisdiction/agreement that any claim will be brought only in the courts of a particular jurisdiction, choice of venue, consent to service of process, waiver of jury trial, judgment currency, confession of judgment or arbitration, or (iii) the enforceability of non-competition or similar provisions of the Transaction Documents.

This opinion letter is furnished by us to you in connection with the Transaction, as defined in the Affiliation Agreement, described above and is solely for your benefit. Except as otherwise expressly consented to by us in writing, this opinion may not be relied upon for any other purpose or by any other person.

Very truly yours,

Ropes & Gray LLP

Schedule I

Allegheny Medical Practice Network

Allegheny-Singer Research Institute

Allegheny Specialty Practice Network

Canonsburg General Hospital Ambulance Service

Forbes Health Foundation

Suburban Health Foundation

The Western Pennsylvania Hospital Foundation

West Penn Allegheny Foundation, LLC

West Penn Allegheny Oncology Network

West Penn Physician Practice Network

EXHIBIT L

EXHIBIT L

FORM OF OPINION OF HIGHMARK AND UPE PARTIES' LEGAL COUNSEL

_____, 201__

West Penn Allegheny Health System, Inc.
30 Isabella Street, Suite 300
Pittsburgh, PA 15212

Re: Transaction By and Among [Ultimate Parent Entity], [Provider
Subsidiary], Highmark Inc., and West Penn Allegheny Health System,
Inc., Canonsburg General Hospital, Alle-Kiski Medical Center, and the
other WPAHS Subsidiaries (as defined in the Agreement)

Ladies and Gentlemen:

We have acted as transaction counsel to [Ultimate Parent Entity], and [Provider
Subsidiary] (each a "UPE Party" or collectively the "UPE Parties") and Highmark Inc.
("Highmark") in connection with the above-referenced transaction wherein the UPE Parties and
Highmark have entered into an Affiliation Agreement dated as of _____ (the "Agreement"),
between and among themselves and West Penn Allegheny Health System, Inc. ("WPAHS"),
Canonsburg General Hospital, Alle-Kiski Medical Center, and the other WPAHS Subsidiaries
(together with WPAHS, each a "WPAHS Party" or collectively the "WPAHS Parties"). This
opinion is furnished pursuant to Section ____ of the Agreement and is given at the request of the
UPE Parties and Highmark. Capitalized terms not otherwise defined in this opinion have the
definitions set forth in the Agreement.

In rendering the opinions set forth in this letter, we have examined and relied
upon originals or copies, certified or otherwise identified to our satisfaction, of the following
documents and have made such inquiry to the officers and other representatives of the UPE
Parties and Highmark and have made such investigations of law as we have deemed appropriate
for the purpose of providing the opinions hereinafter expressed:

A. Pennsylvania Department of State Certificates of Good Standing for each
UPE Party and Highmark, dated _____;

B. Pennsylvania Department of State certified copies of the Articles of
Incorporation of [Ultimate Parent Entity] and [Provider Subsidiary] dated _____, and of
Highmark dated _____;

- C. The Agreement;
- D. Certificates of the authorized Officers of each UPE Party and Highmark, dated as of _____;
- E. Certificates of the Secretary of each UPE Party and Highmark, dated as of _____;
- F. Certified resolutions of the Board of Directors of each UPE Party, dated as of _____, and of Highmark dated as of _____, approving and authorizing the Transaction which is described in the Agreement; and
- G. The following documents delivered in connection with the Transaction:
 - 1. The Amended and Restated of Incorporation of the WPAHS Parties;
 - 2. The Amended and Restated Bylaws of the WPAHS Parties; and
 - 3. The Joint Venture Option Agreement

In addition, we have examined such other documents, agreements, and certificates as we have deemed necessary or appropriate as a basis for the opinions set forth below.

Together with the Agreement, the documents described as items G1-3 above are collectively referred to as the "Transaction Documents."

In all such examinations, we have assumed that (i) all signatures (other than the signatures on behalf of the UPE Parties and Highmark) are genuine, (ii) all documents submitted to us as originals are genuine, authentic, true, accurate and complete, and (iii) all documents submitted to us as photocopies conform to the original documents. We have made no independent examination of factual matters set forth in the aforesaid documents or representations for the purpose of rendering this opinion. We have also assumed that (i) no authorization, consent or other approval of, notice to or filing with any court, governmental authority or regulatory body is required in connection with the Transaction contemplated by the Agreement, (ii) there is no action, suit or proceeding pending or threatened before any court, government department, or other authority which purports to affect the legality, validity or enforceability of any Transaction Document or the Transaction, and (iii) there has been no relevant change or development between the dates of the Certificates of Good Standing referenced above and the date of this letter. As to various questions of fact material to this opinion which we did not independently establish or verify, we have relied upon statements and representations of the UPE Parties and Highmark and their officers and other representatives and

of public officials, and have assumed that such matters remain true and correct through the date hereof.

We have assumed, without verification, for purposes of this opinion, that each WPAHS Party is a Pennsylvania nonprofit corporation, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and the due authorization, execution and delivery of the Agreement and other Transaction Documents by the WPAHS Parties, and that each of such documents, constitute or will constitute the legal, valid and binding obligations of the WPAHS Parties, enforceable against them in accordance with their terms. We have further assumed that the WPAHS Parties have all necessary approvals from the Pennsylvania Department of Health and other regulatory agencies to own and operate the Facilities.

Based on the foregoing, and subject to the qualifications and limitations stated in this letter, we are of the opinion that:

1. Each UPE Party and Highmark are nonprofit corporations, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania.
2. Each UPE Party and Highmark have the corporate power and authority to execute, deliver and perform all of their obligations under each of the Transaction Documents to which such UPE Parties and Highmark are parties.
3. The execution and delivery of each of the Transaction Documents to which a UPE Party or Highmark is a party, and the performance of all of such UPE Parties' and Highmark's obligations under such Transaction Documents have been authorized by all requisite corporate action on the part of such UPE Parties and Highmark, as applicable.
4. Each of the Transaction Documents to which a UPE Party or Highmark is a party has been executed and delivered by such UPE Party and Highmark.
5. The execution, delivery, and performance by each UPE Party and Highmark of each of the Transaction Documents to which such UPE Party and Highmark is a party do not conflict with the Articles of Incorporation or Bylaws of such UPE Party or Highmark.
6. Each of the Transaction Documents to which a UPE Party or Highmark is a party constitutes the valid and binding obligation of such UPE Party or Highmark, enforceable against such UPE Party and Highmark in accordance with its terms.

The opinions set forth above are qualified and limited as follows:

- A. In rendering this opinion, we have assumed the delivery to WPAHS on the date hereof of each Funding Commitment then due and payable pursuant to the Agreement.

B. We are licensed to practice law in the Commonwealth of Pennsylvania. Accordingly, the foregoing opinion applies only with respect to the laws of the Commonwealth of Pennsylvania and the federal laws of the United States, and we express no opinion with respect to the laws of any other jurisdiction. Furthermore, we express no opinion as to the enforceability of any non-competition covenants contained in the Agreement, as all such matters are outside the scope of this opinion.

C. This opinion is given as of the date hereof and the opinions expressed herein are based upon and rely upon the current status of the law, and in all respects are subject to and may be limited by future legislation as well as developing case law. We undertake no obligation or responsibility to update or supplement this opinion in response to subsequent changes in law or future events affecting the transactions contemplated described herein.

D. Our opinions set forth herein as to validity, binding effect and enforceability of Transaction Documents are specifically qualified to the extent that the validity, binding effect or enforceability of any obligations of the UPE Parties and Highmark under the Transaction Documents or the availability or enforceability of any the remedies provided therein may be, limited, restricted, delayed, subject to or affected by: (i) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other statutory or decisional laws, heretofore or hereafter enacted or in effect, affecting the rights of creditors generally; (ii) the exercise of judicial or administrative discretion in accordance with general equitable principles (regardless of whether considered in proceeding in equity or at law); (iii) the application by courts of competent jurisdiction of laws containing provisions determined to have a paramount public importance; (iv) limitations on the availability or enforceability of particular remedies, exculpatory provisions and waivers contained in the Transaction Documents, which particular remedies, exculpatory provisions and waivers may be limited by equitable principles or applicable laws, rules, regulations, court decisions or and constitutional requirements, including, without limitation, limitations on the availability of specific performance as a remedy; and (v) the implied duty of good faith and fair dealing.

E. This opinion is limited to the specific matters stated herein, and no opinion is or should be implied or inferred beyond the matters expressly stated herein.

The phrase "to our knowledge" or other phrases of similar meaning when used herein with respect to the existence or absence of facts means that Dale S. Webber and Jan O. Wenzel, the primary attorneys within this firm who have worked on the Transaction opined on herein, have made such inquiries and received such representations and certifications of officers of the UPE Parties and Highmark as deemed appropriate under the circumstances, but such attorneys have not made any further review of documents or records (public or otherwise) or other investigation.

West Penn Allegheny Health System, Inc.

_____, 201__

Page 5

This opinion is furnished to you by us as counsel for the UPE Parties and Highmark, is solely for your benefit, and is rendered solely in connection with the Transaction described to which this opinion relates. This opinion may be relied upon only in connection with the Transaction and may not be relied upon by any other person without our prior written consent. We assume no obligation to review or update this opinion should applicable laws or regulations or applicable facts or circumstances change.

Very truly yours,

BUCHANAN INGERSOLL & ROONEY PC

SCHEDULES TO THE AFFILIATION AGREEMENT

The following Schedules are being delivered pursuant to the Agreement, dated as of October 31, 2011, by and among UPE, a Pennsylvania nonprofit corporation, UPE Provider Sub, a Pennsylvania nonprofit corporation, Highmark Inc., a Pennsylvania nonprofit corporation, and West Penn Allegheny Health System, Inc., a Pennsylvania nonprofit corporation. Capitalize^{27618048_33}d terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Agreement.

For purposes of convenience, the specific disclosures set forth in the Schedules have been organized to correspond to section references in the Agreement to which the disclosure relates, however, information disclosed in any Schedule shall be deemed to be disclosed for and incorporated by reference into each other Schedule to the extent the relevance of the disclosure to any such other Schedule is reasonably apparent. The inclusion of any information in these Schedules shall not be deemed to constitute an acknowledgment that such information is required to be disclosed in connection with the representations and warranties made by the WPAHS Parties, or that such information is material, or outside the ordinary course of business, nor shall such information be deemed to establish a standard of materiality, nor shall it be deemed an admission of any liability of, or concession as to any available defenses or be deemed to expand in any way the scope or effect of any of such representations or warranties.

The attachments to the Schedules form an integral part of the Schedules and are incorporated by reference for all purposes as if set forth fully herein.

Schedule R-1
WPAHS Subsidiaries

Subsidiary	Type of Entity
1. Allegheny Medical Practice Network	Pennsylvania Non-Profit Corporation
2. Allegheny-Singer Research Institute	Pennsylvania Non-Profit Corporation
3. Allegheny Specialty Practice Network	Pennsylvania Non-Profit Corporation
4. Alle-Kiski Medical Center	Pennsylvania Non-Profit Corporation
5. Alle-Kiski Medical Center Trust	Pennsylvania Non-Profit Corporation
6. Canonsburg General Hospital	Pennsylvania Non-Profit Corporation
7. Canonsburg General Hospital Ambulance Service	Pennsylvania Non-Profit Corporation
8. Forbes Health Foundation	Pennsylvania Non-Profit Corporation
9. Suburban Health Foundation	Pennsylvania Non-Profit Corporation
10. The Western Pennsylvania Hospital Foundation	Pennsylvania Non-Profit Corporation
11. West Penn Allegheny Foundation, L.L.C.	Pennsylvania Limited Liability Company
12. West Penn Allegheny Oncology Network	Pennsylvania Non-Profit Corporation
13. West Penn Physician Practice Network	Pennsylvania Non-Profit Corporation

Note: The following entities are currently not in operation but remain active corporations with the Pennsylvania Secretary of State. Such entities are not WPAHS Parties:

- Allegheny Valley Hospital LCO, Inc., a Pennsylvania non-profit corporation
- Canonsburg Hospital and Health Foundation, a Pennsylvania non-profit corporation
- Canonsburg Physician Hospital Organization, a Pennsylvania non-profit corporation
- Greater Canonsburg Health System, a Pennsylvania non-profit corporation

- Western Pennsylvania Heart Plan, Inc., a Pennsylvania business corporation
- West Allegheny Hospital, An Osteopathic Institution, a Pennsylvania non-profit corporation¹
- West Penn Corporate Medical Services, Inc., a Pennsylvania business corporation
- West Penn Physicians' Organization, a Pennsylvania non-profit corporation

Note: Friendship Insurance Company, Ltd., (“Friendship”) a Cayman Islands Company, is also not a WPAHS Party. Friendship is currently processing its last claims, it no longer accepts new claims, and WPAHS plans to dissolve the company in 2012.

¹ West Allegheny Hospital is currently not in operation and is listed as inactive with the Pennsylvania Secretary of State; however, Amended and Restated Articles of Incorporation were filed with the Pennsylvania Secretary of State on June 22, 1984 purportedly changing the name of West Allegheny Hospital to West Allegheny Hospital, an Osteopathic Institution, which still remains listed as active with the Pennsylvania Secretary of State.

Schedule R-2
WPAHS Affiliates

Affiliates	
1.	Allegheny Imaging of McCandless, L.L.C.
2.	Forbes Regional Urologic, L.L.C.
3.	McCandless Endoscopy Center, L.L.C.
4.	North Shore Endoscopy Center, L.L.C.
5.	Open MRI of Washington County, L.L.C. ²
6.	Optima Imaging, Inc.
7.	West Penn/5148 Liberty Avenue Associates ³
8.	West Penn Ambulatory Surgical Company, L.L.C.
9.	Peters Township Surgery Center, L.L.C.

² Entity is no longer in operation but remains an active limited liability company with the Pennsylvania Secretary of State.

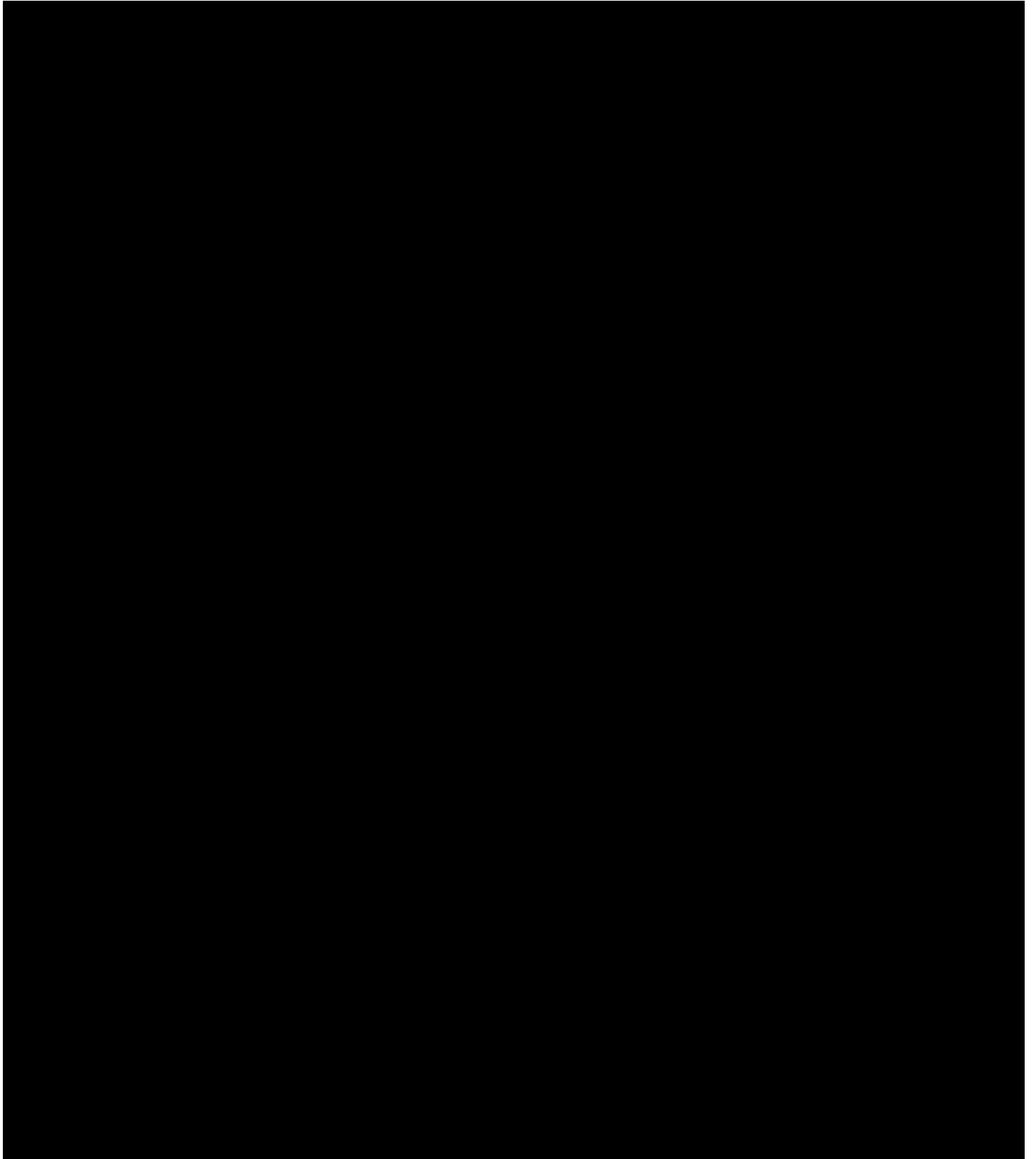
³ Entity is filed as a d/b/a of two entities with the Pennsylvania Secretary of State.

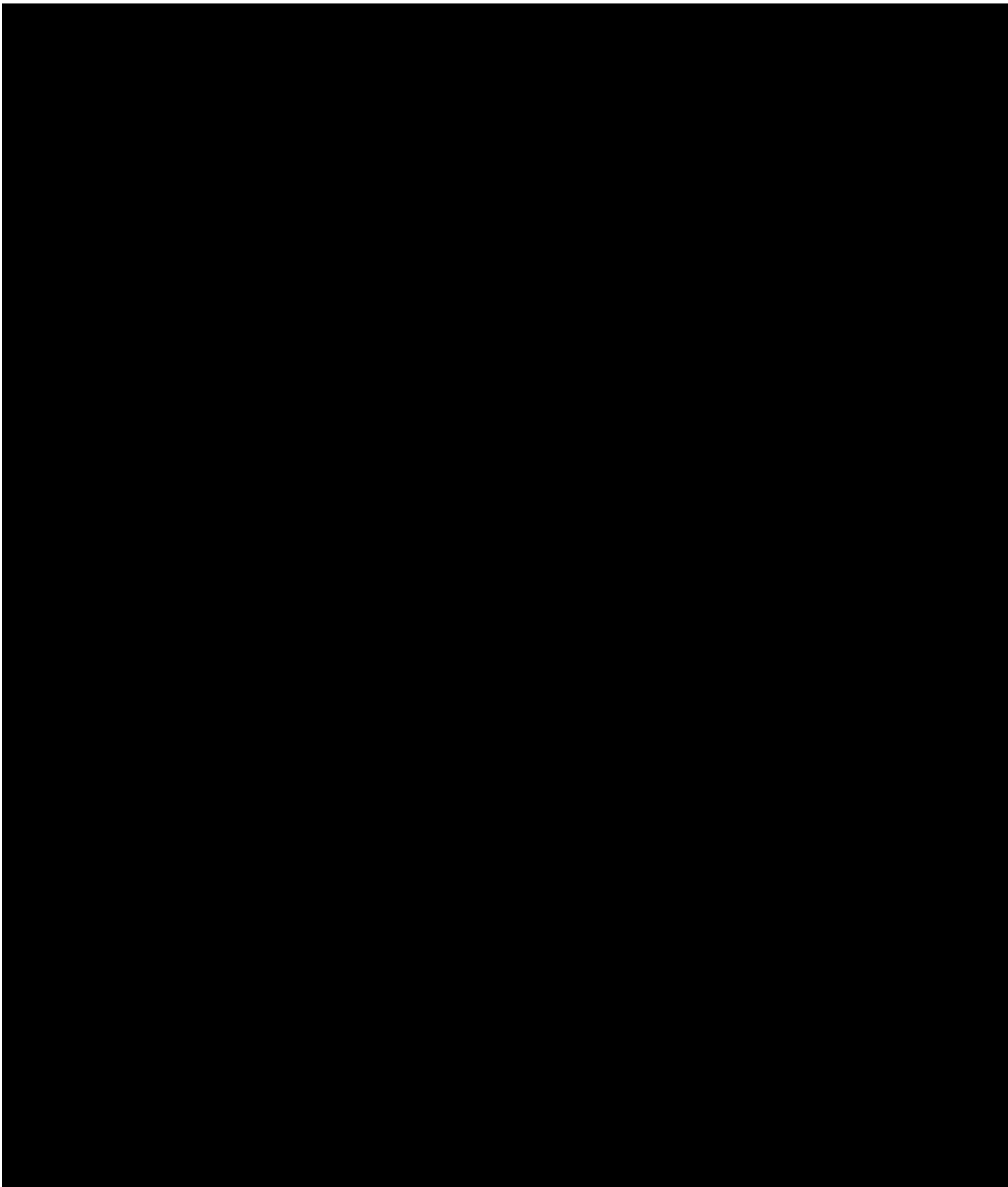
Schedule 2.6(a)
Core Laboratory Assets of the WPAHS Parties

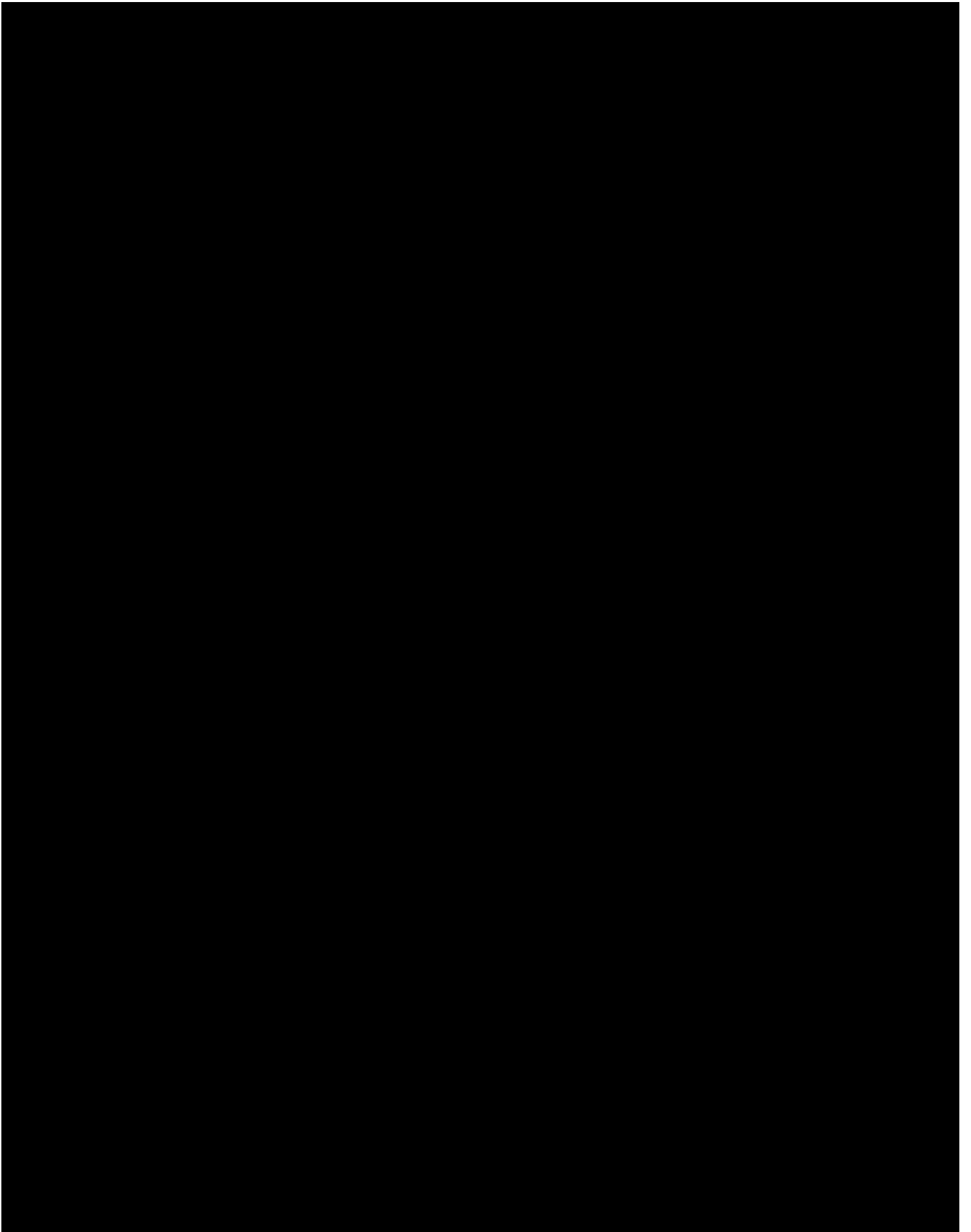
<u>Asset No.</u>	<u>Asset Description</u>
0218025352N	PIRETTI MGR. CHAIRS KRUEGER I
05103431834	STAT SPIN EXPRESS CENTRIFORE
05103431842	METTLER BALANCE
05103458198	CLINITEK 500 URINE ANALYZER
06103526096A	DELL OPTIPLEX GX520 COMPUTER
06103526096B	DELL OPTIPLEX GX520 COMPUTER
06103526096C	DELL OPTIPLEX GX520 COMPUTER
06103526096D	DELL OPTIPLEX GX520 COMPUTER
06103526096E	DELL OPTIPLEX GX520 COMPUTER
06103526096F	DELL OPTIPLEX GX520 COMPUTER
06103538124	HP LASERJET 4250N PRINTER
06103538132	HP LASERJET 4250N PRINTER
06103547395A	HP DC7600 CMT COMPUTER
06103547395B	HP DC7600 CMT COMPUTER
06103547395C	HP DC7600 CMT COMPUTER
06103552488A	HP DC7600 CMT COMPUTER
06103552488B	HP DC7600 CMT COMPUTER
710300000001	COUNTERTOPS, LAB REINSTRUMENT
710300000002	ELECTRICAL WORK
710300000003	ENGINEERING SERVICES
710300000004	DATA RECEPTACLES
710300000005	SYMEX UF-100 , SERIAL # A146
710300000006	TELECOM CABLING SERVICES
710300000007	MECH & PLUMBING UPGRADES
710300000008	ELECTRICAL WORK LAB
710300000012	ELECTRICAL WORK
710300000013	CAPITAL SALARIES-CORE LAB
710300000014	COMPUTER, DELL LATITUDE D620 N

810300000015	COMPUTER DC7700 SFF HP
810300000020	LEICA CLIN.PATH. MICROSCOPE WI
810300000021	CAMERA, COLOR, SONY
810300000022	INCUBATOR, CO2 LARGE AIR JACKE
810300000023	SLIDE STAINER
810300000025	INCUBATOR, CO2 LARGE AIR JACKE
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000026	COMPUTER DC7800 CMT HP
810300000028	DI WATER SYSTEM
910300000030	AEROSPRAY GRAM SLIDE STAINER C
910300000032	CATALYST LINE CARD 48 PORT 450
910300000034	CONSTRUCTION MICROBIOLOGY LAB
1010300000035	OSMOMETER AUTOMATIC SNGL-SAMPL
1010300000036	VIDEO CONFERENCING EQUIPMENT
1010300000037	RENOVATE MICROBIOLOGY INTEGRAT
1110300000049	INCUBATOR CO2 LARGE AIR JACKET

Schedule 4.2(b)
WPAHS Parties' Required Approvals and Notices to Governmental Authorities

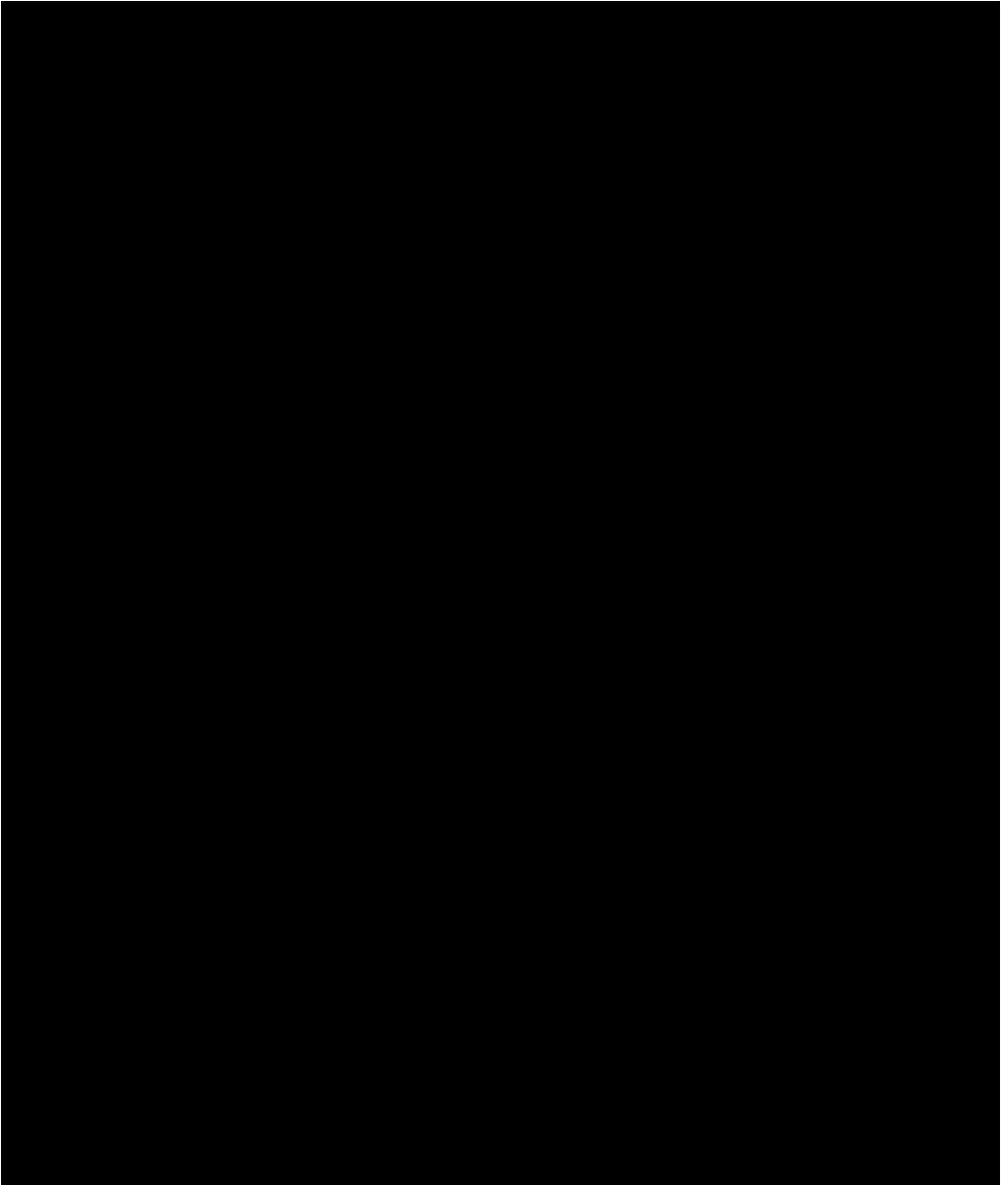


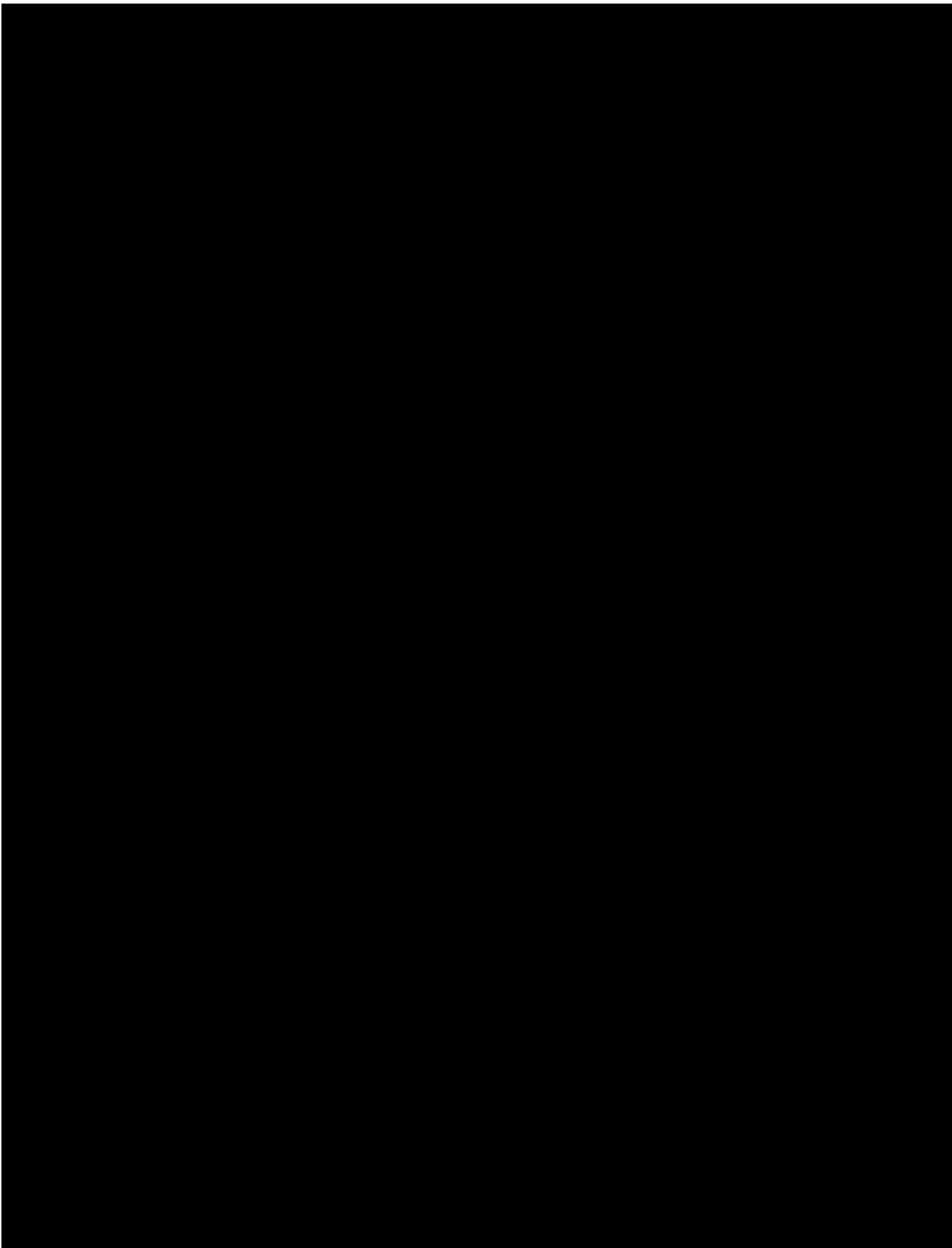


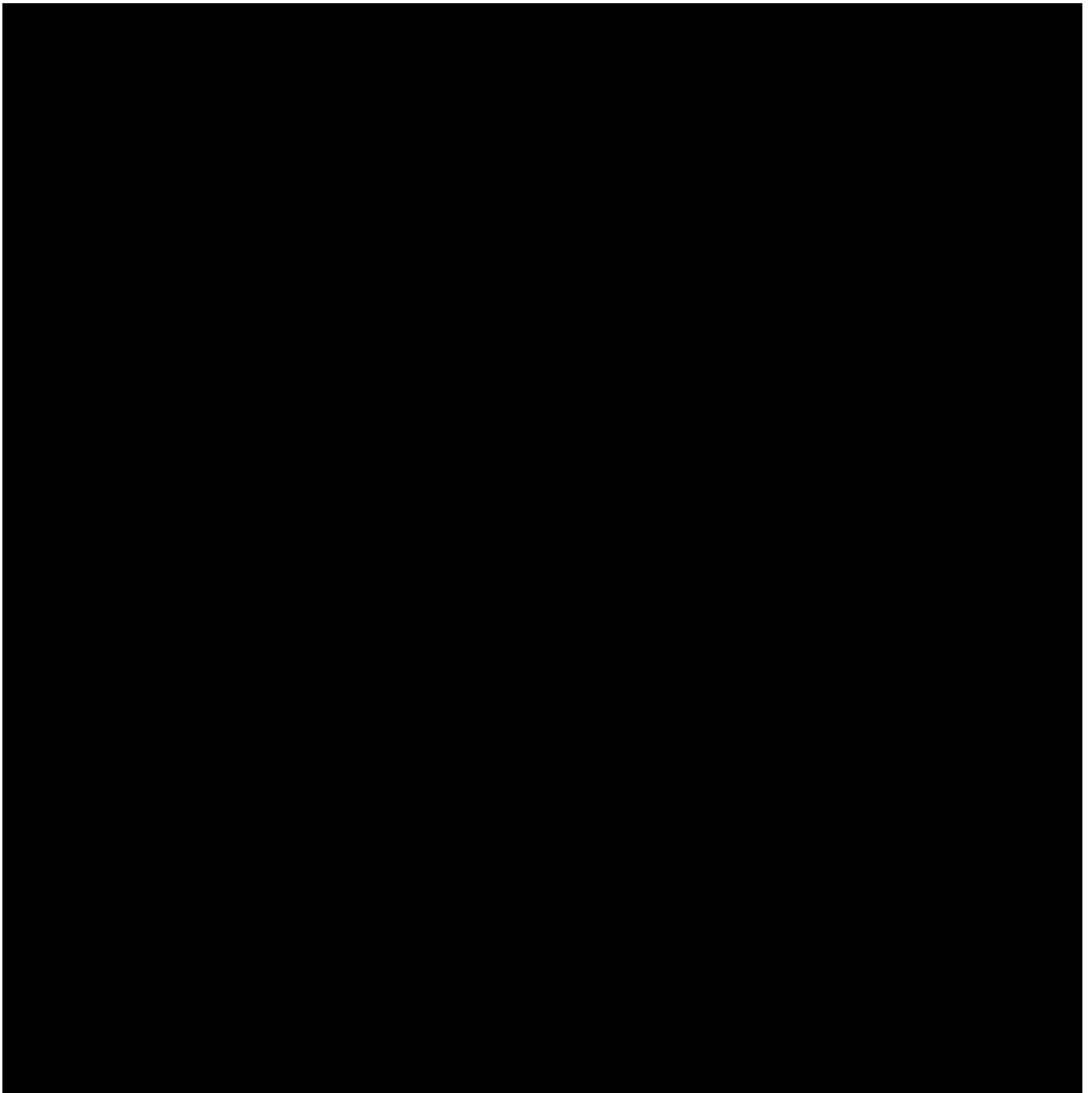




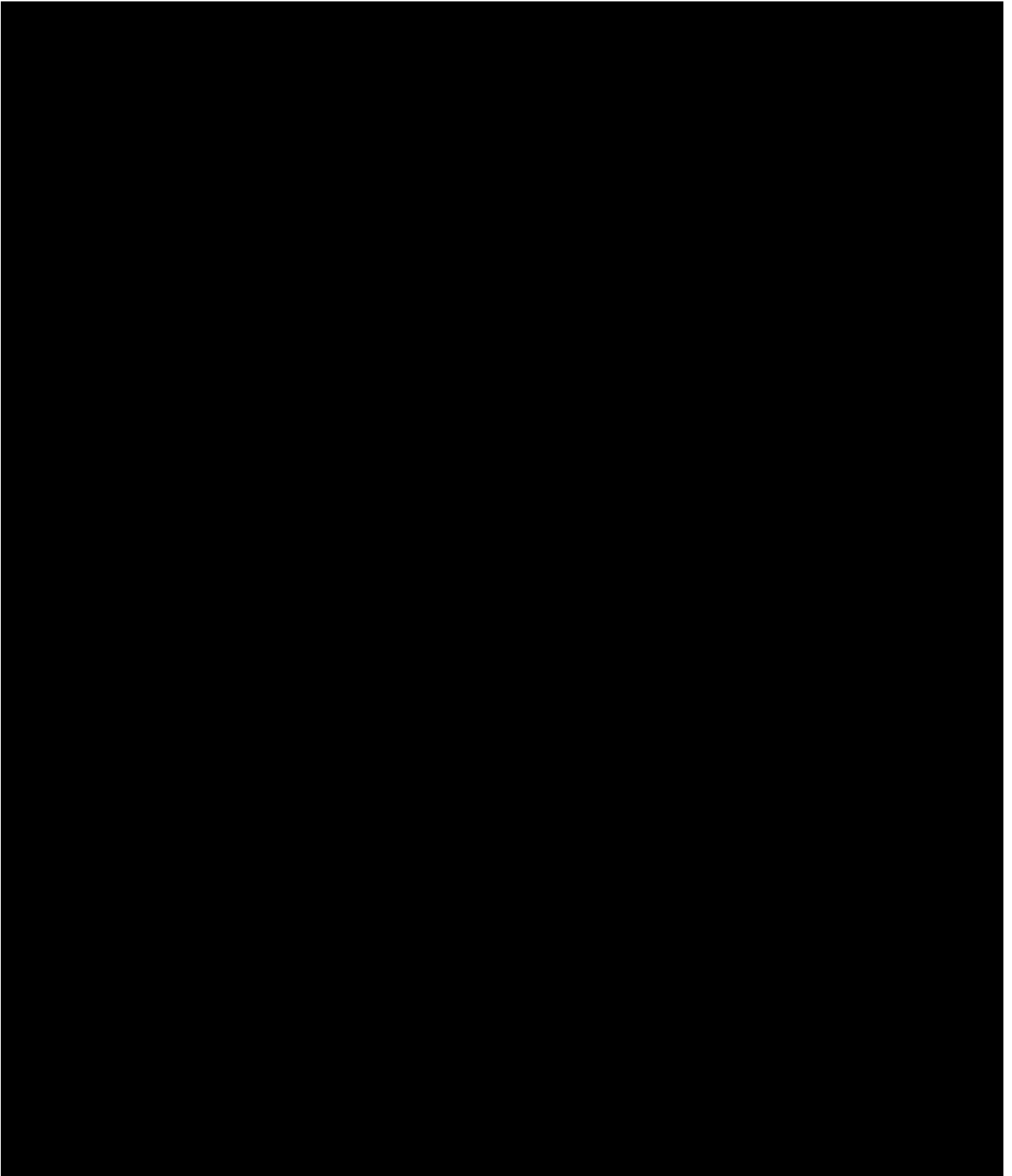
Schedule 4.2(c)
WPAHS Parties' Contractual Consents

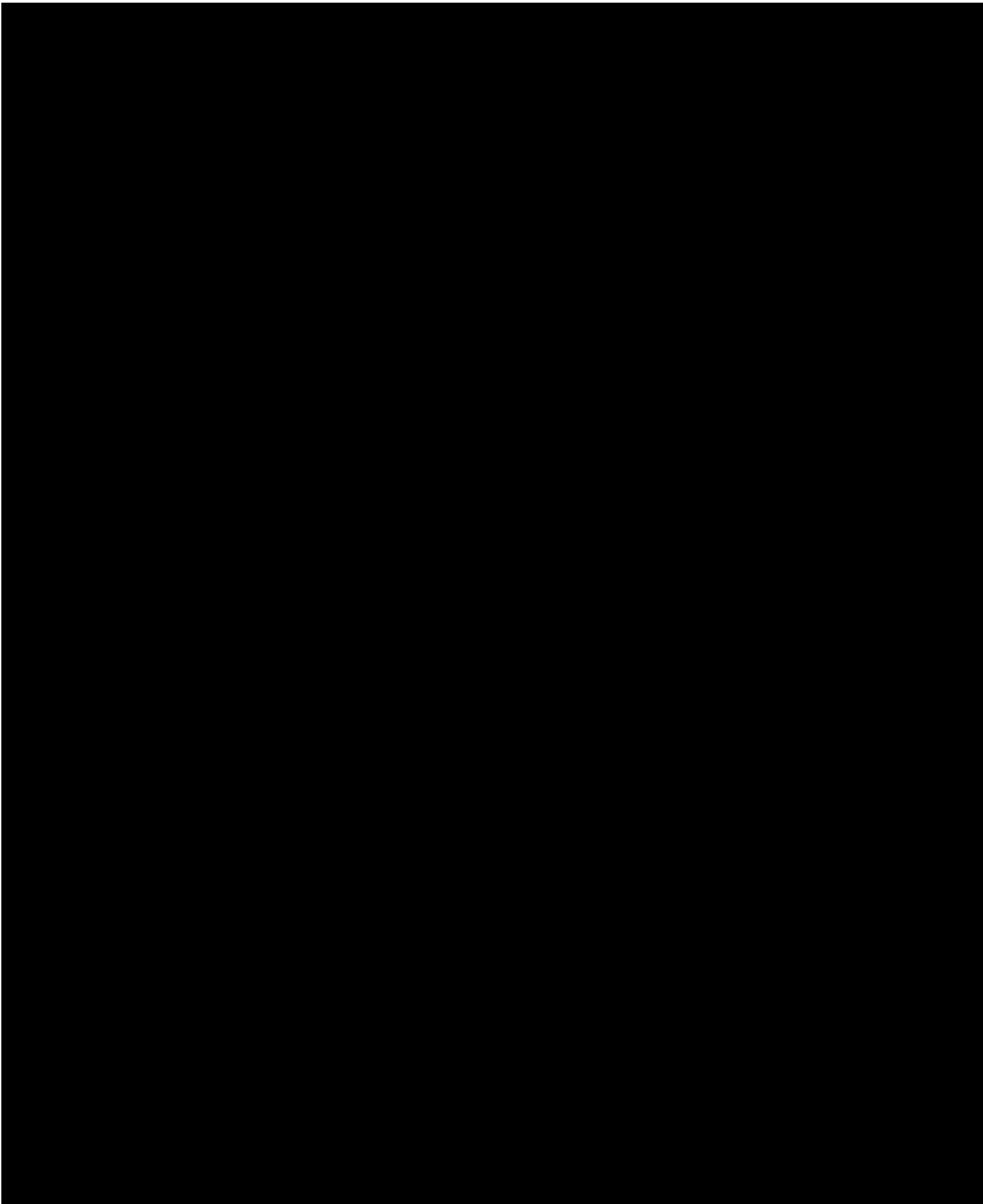




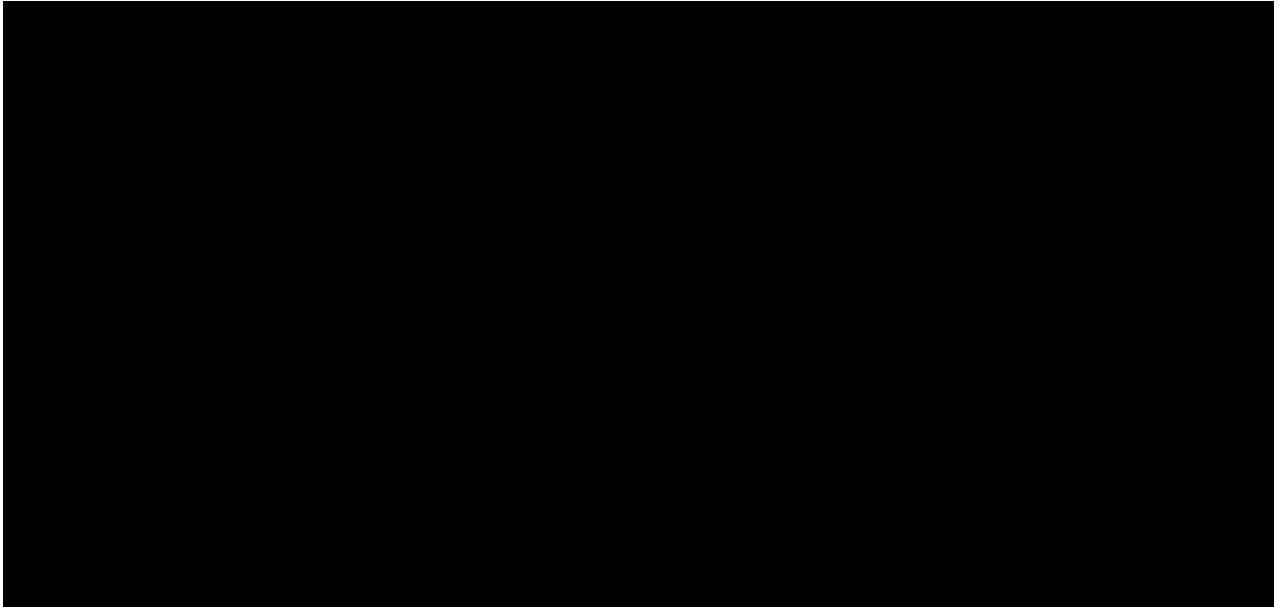


Schedule 4.3
WPAHS Parties' Equity, Membership, or Similar Interests





Schedule 4.4
WPAHS Parties' Third Party Rights



Schedule 4.5
Properties Owned, Leased or Operated by the WPAHS Parties

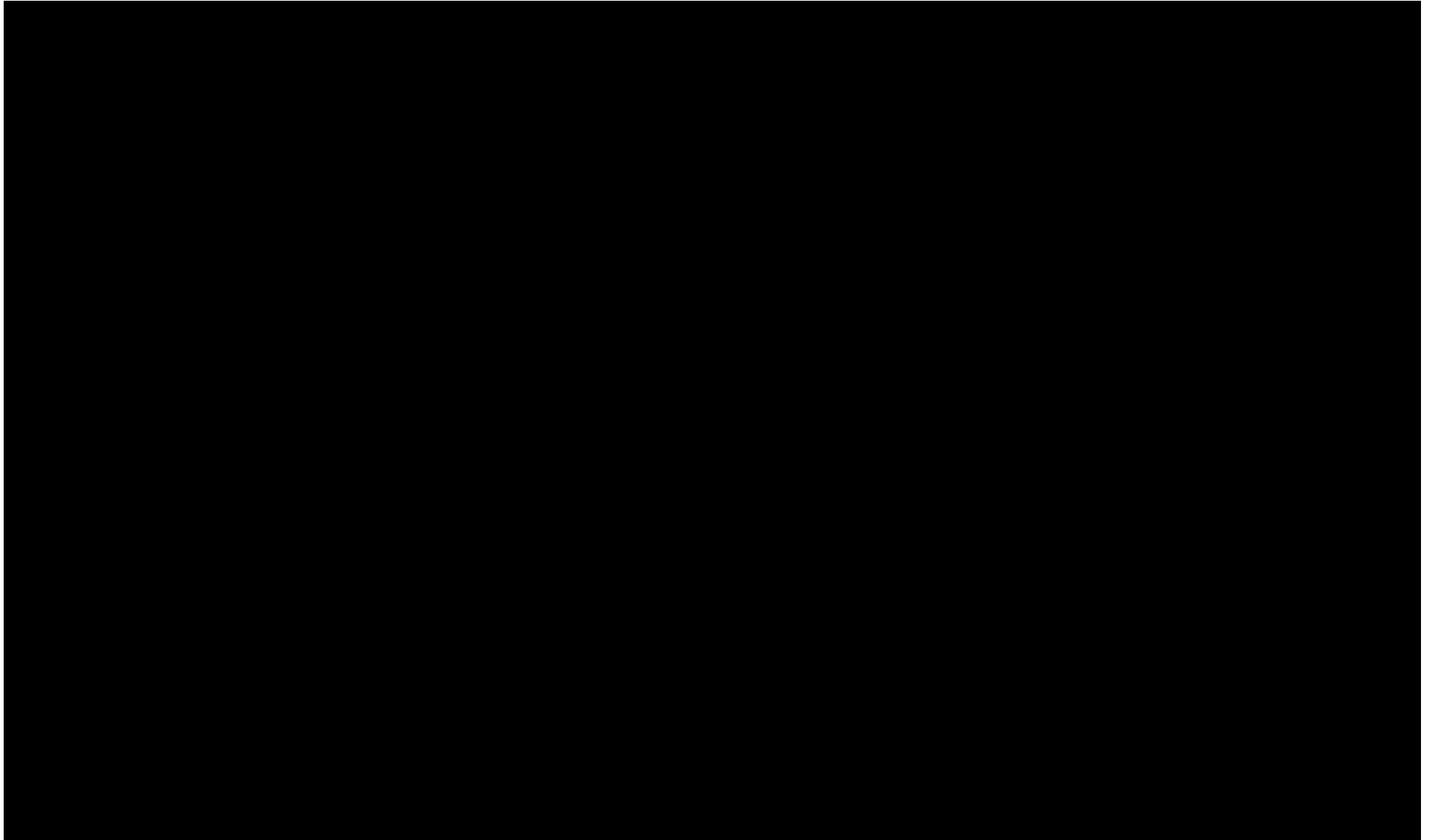
The following Schedules are incorporated by reference into this Schedule 4.5:

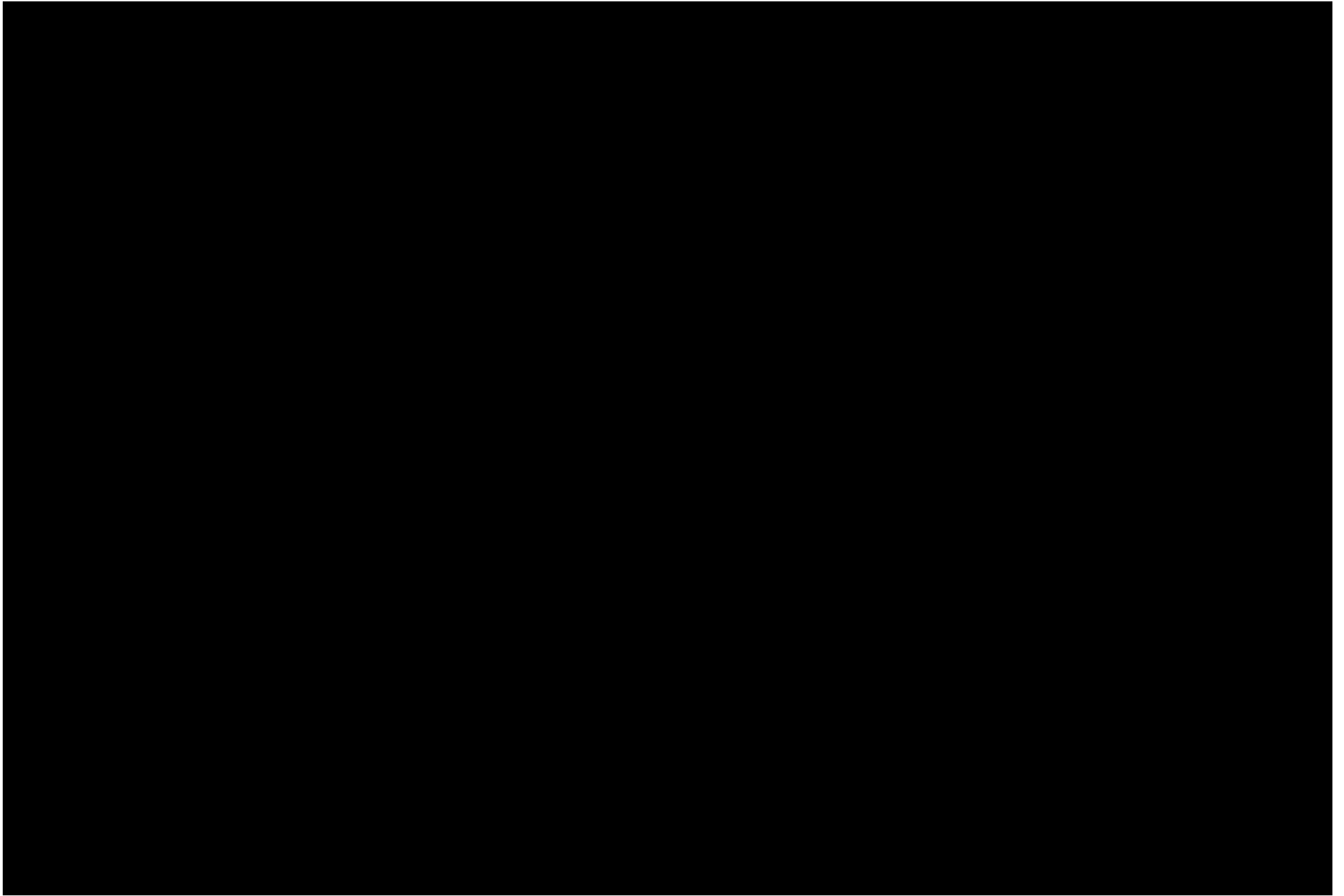
1. Schedule 4.18(a)
2. Schedule 4.18(b)
3. Schedule 4.18(c)

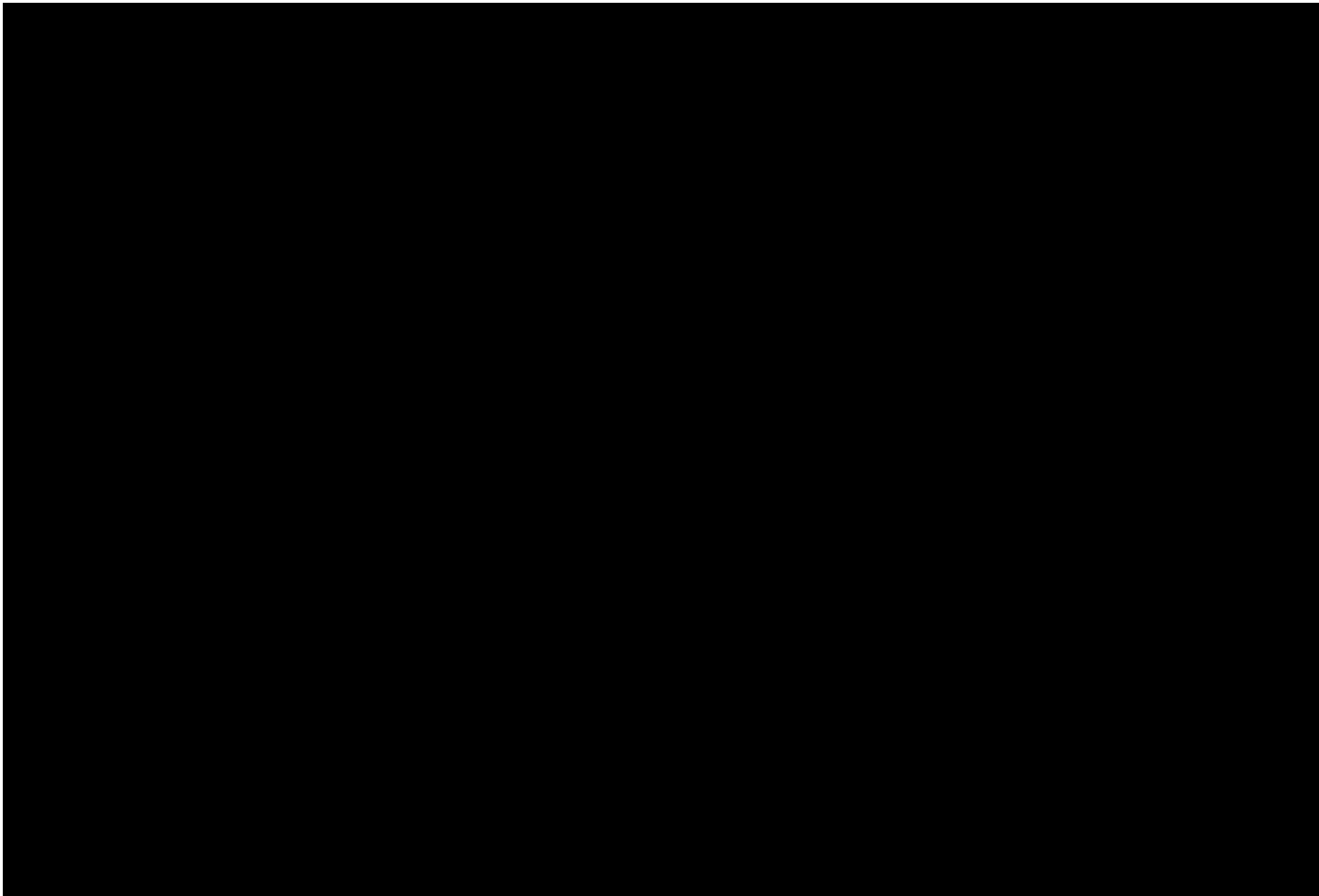
Schedule 4.7(b)
WPAHS Parties' Changes in Accounting Policy or Methodology

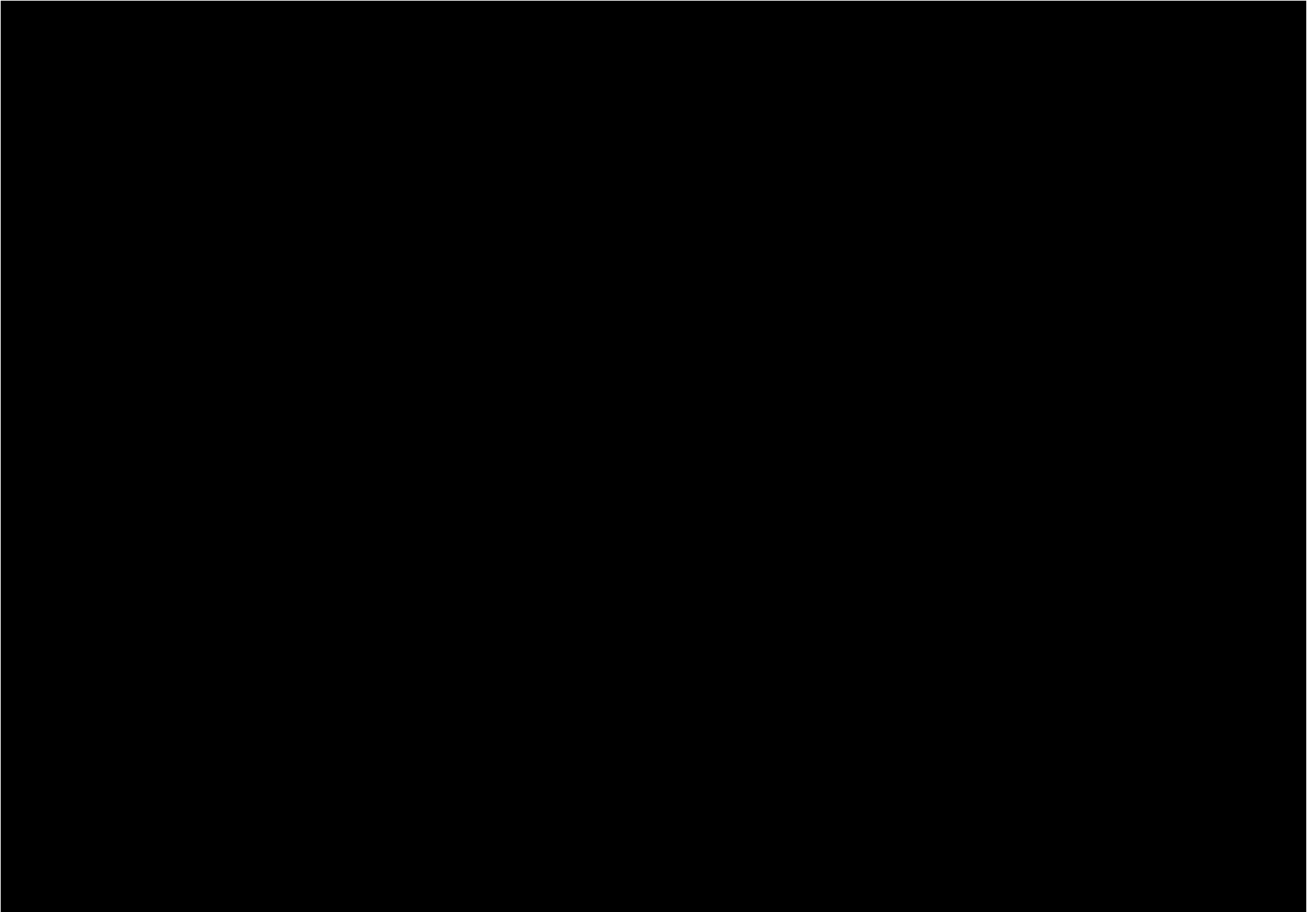
Based on the matter reviewed by the U.S. Securities and Exchange Commission in 2008, WPAHS transitioned the calculation of the system's accounts receivable from an income statement approach to a balance sheet approach while also implementing a MedAsset product called "Rapid Reserves," which is an application that automates the accurate recognition of reserves at month end and identifies excess and lost revenue by reconciling a facility's aged trial balance with MedAssets' Contract Manager module. The accounting methodology change was enacted in fiscal year 2008 and the implementation of Rapid Reserves occurred in fiscal year 2009 and is current practice to-date.

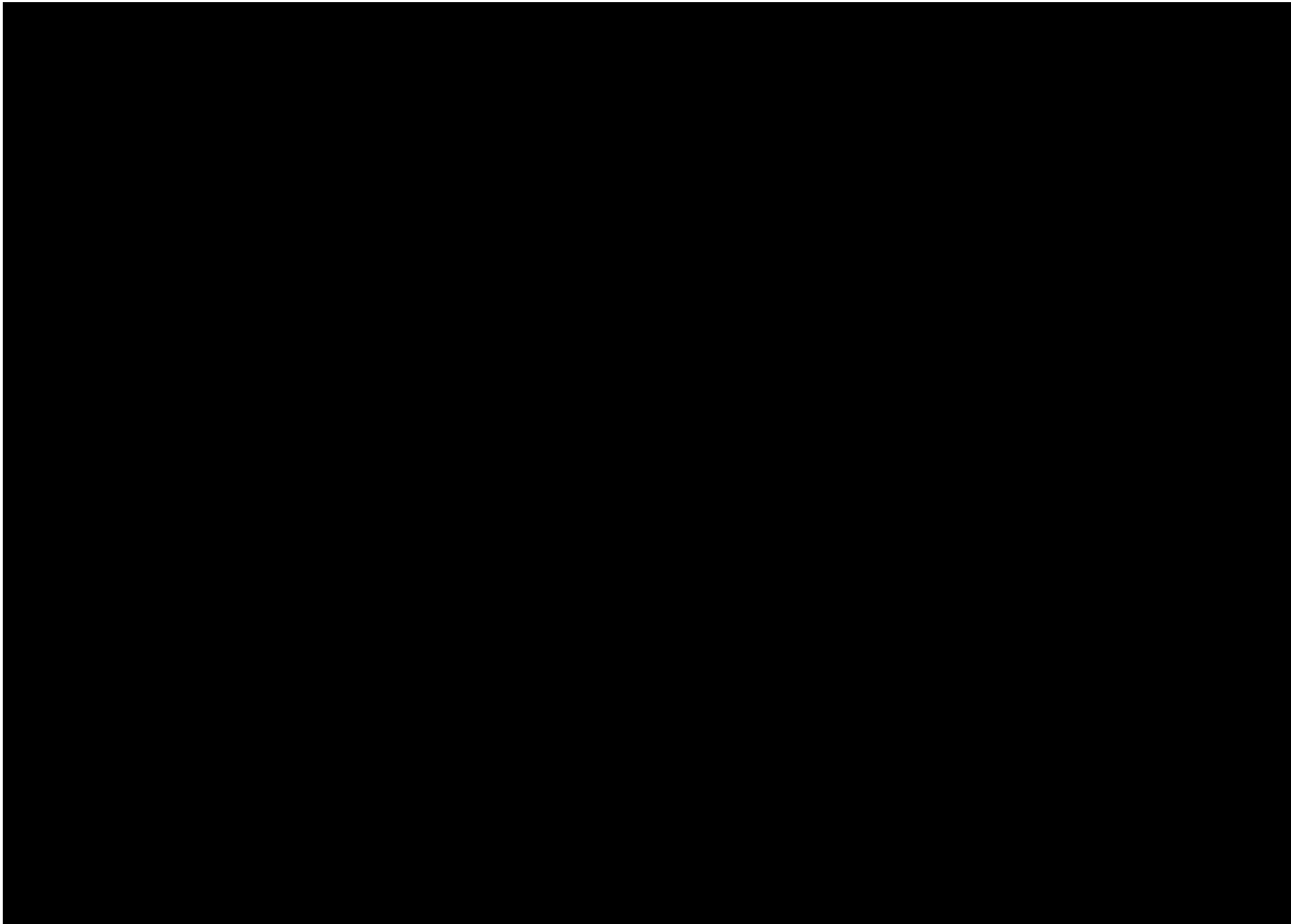
Schedule 4.8 (1of 2)
WPAHS Parties' Material Licenses and Permits

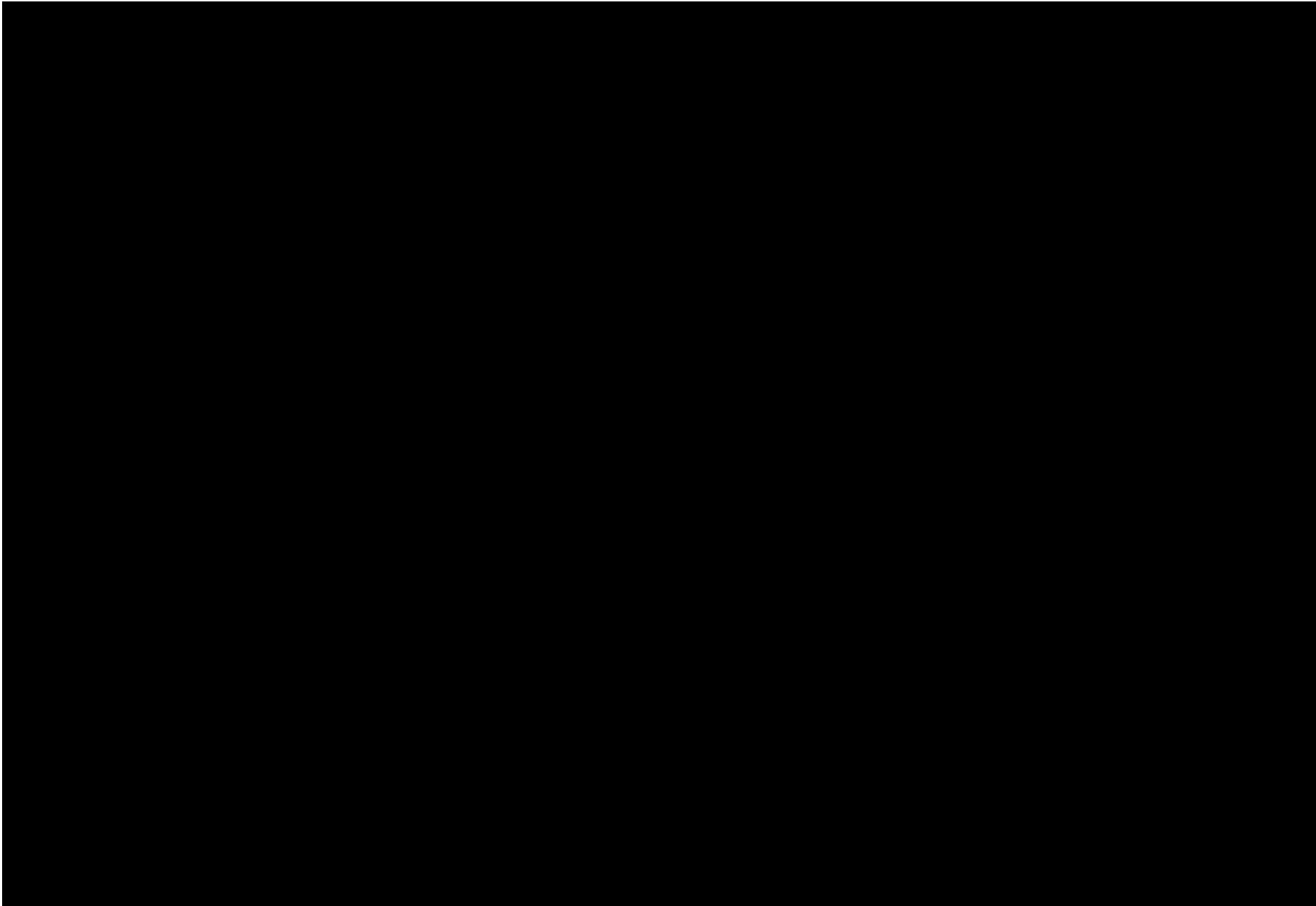


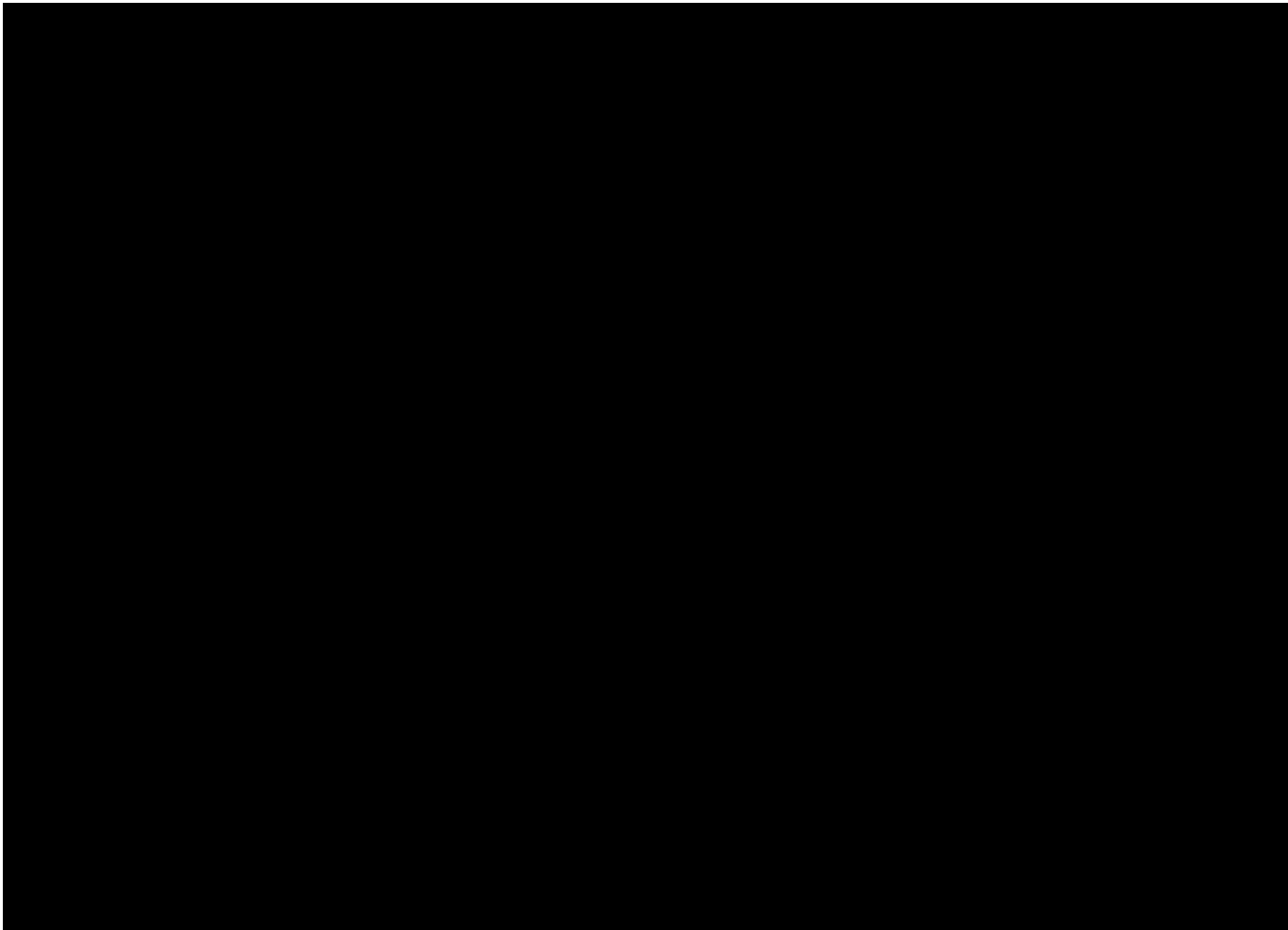


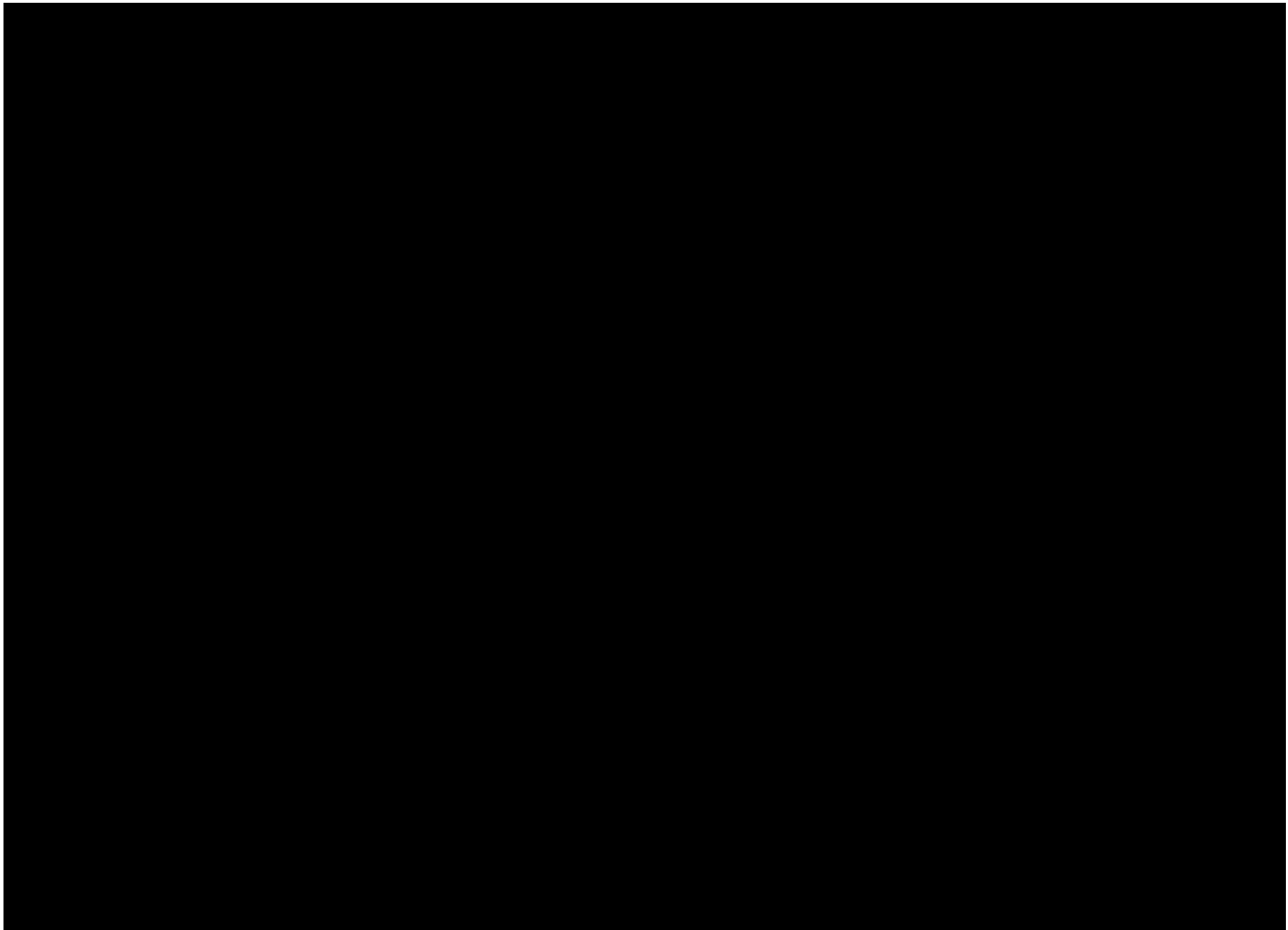


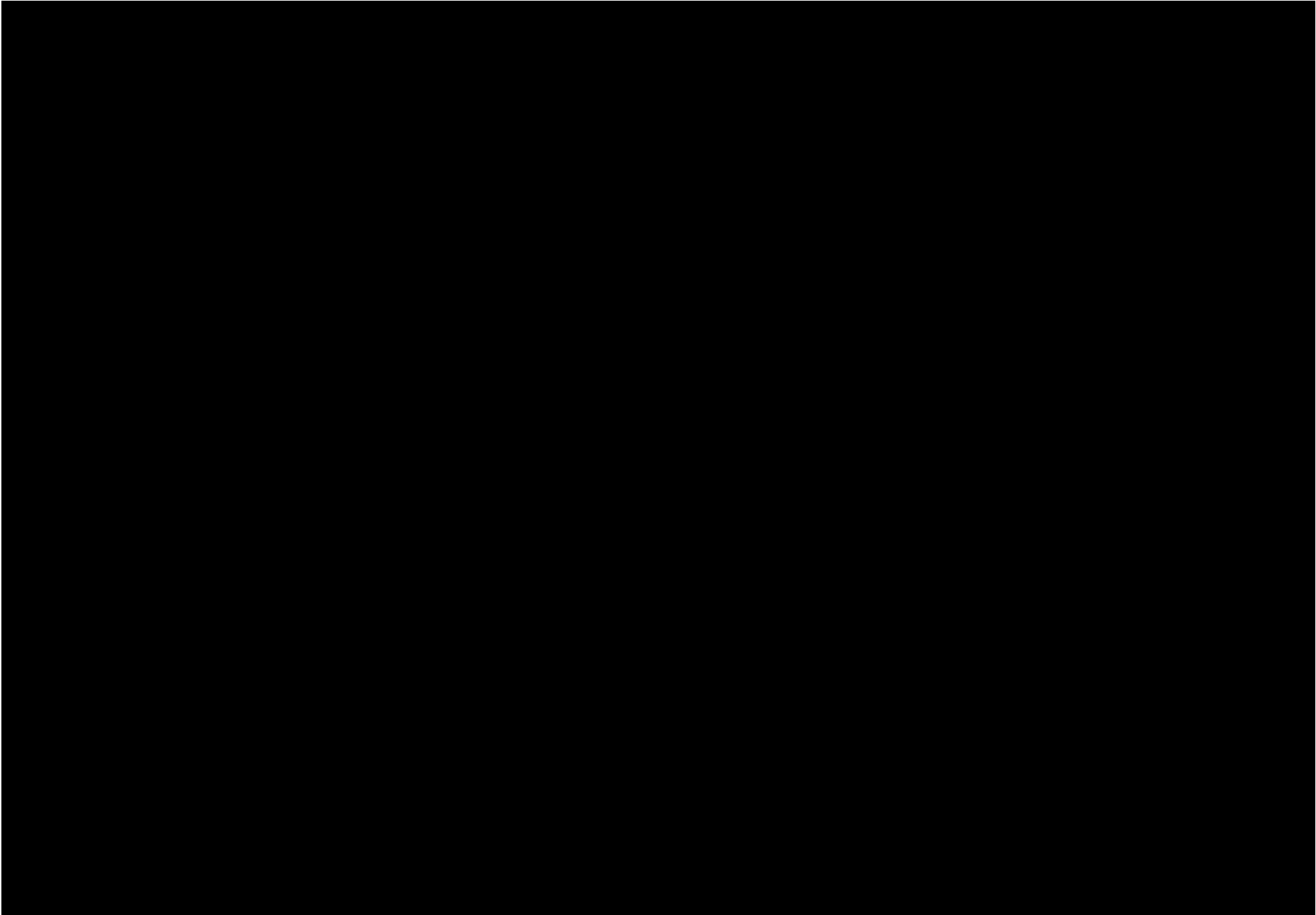


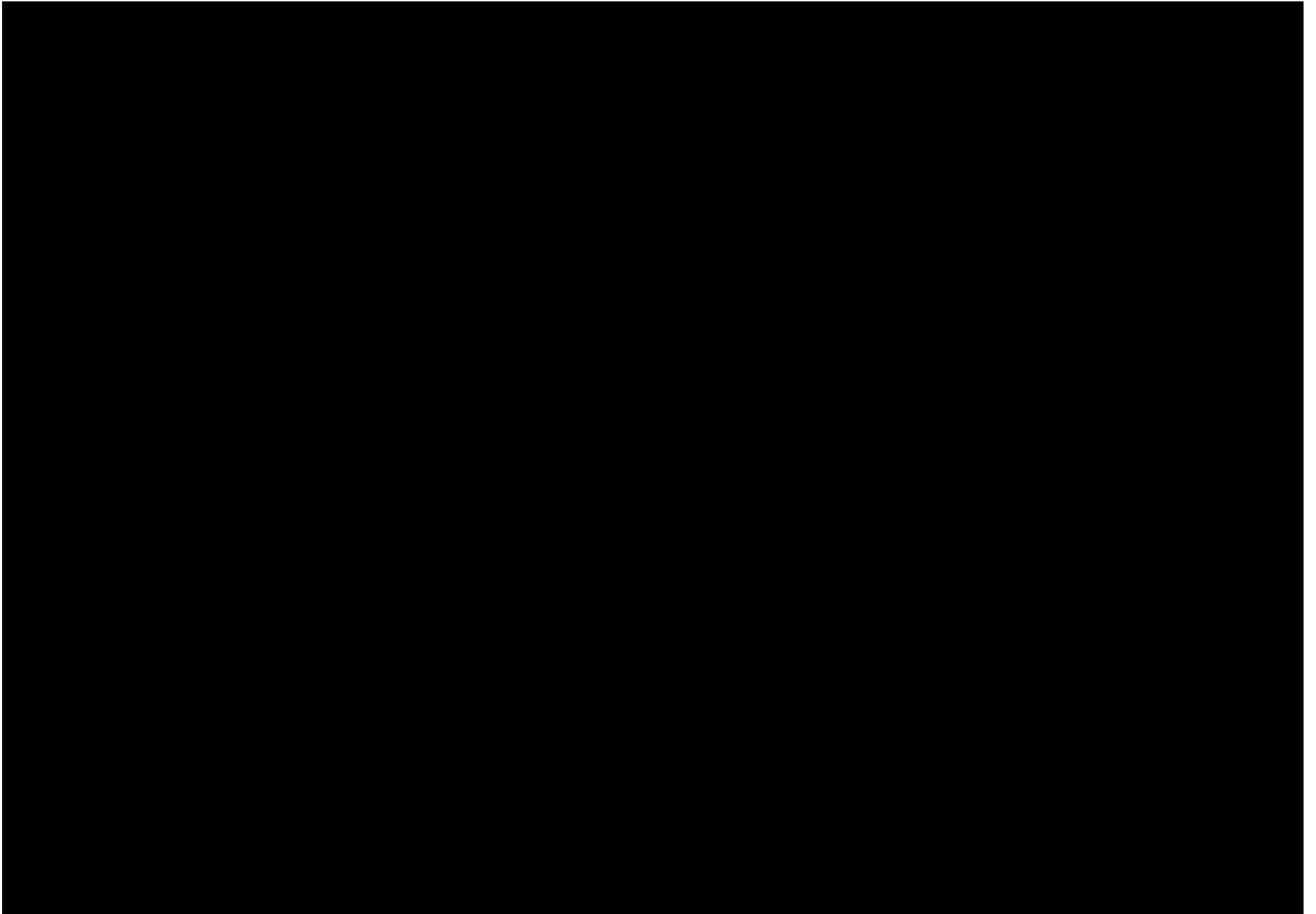


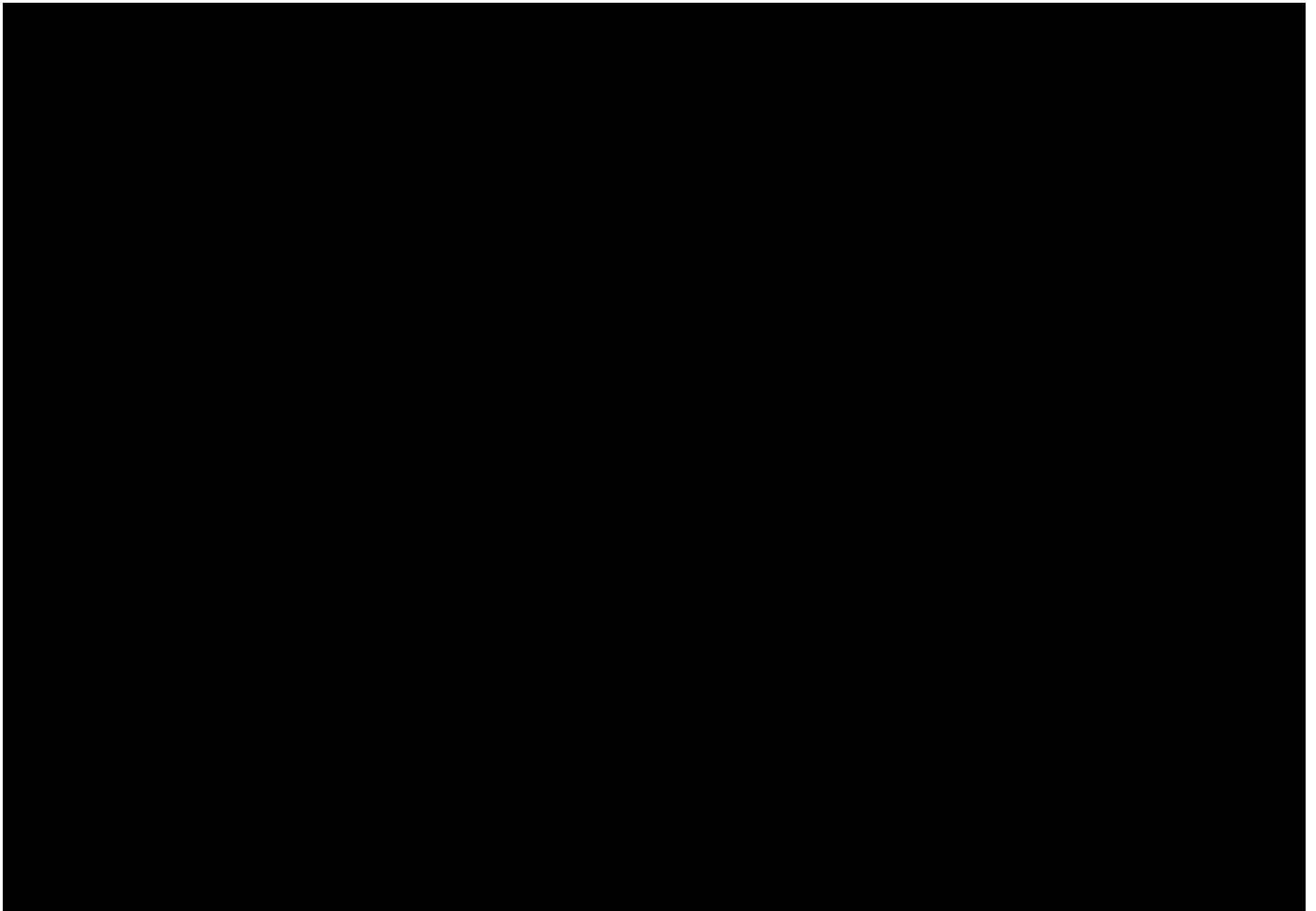


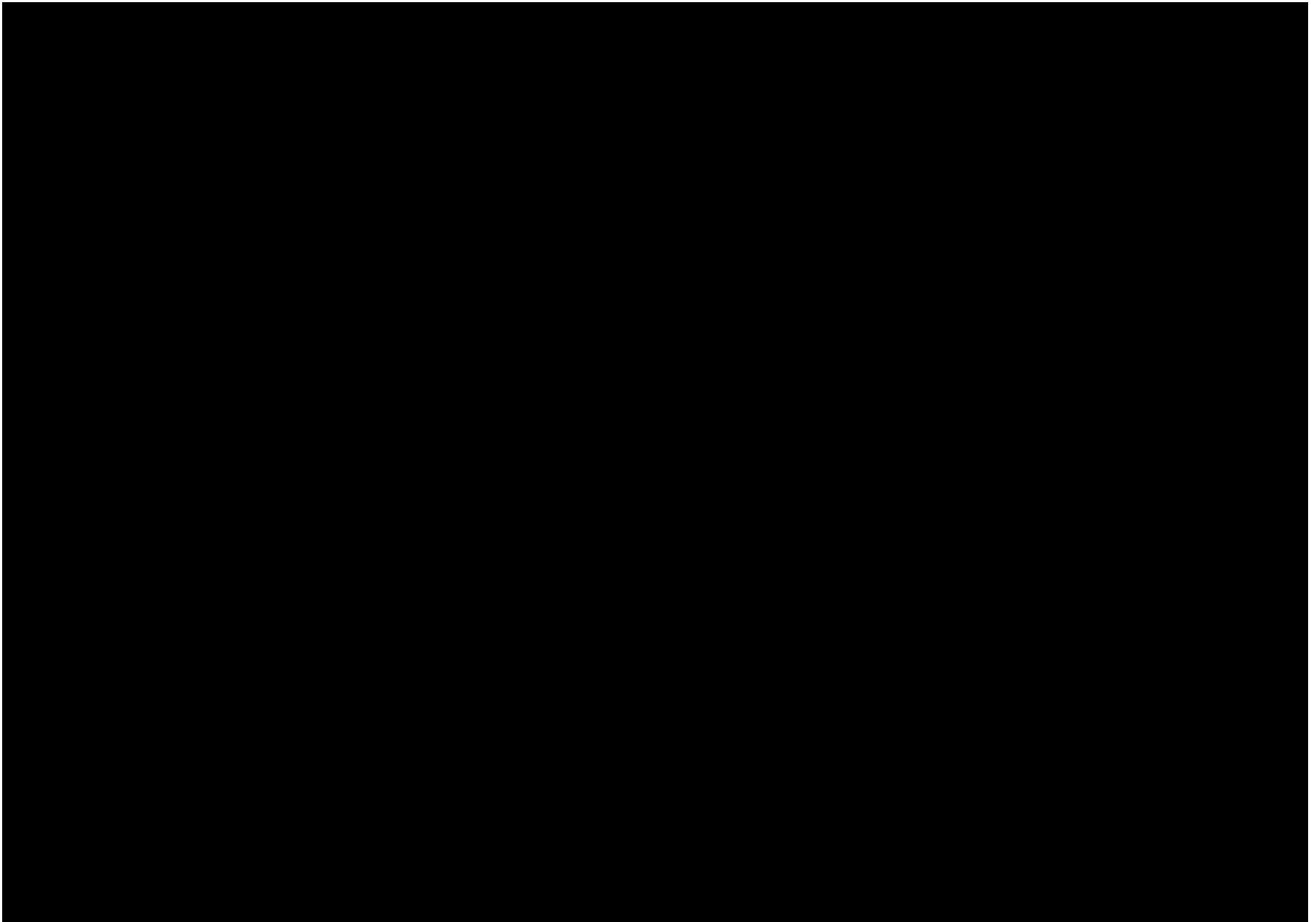


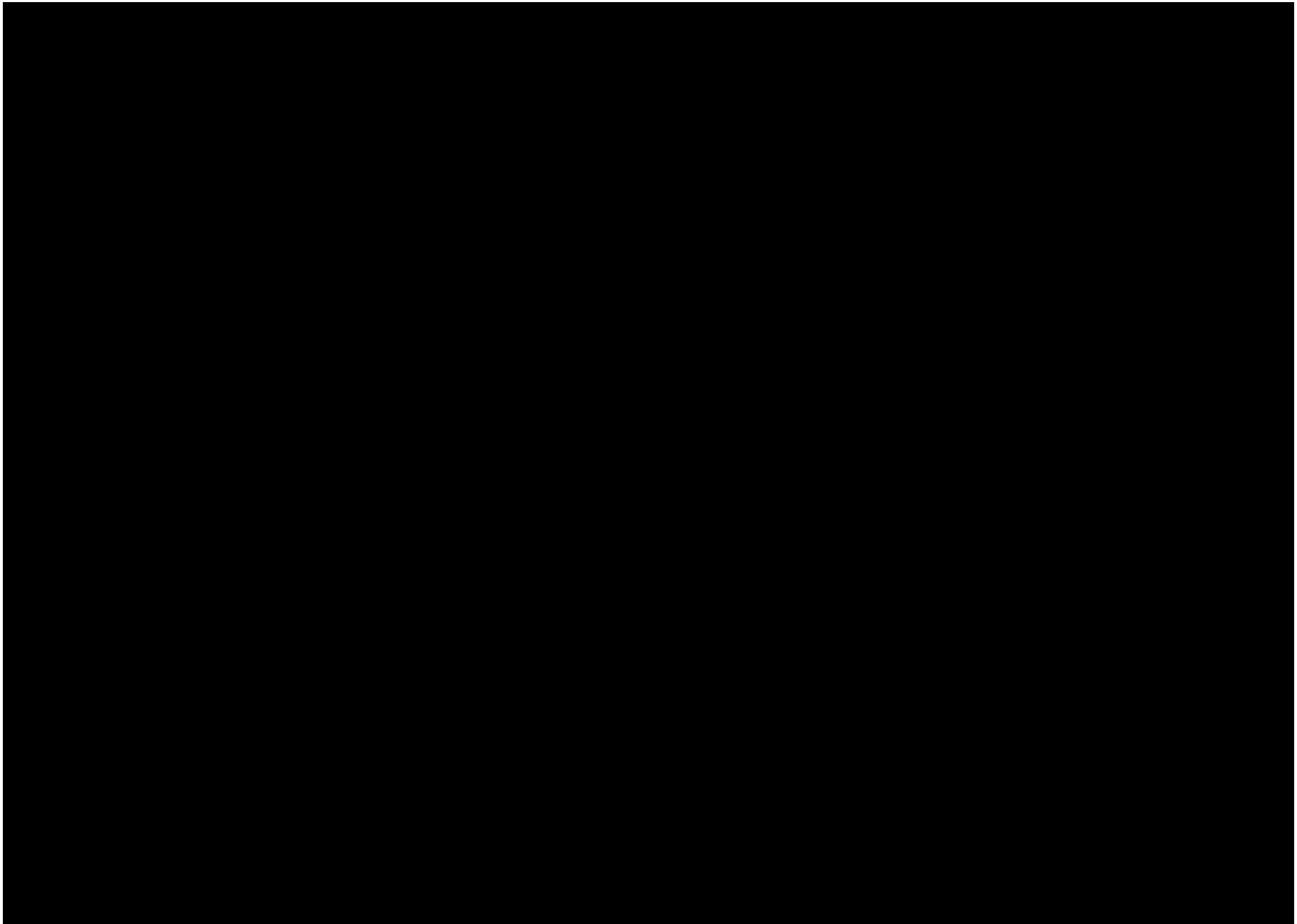


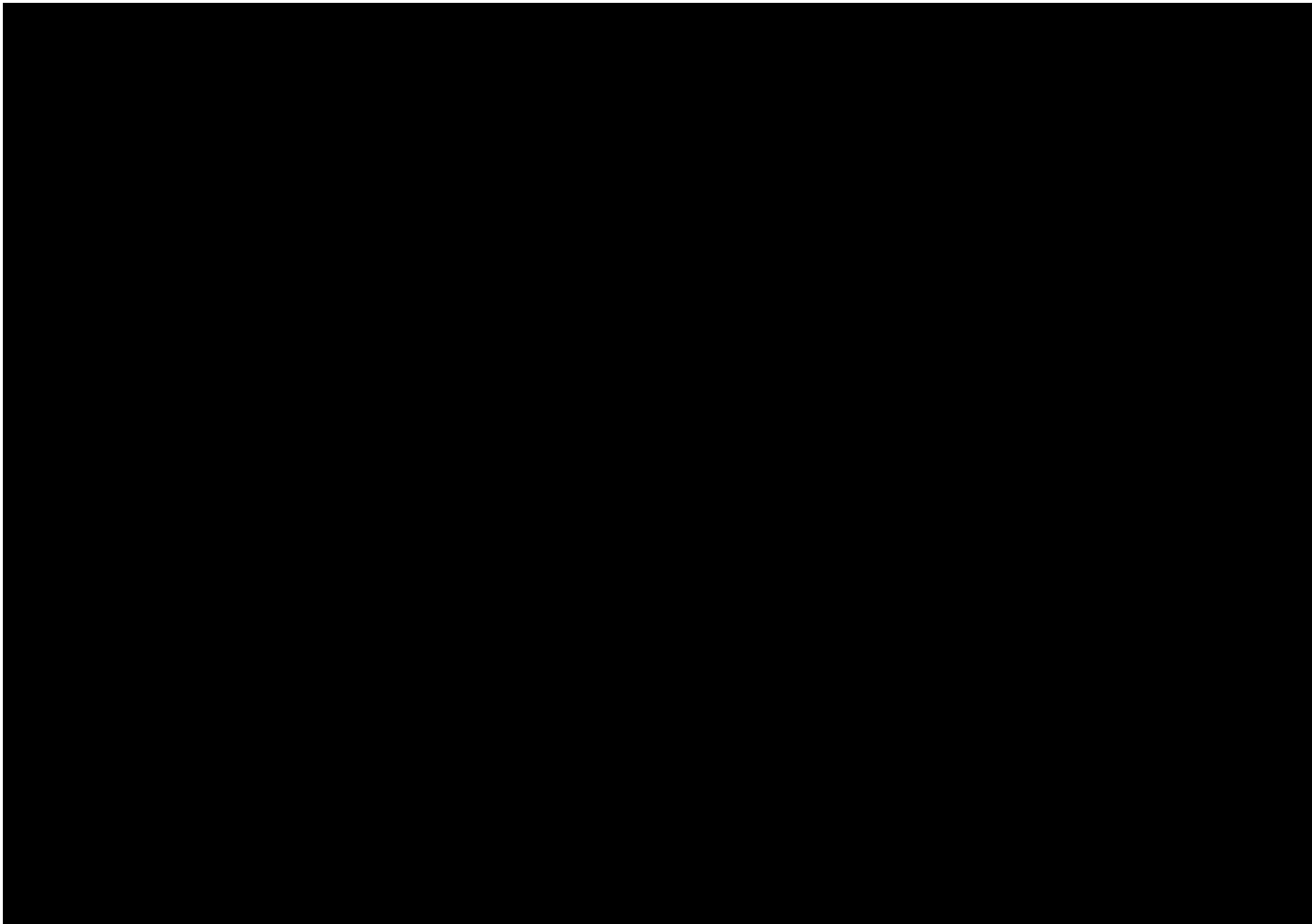


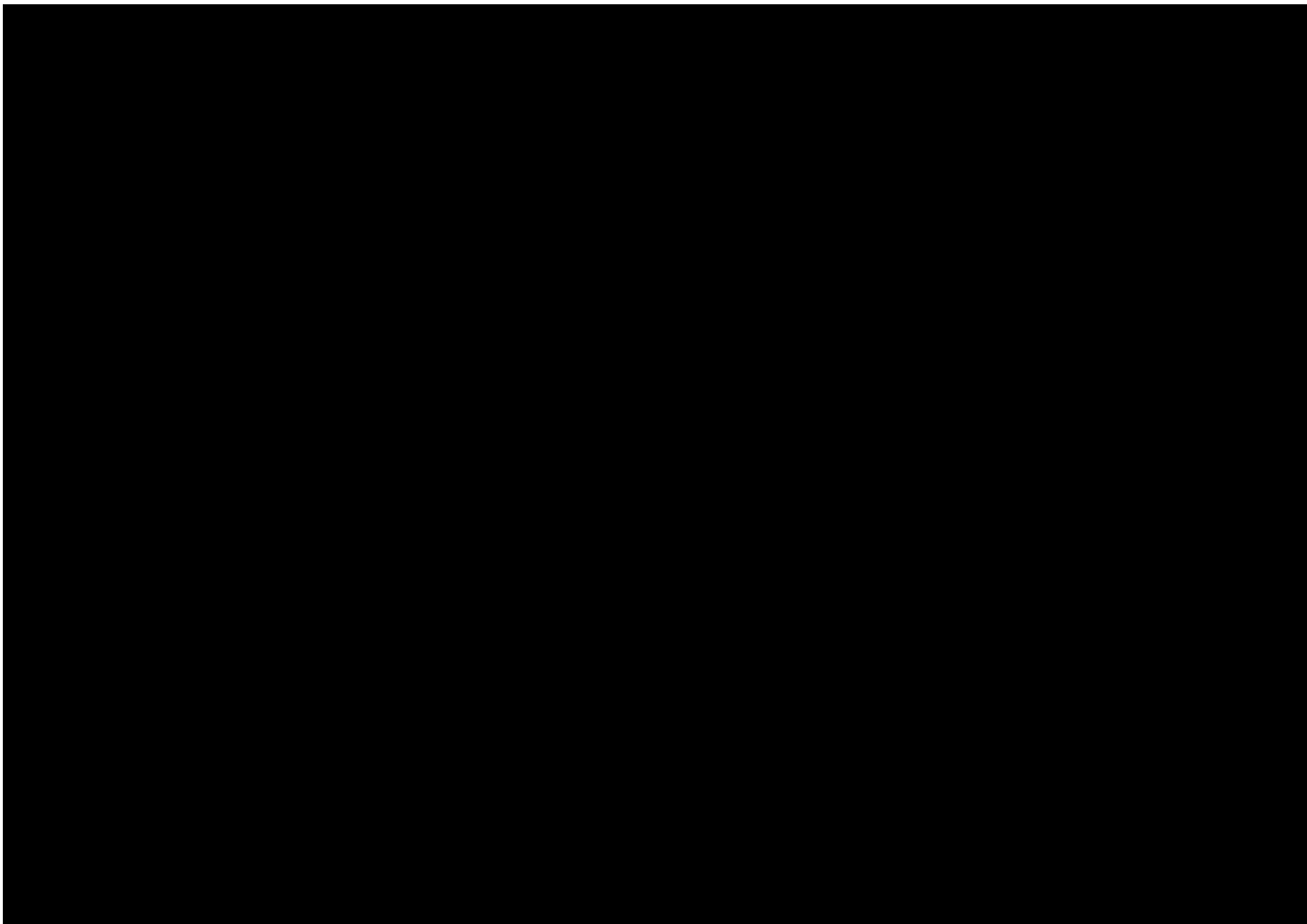


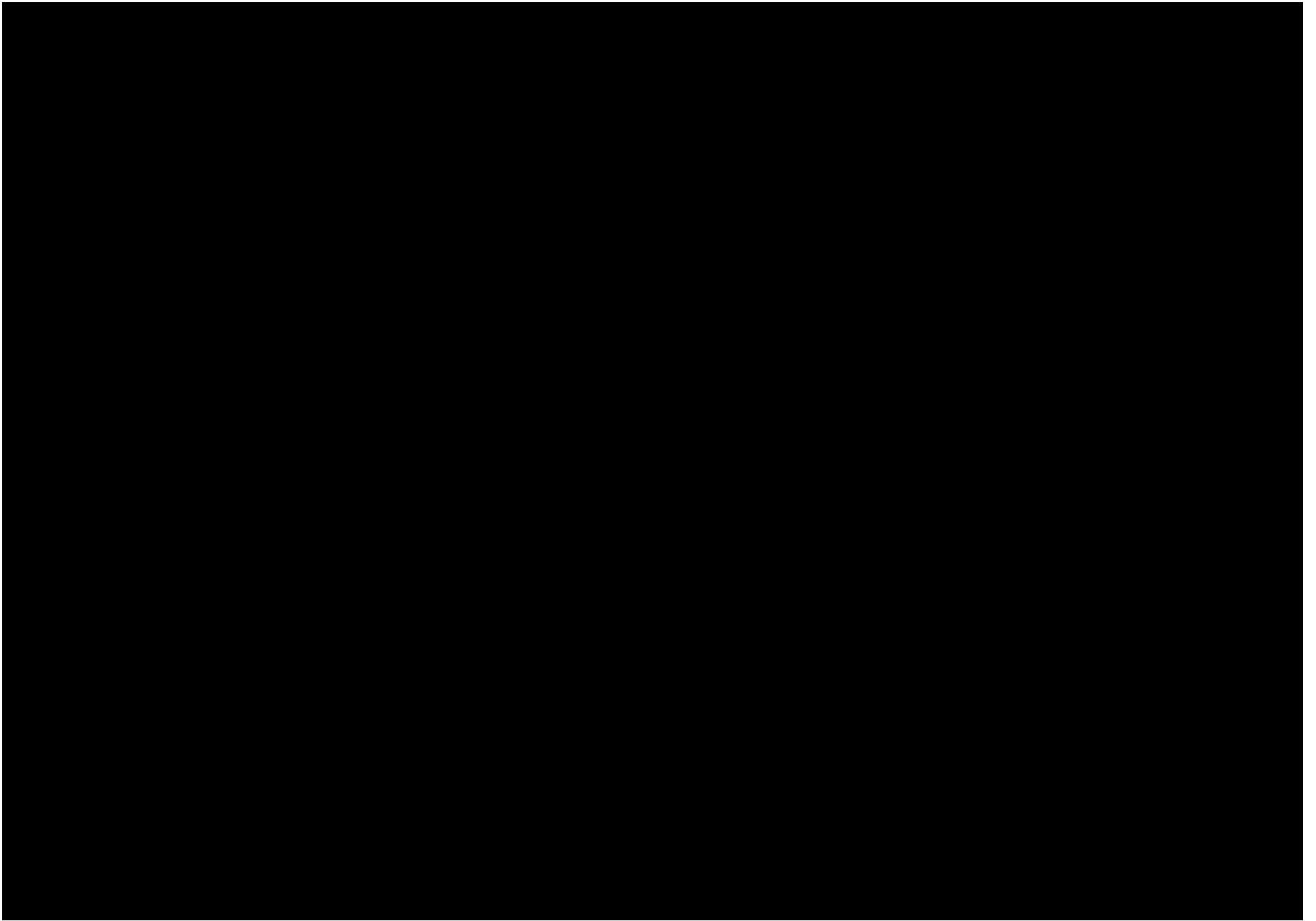


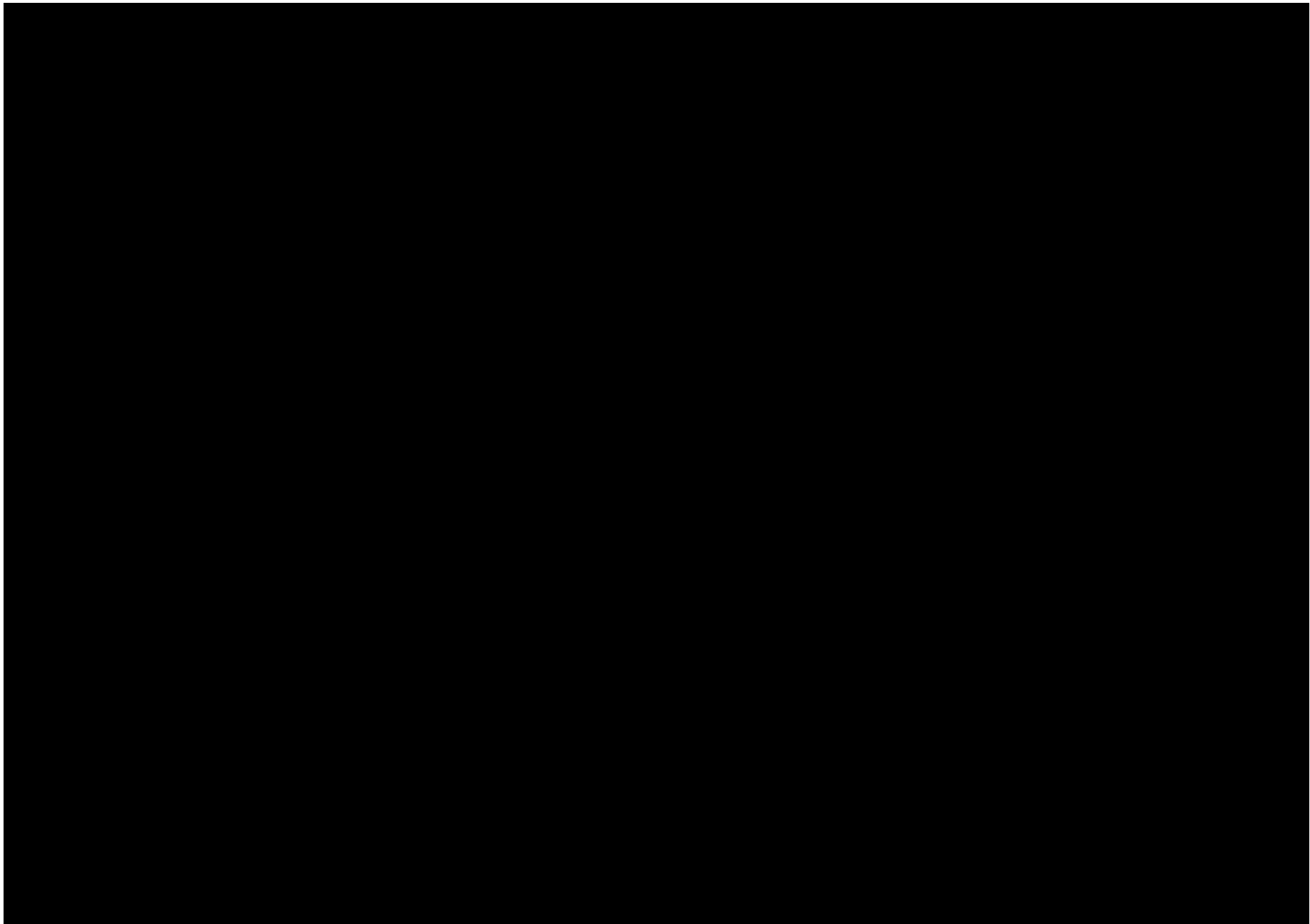




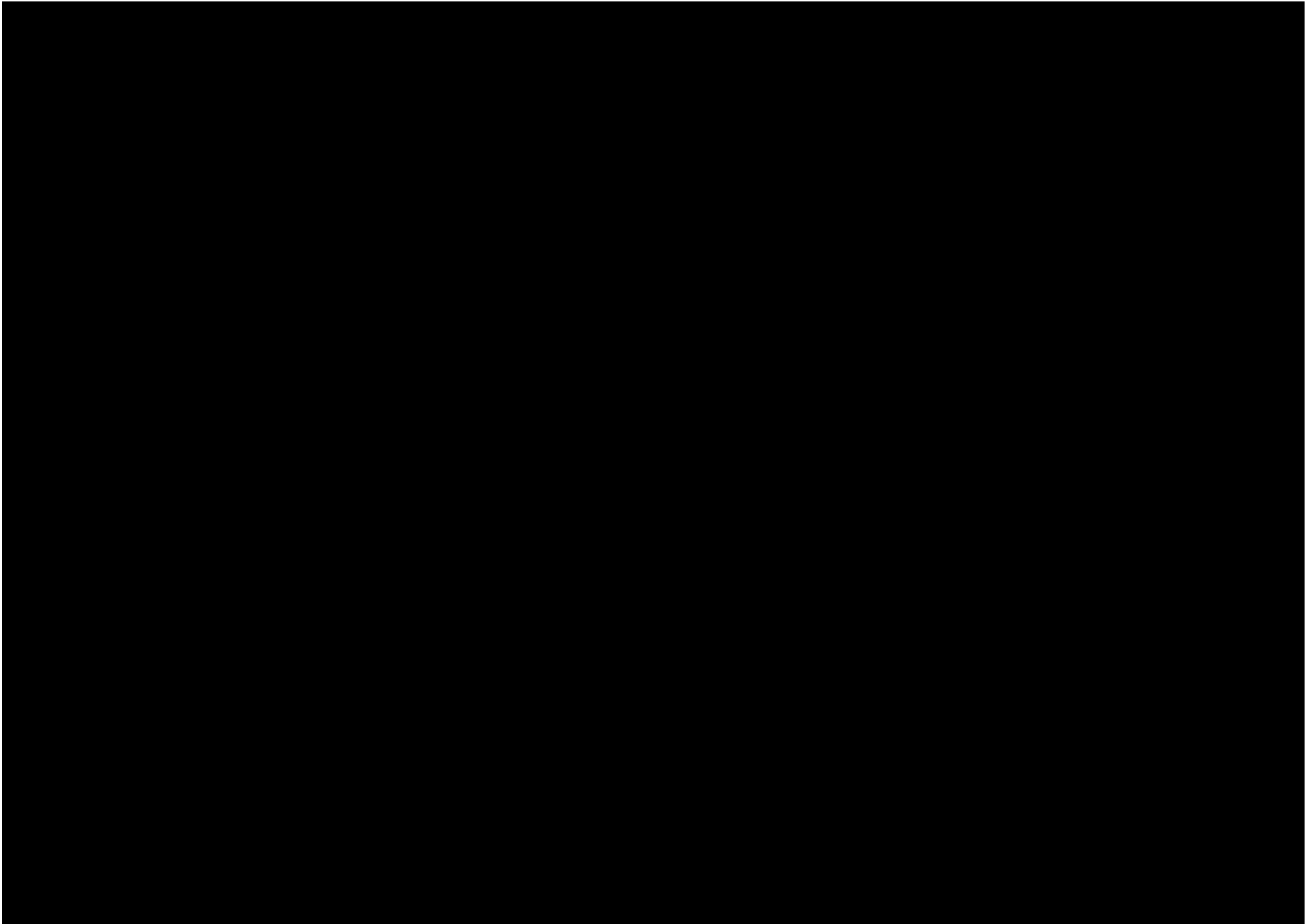


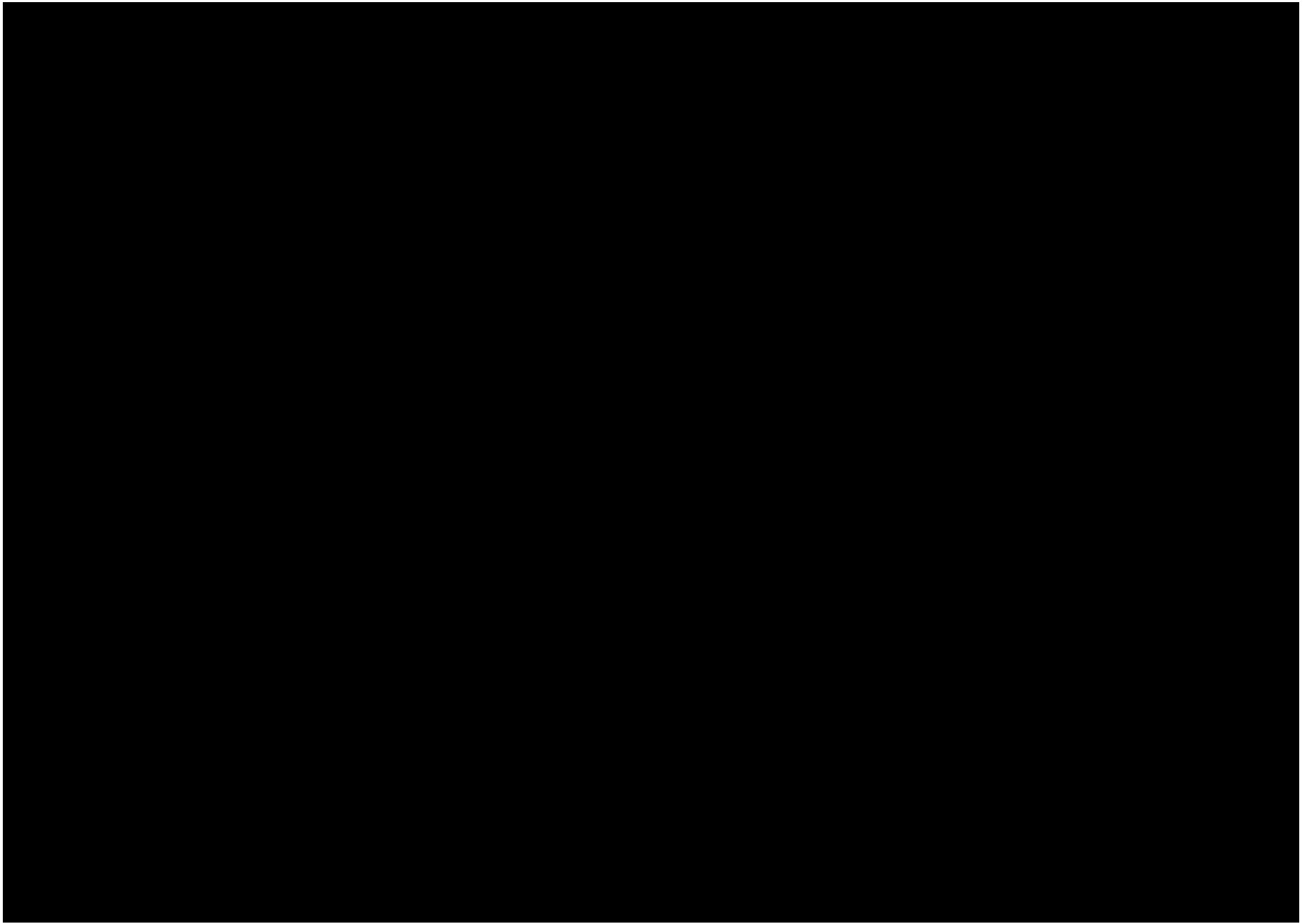


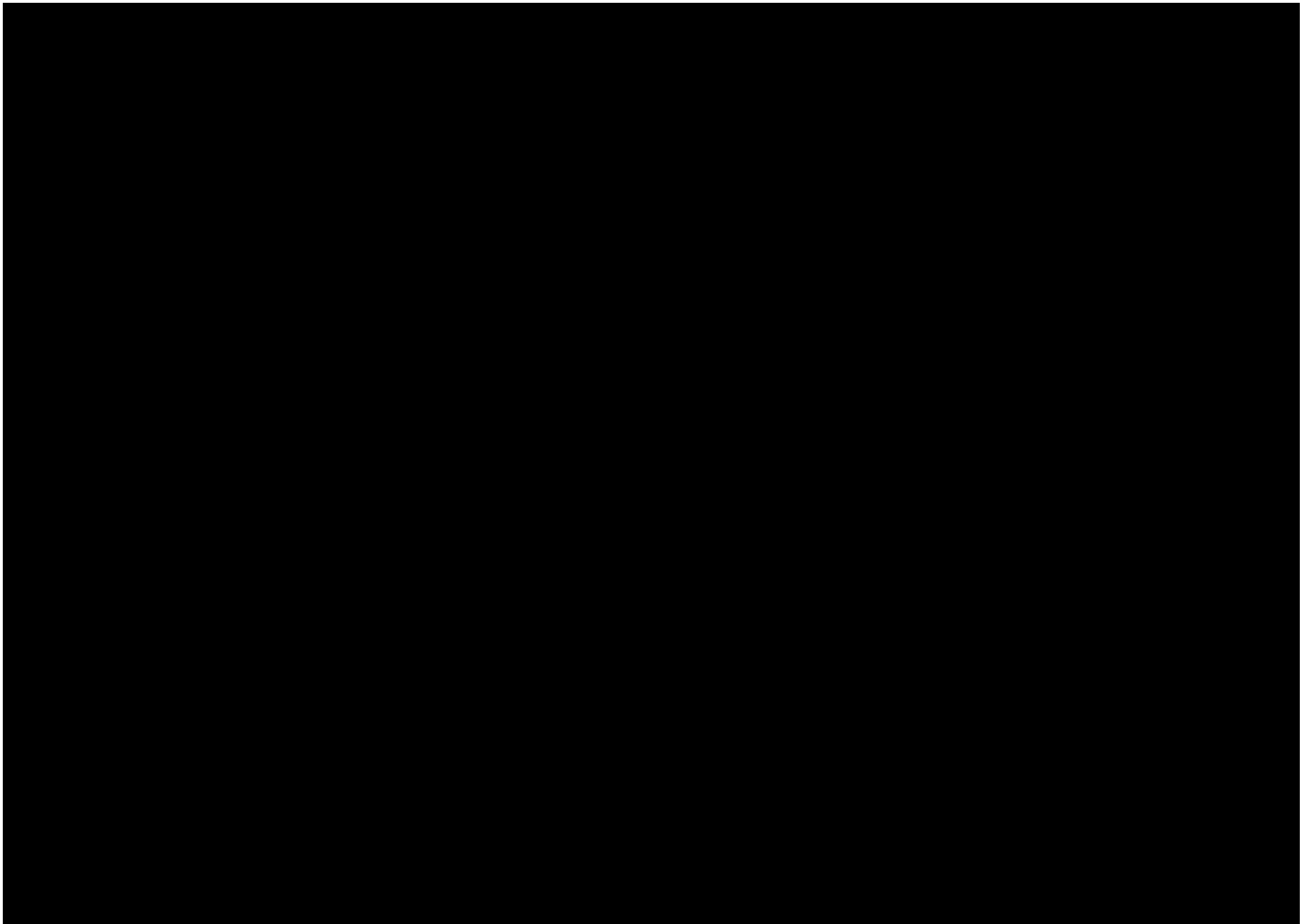


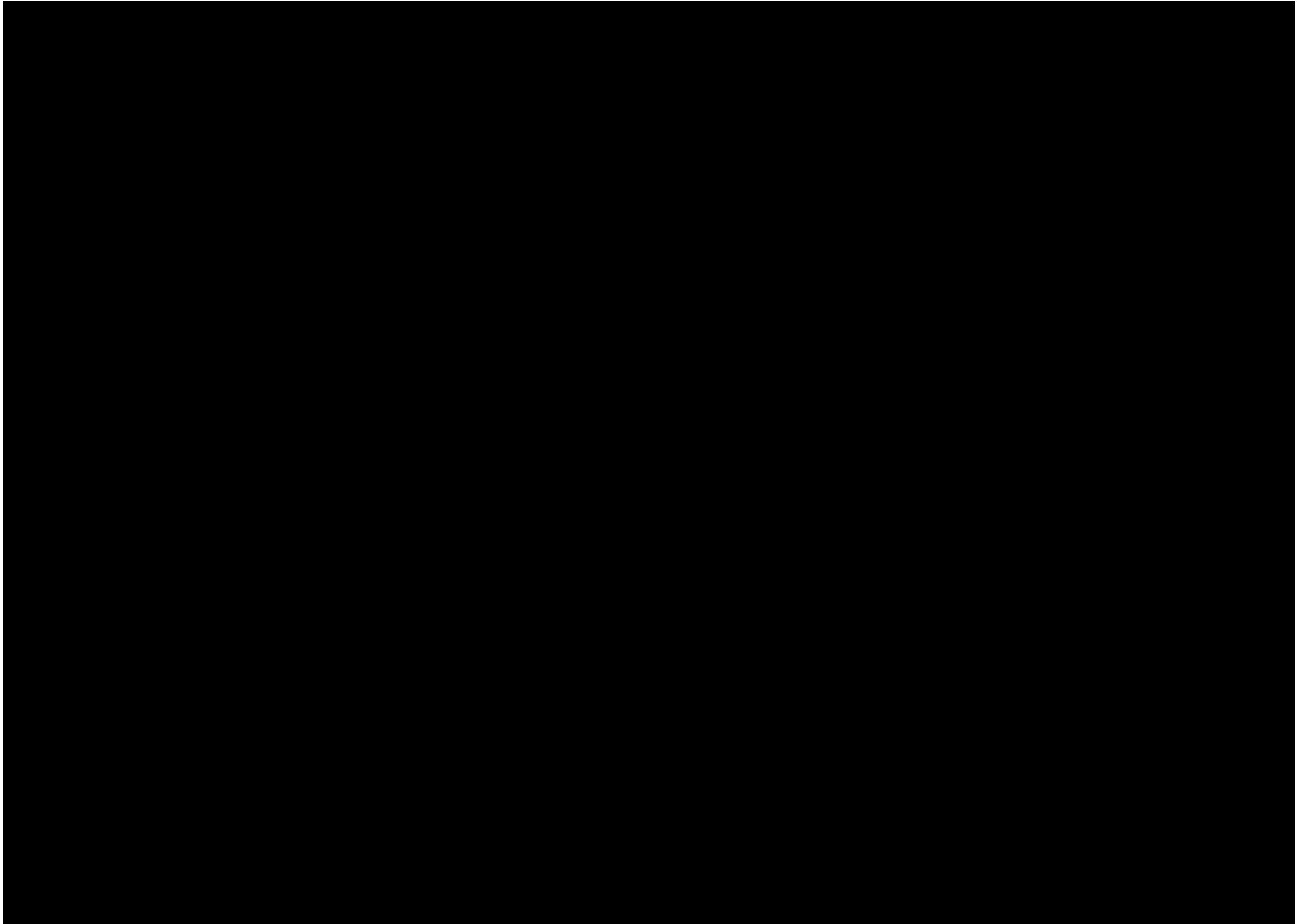


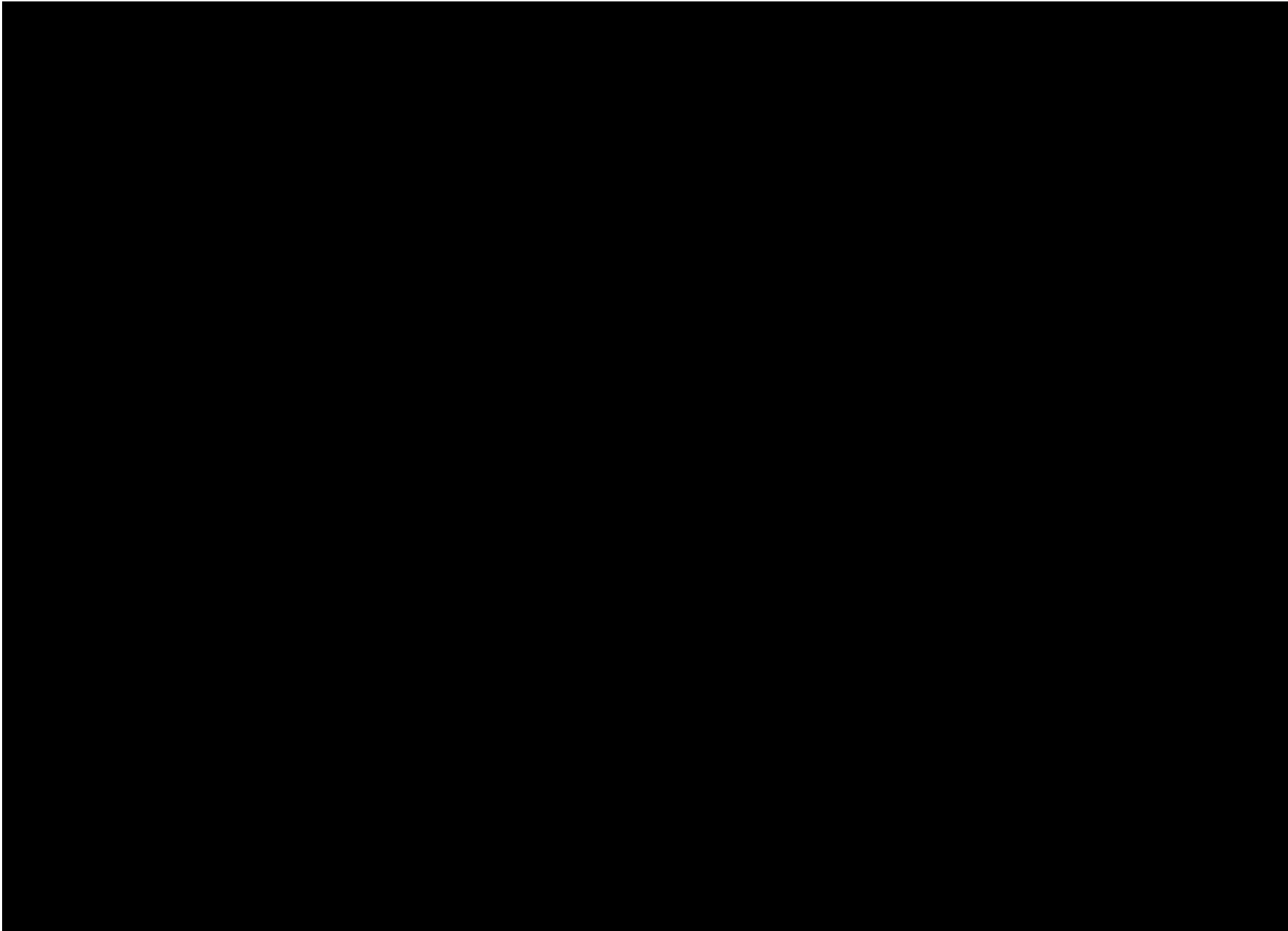


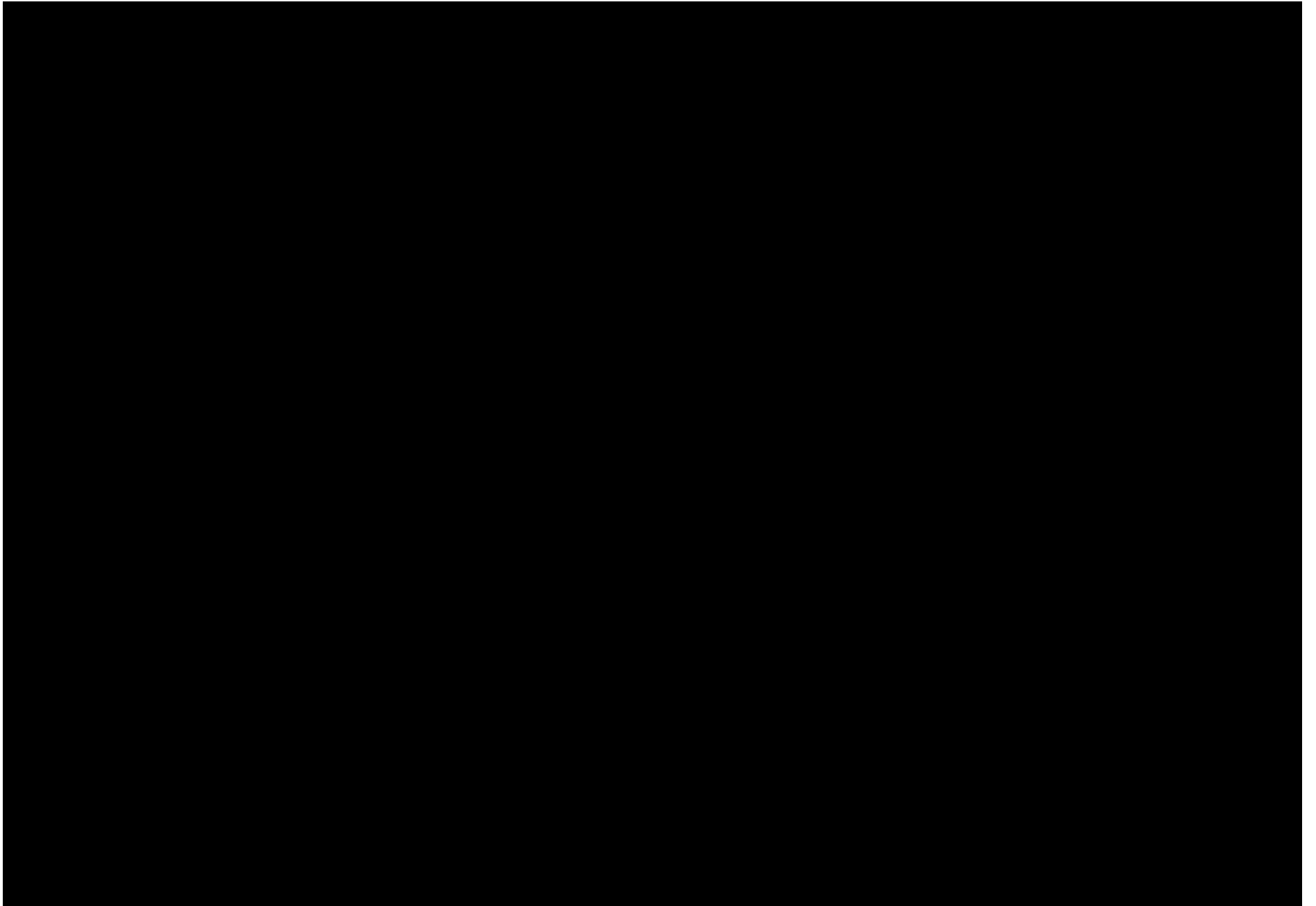


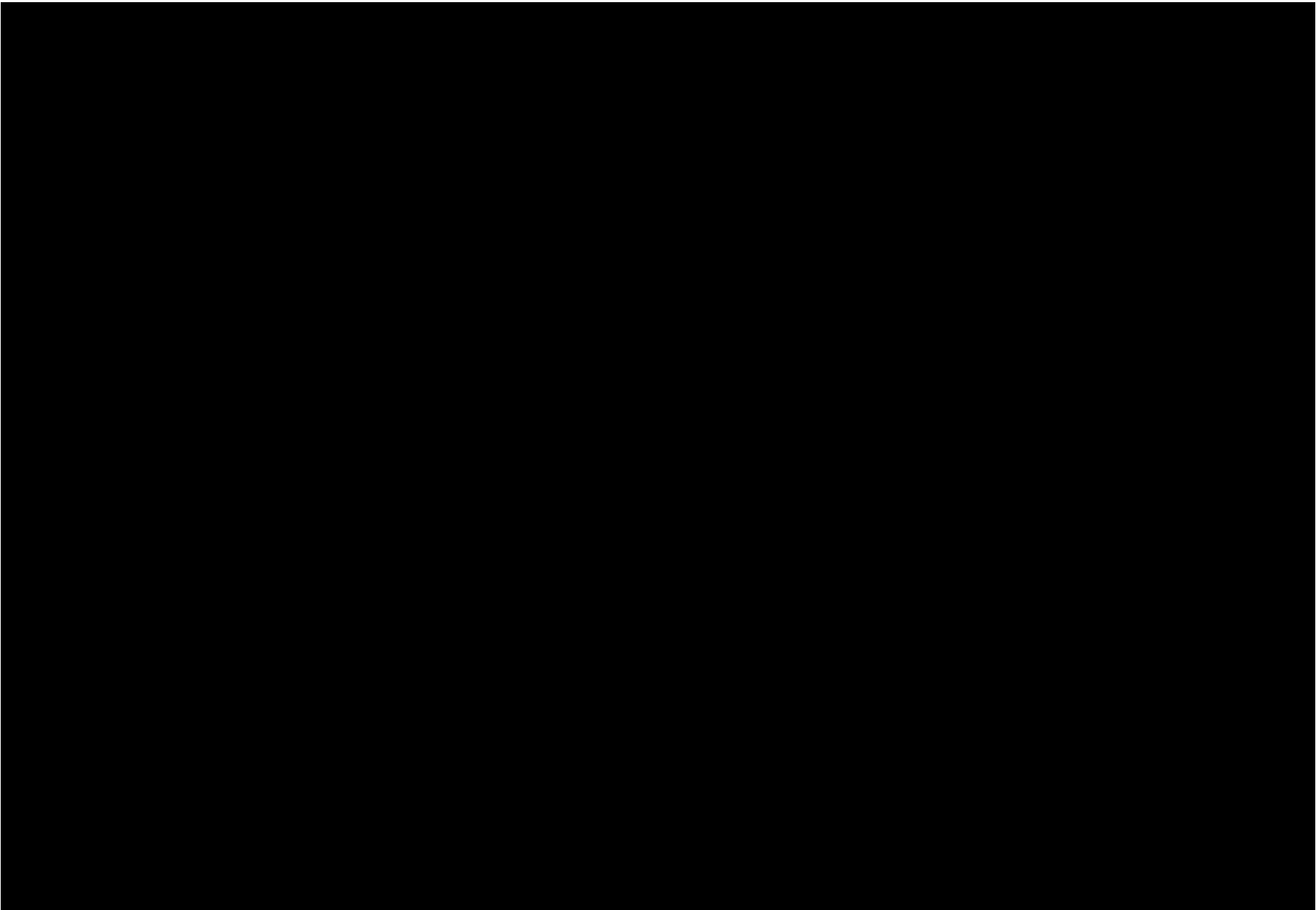


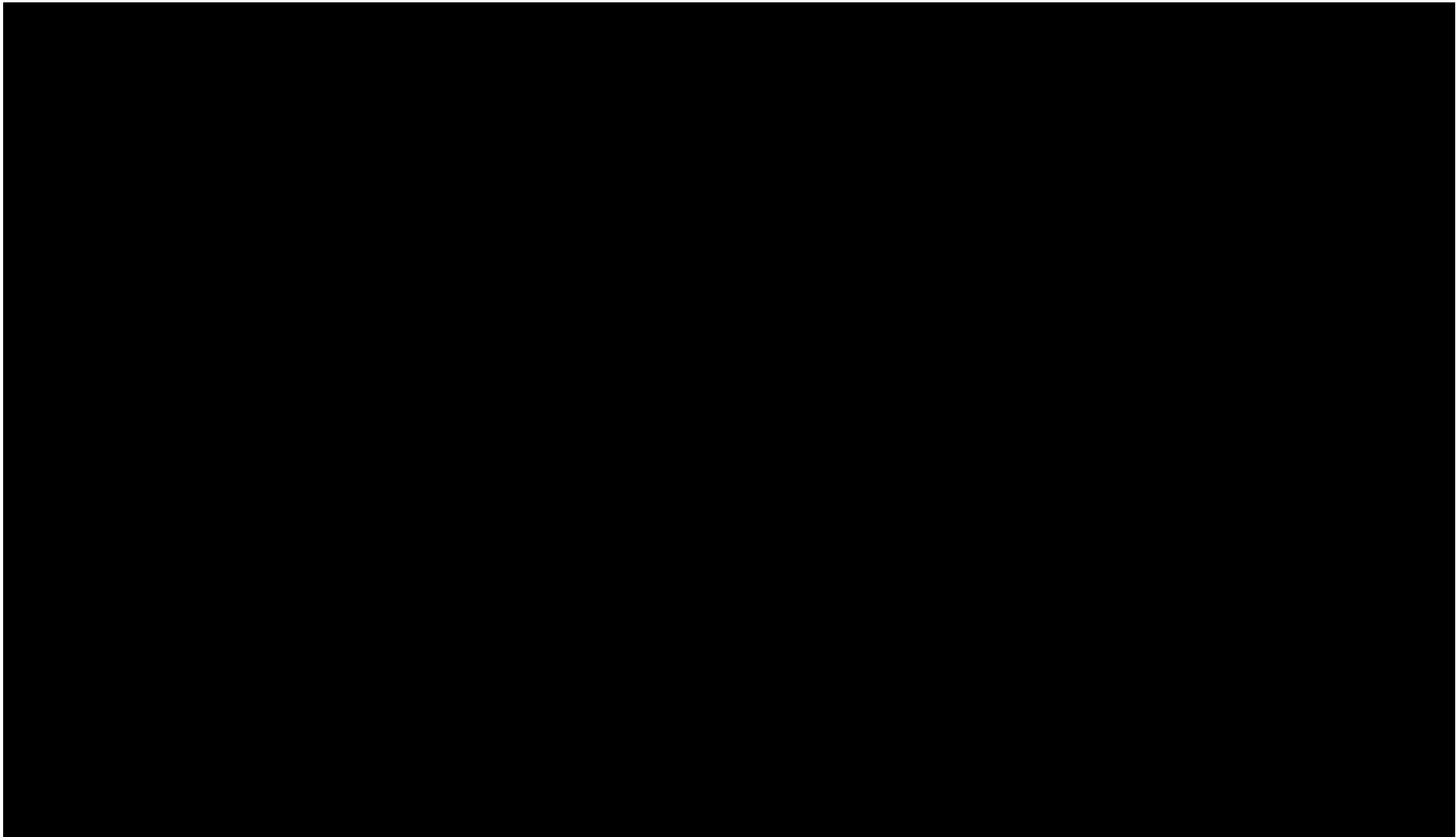












Schedule 4.8 (2 of 2)
WPAHS Parties' Pending or Threatened Proceedings to Revoke Material Licenses or
Permits

None.

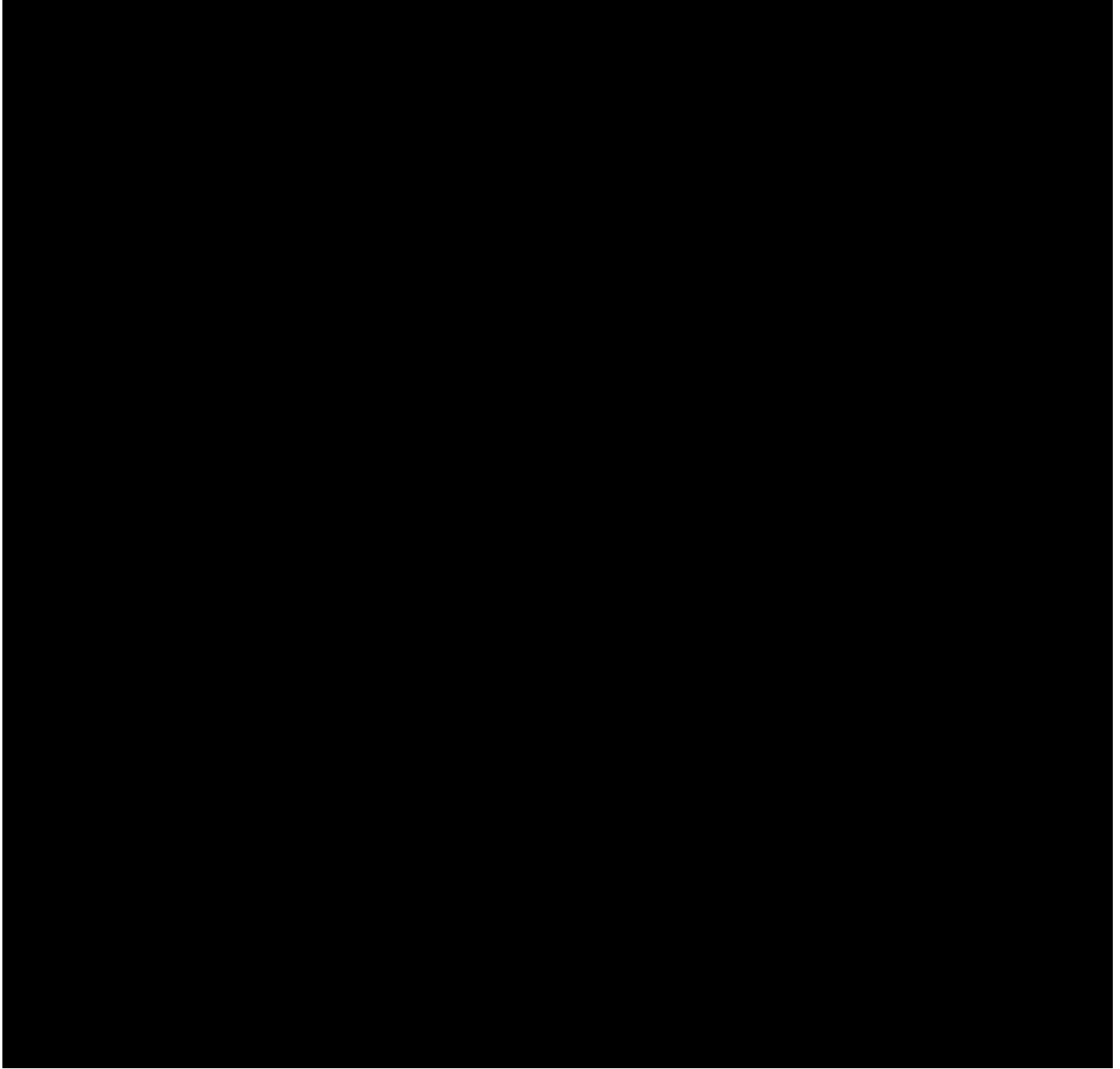
Schedule 4.9
WPAHS Parties' Exceptions to Accreditation

None.

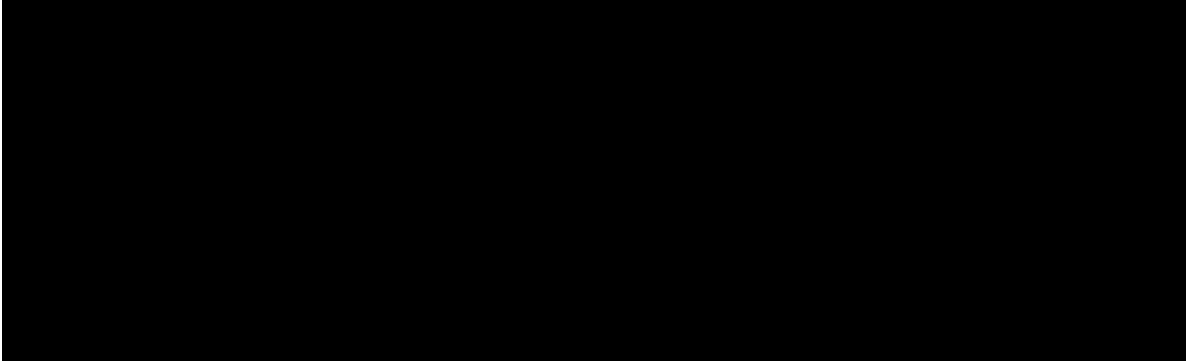
Schedule 4.10
WPAHS Parties' Government Program Participation and Reimbursement

- The WPAHS Parties and their respective Facilities which participate in one or more of the government health care programs are subject to routine surveys with respect to the applicable conditions of participation and other requirements. Such surveys, from time to time, identify deficiencies for which the applicable WPAHS Party and/or Facility develops a plan of correction, as required.
- In the ordinary course of business, the WPAHS Parties and their respective Facilities are subject to routine inquiries, information requests, audits and other reviews by the government health care programs (and their agents) and commercial payors, as well as internal compliance and other reviews, which may result in an adjustment, recoupment or repayment to the applicable payor in an amount not material to the Business.

Schedule 4.11
WPAHS Parties' Regulatory Compliance



Schedule 4.13
WPAHS Parties' Medical Staff Matters



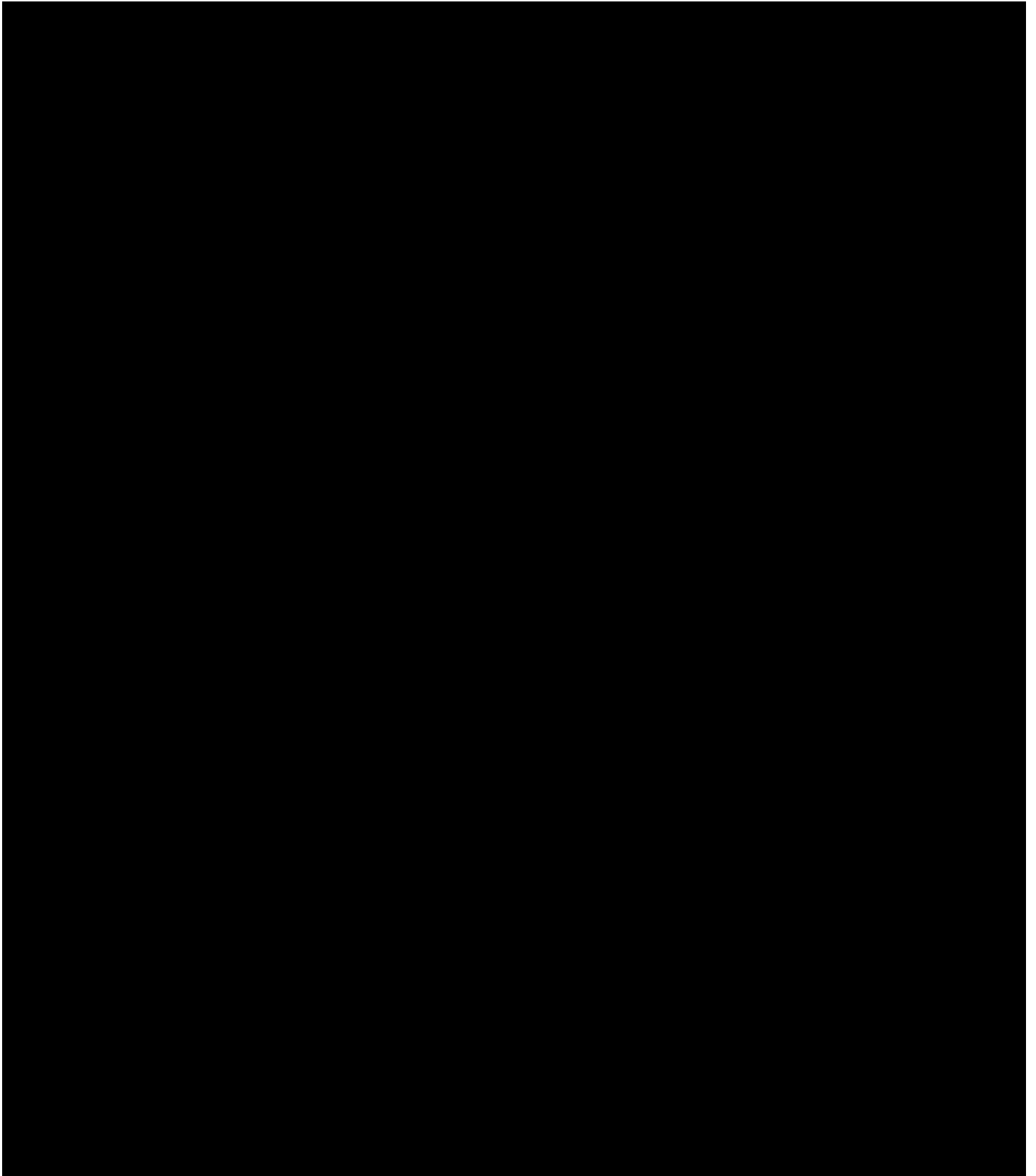
Schedule 4.14(a)
WPAHS Parties' Intellectual Property Royalties or Other Payments

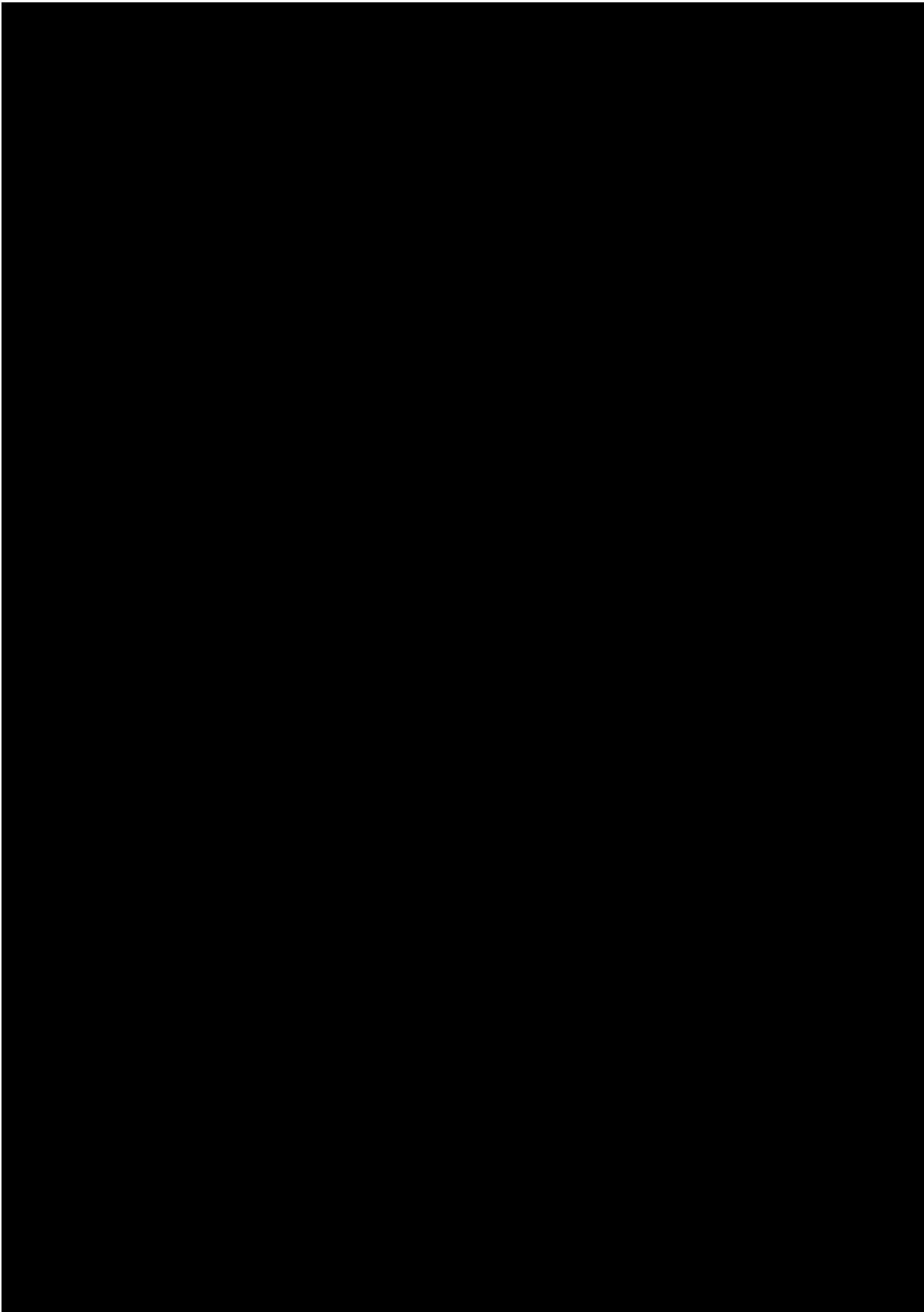
None.

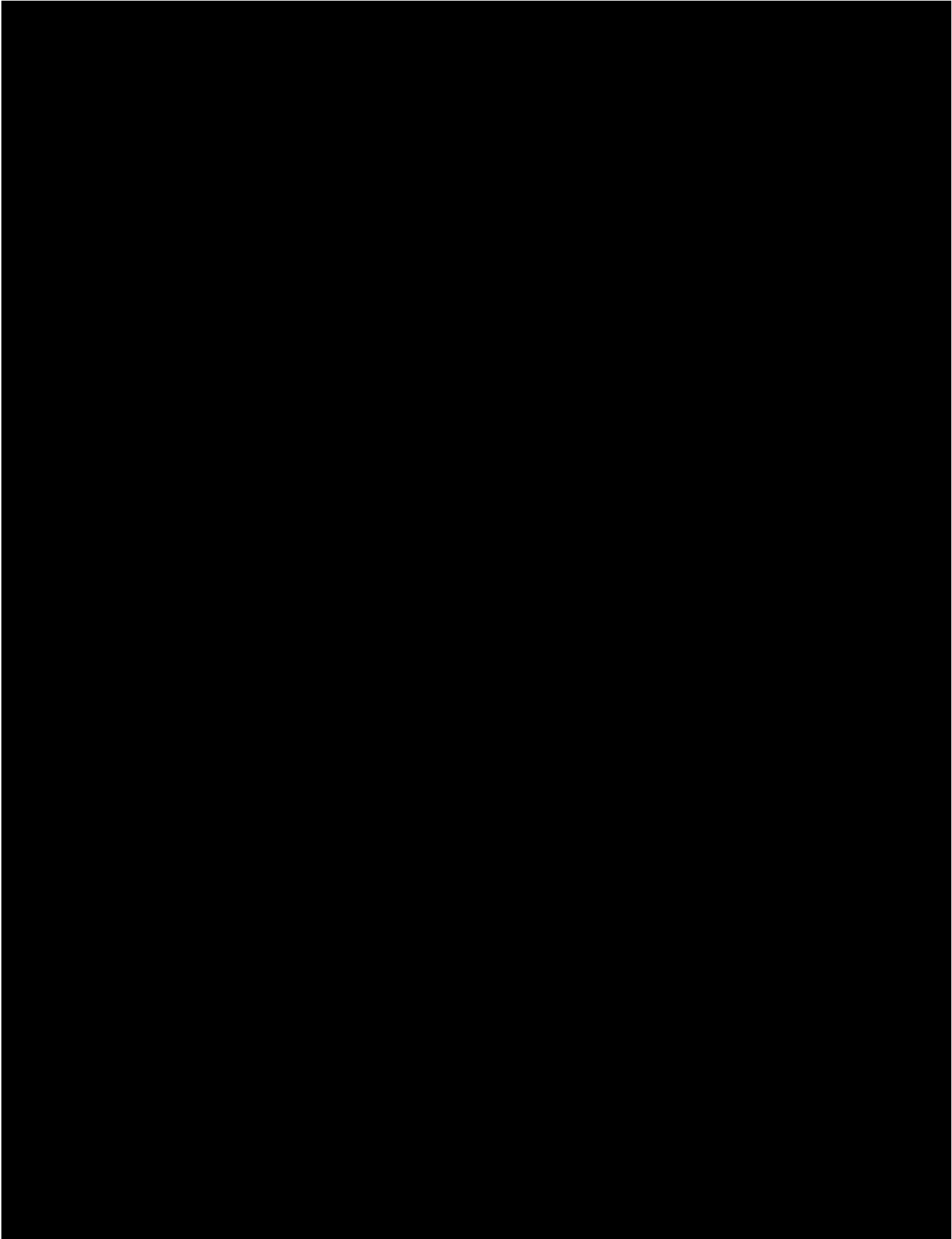
Schedule 4.14(b)
WPAHS Parties' Intellectual Property Infringement

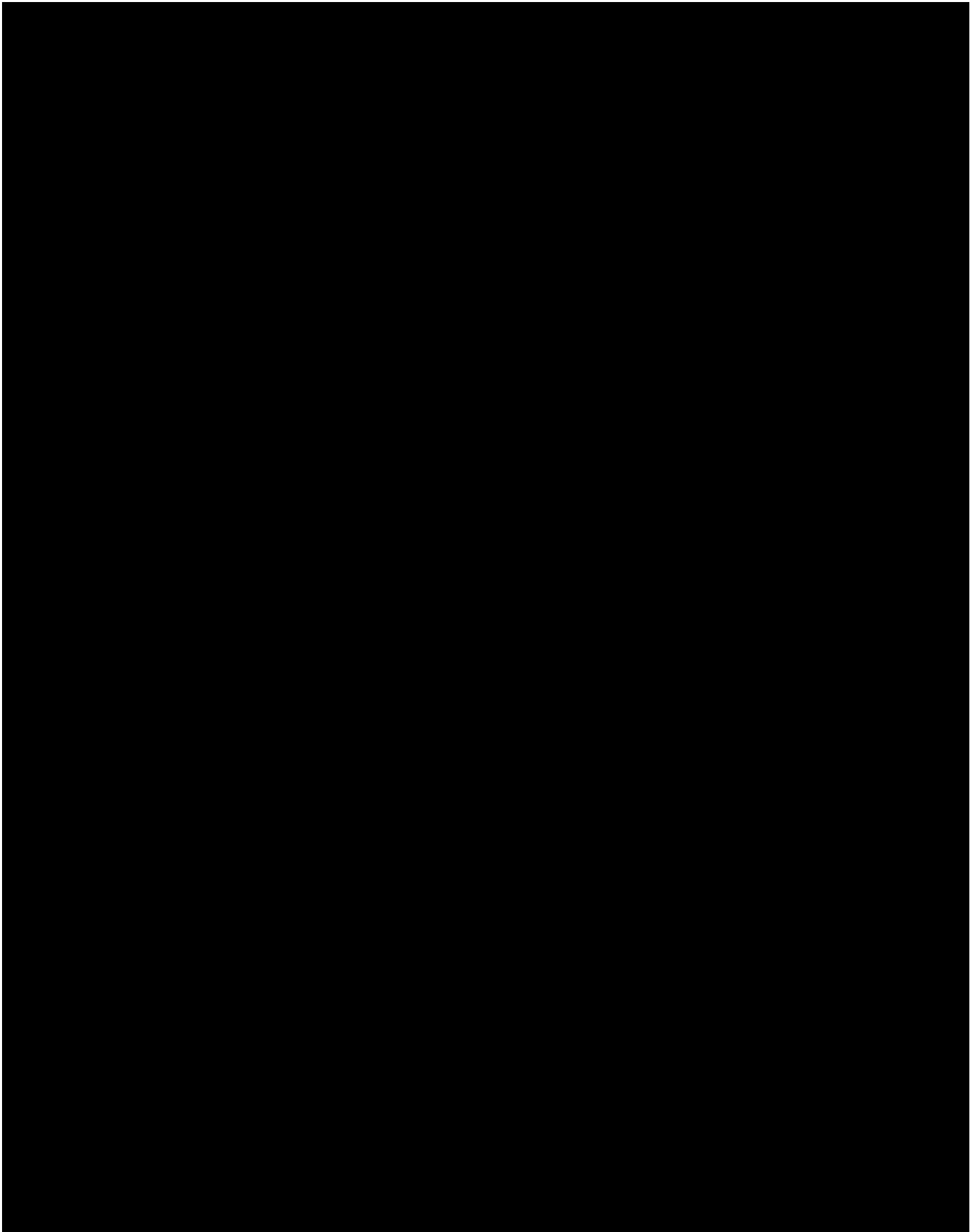
None.

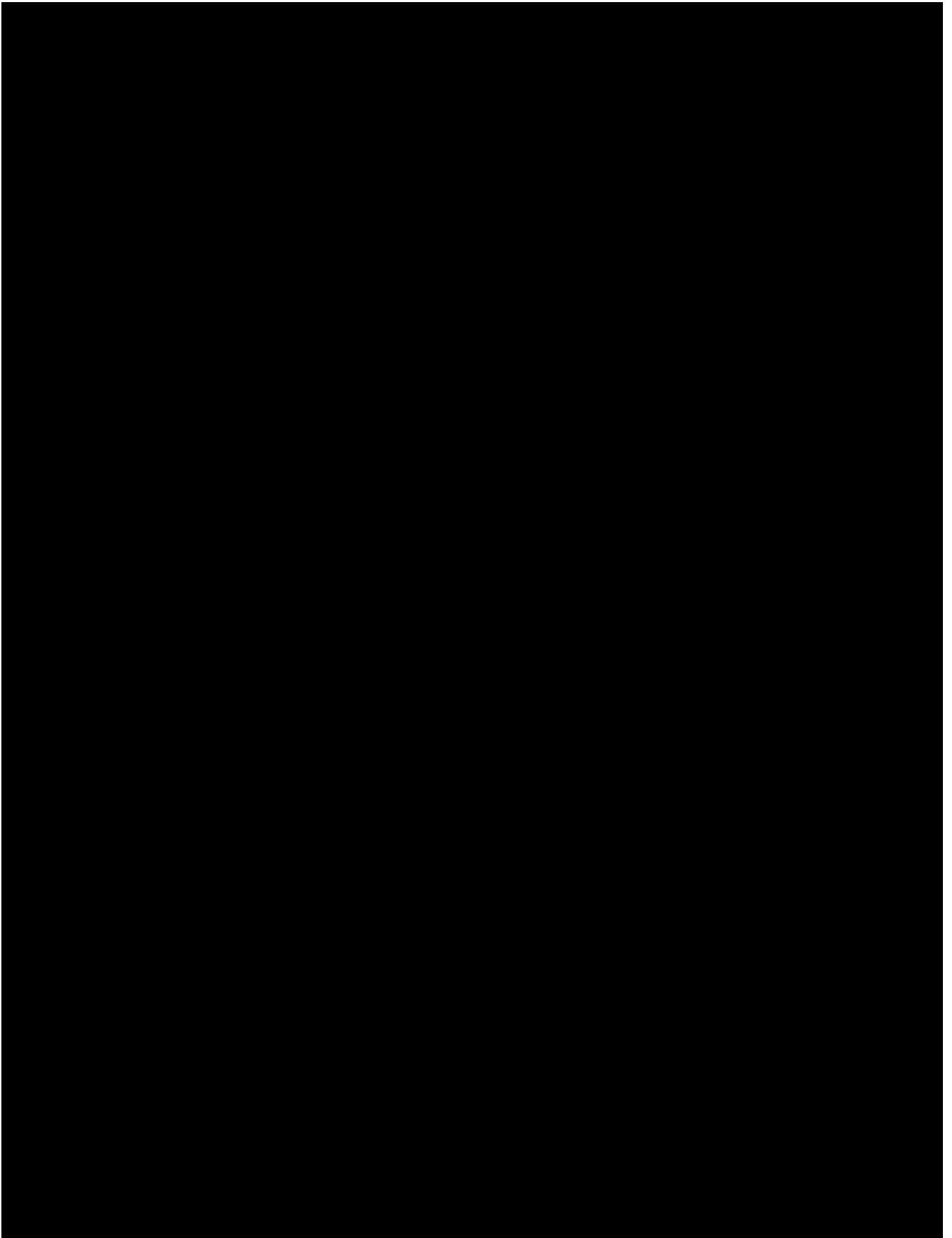
Schedule 4.15
WPAHS Parties' Material Contracts

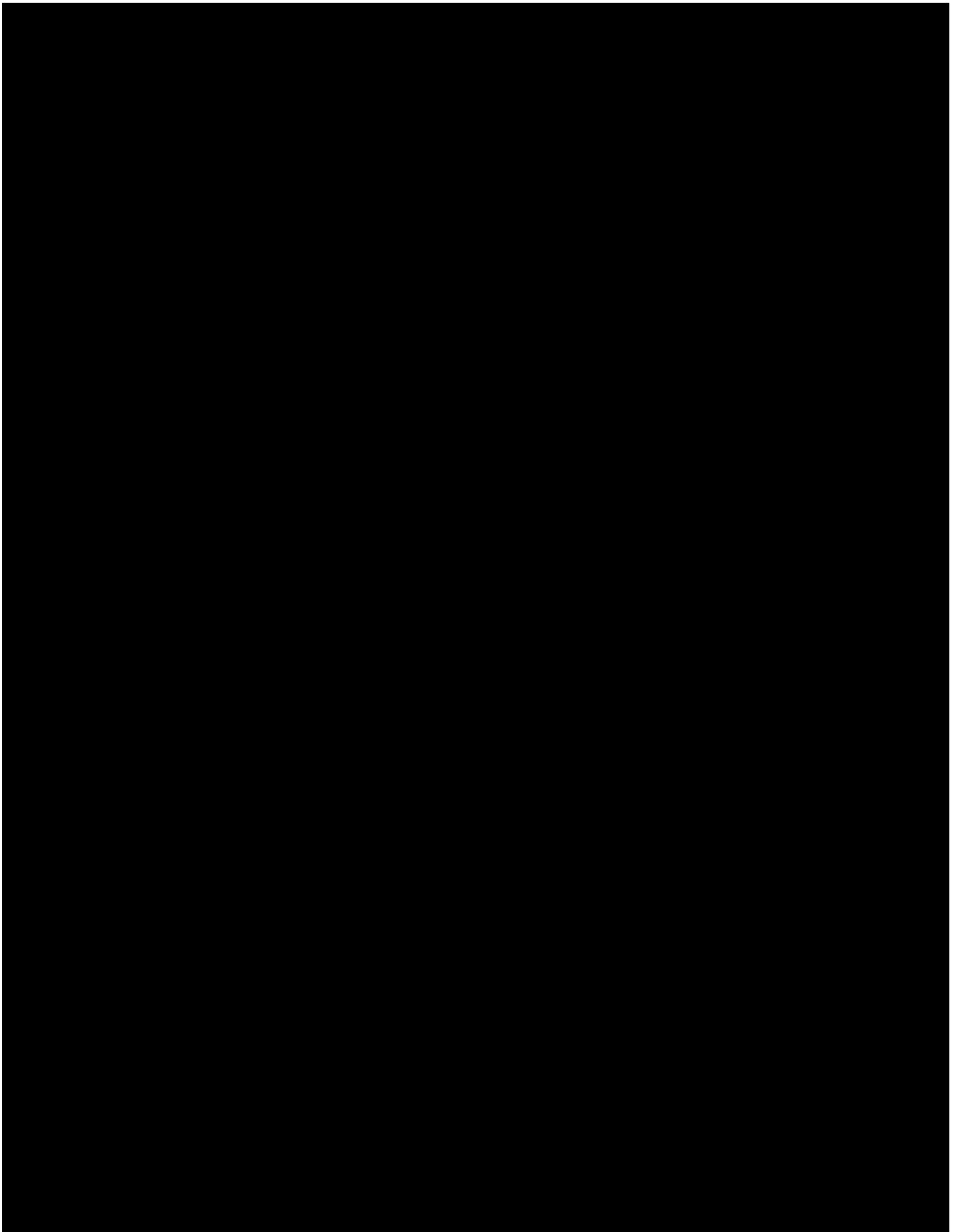


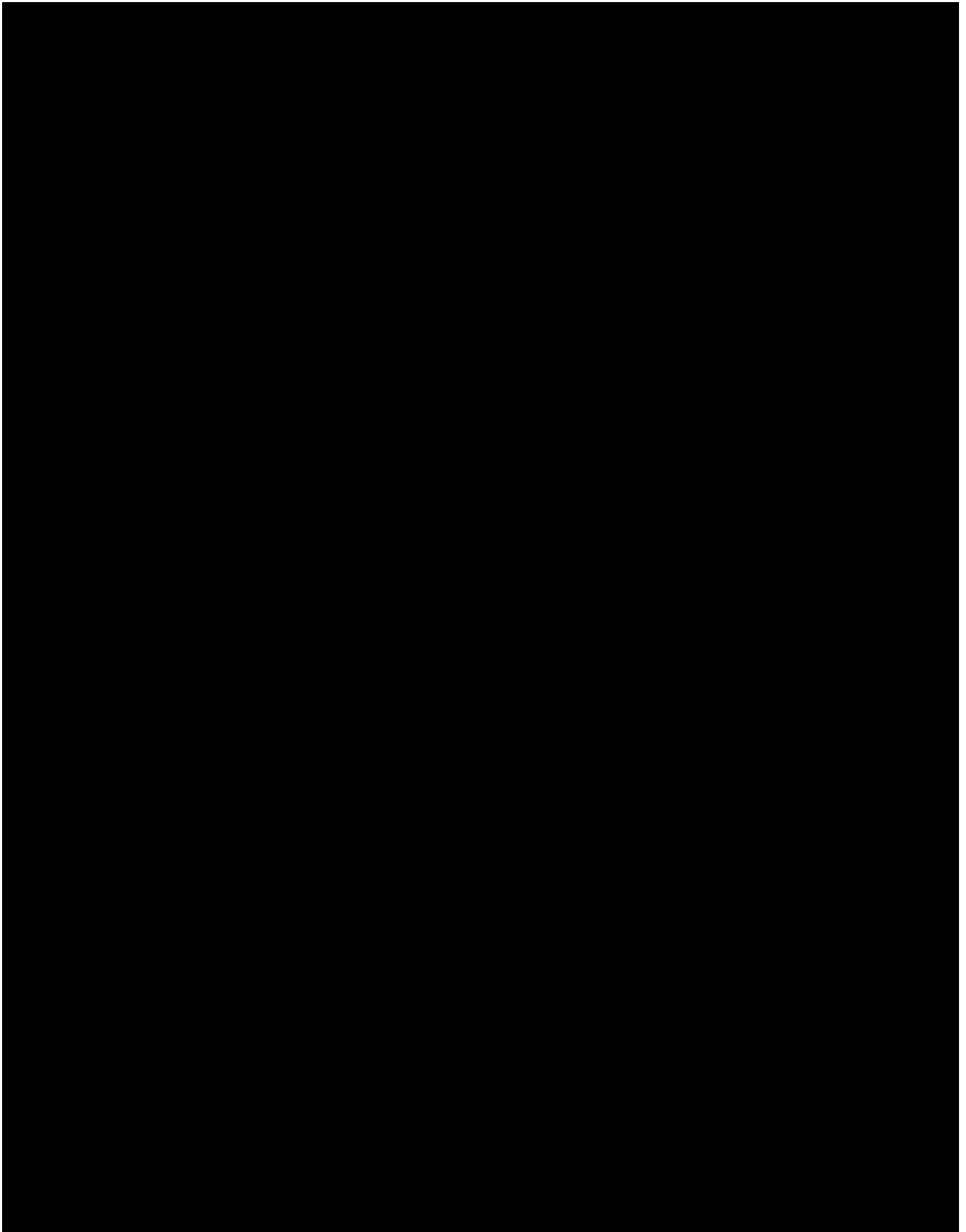


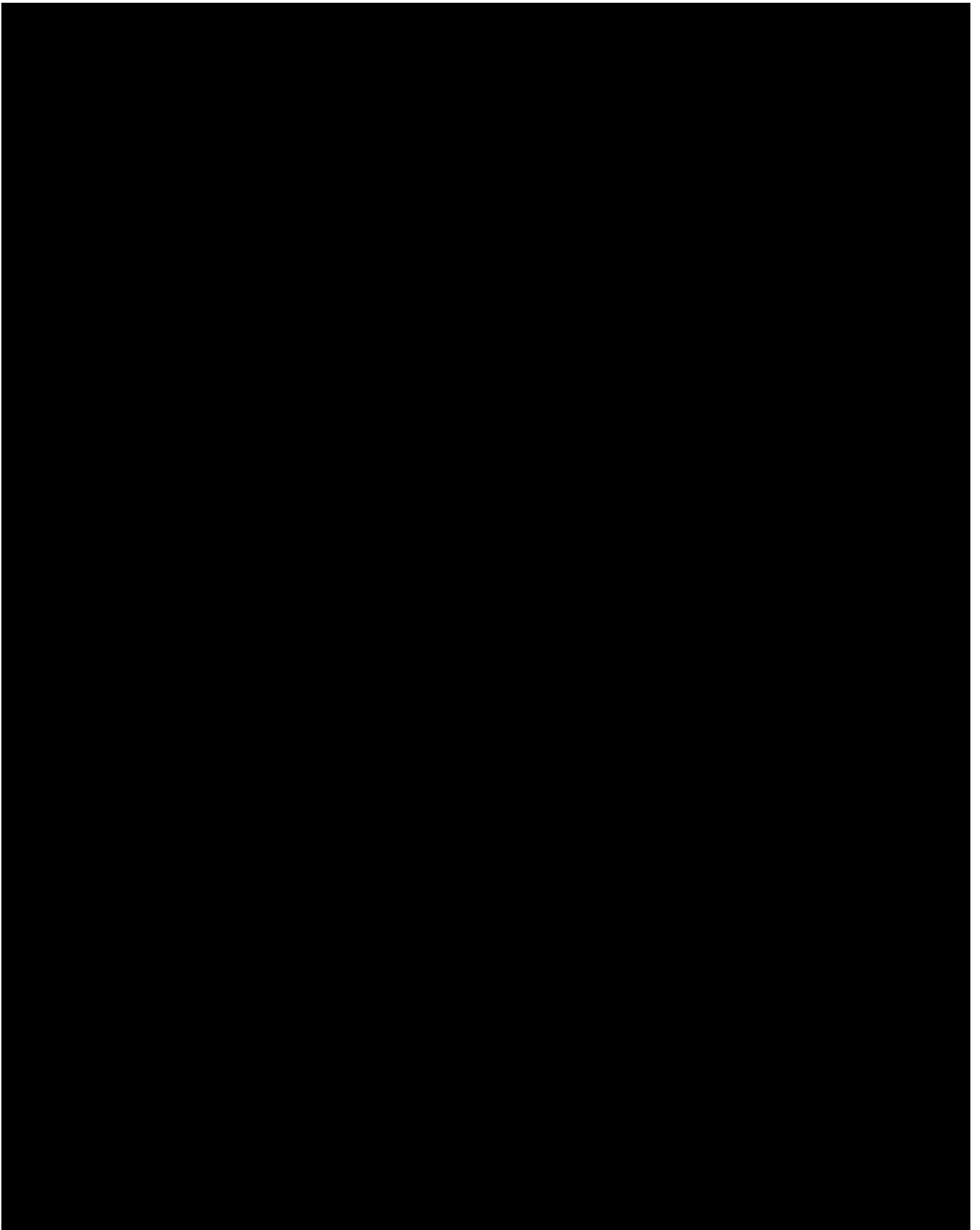


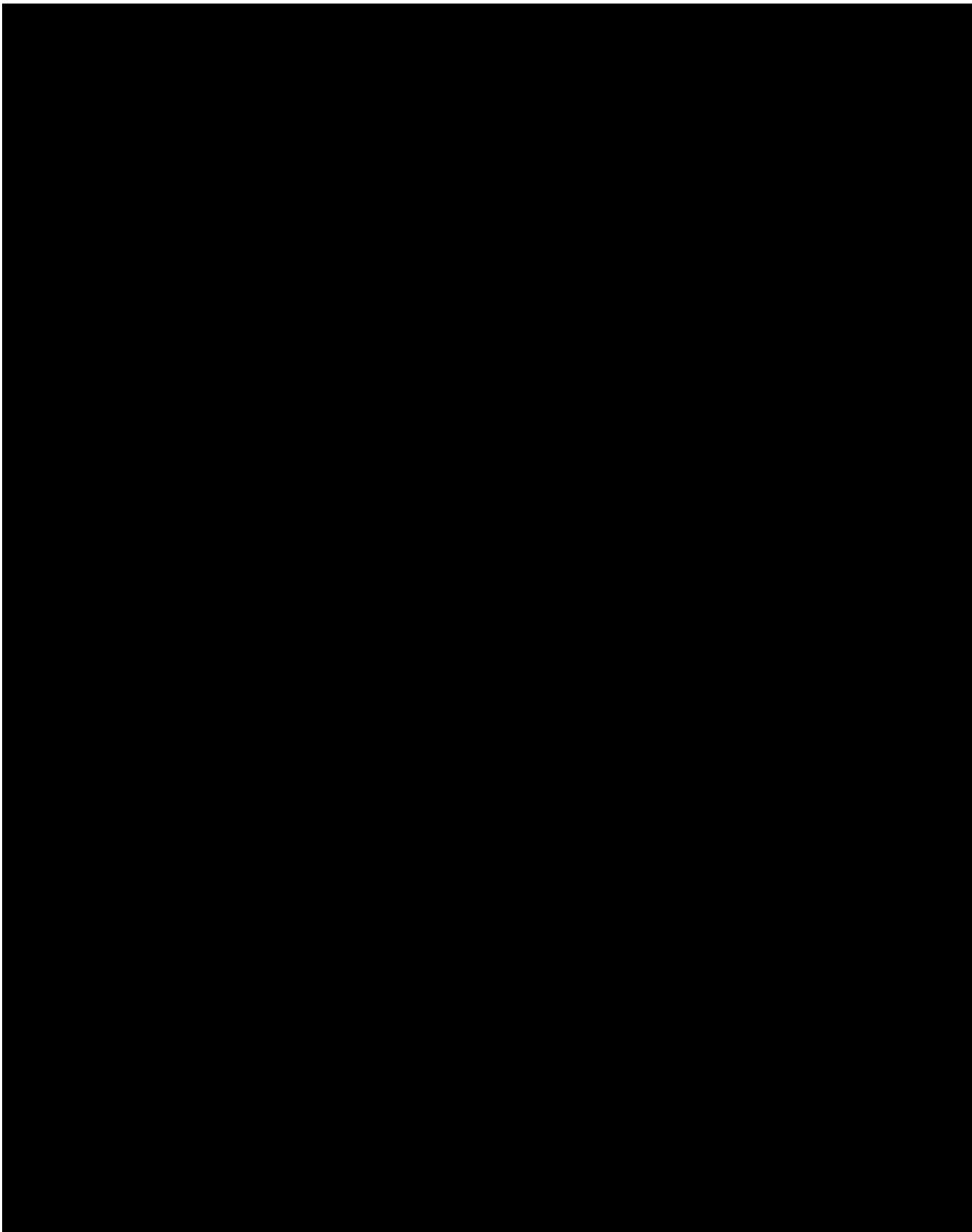


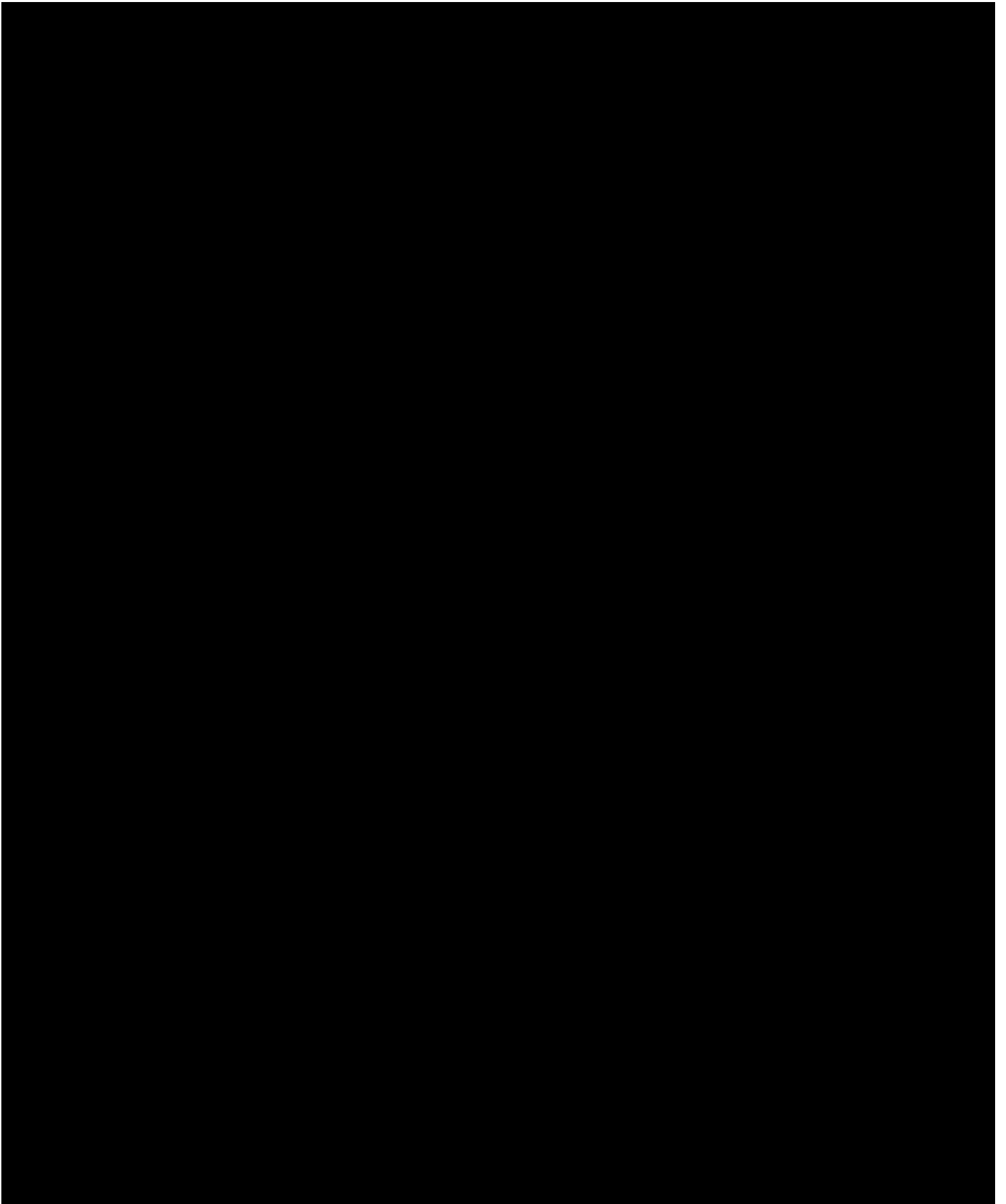


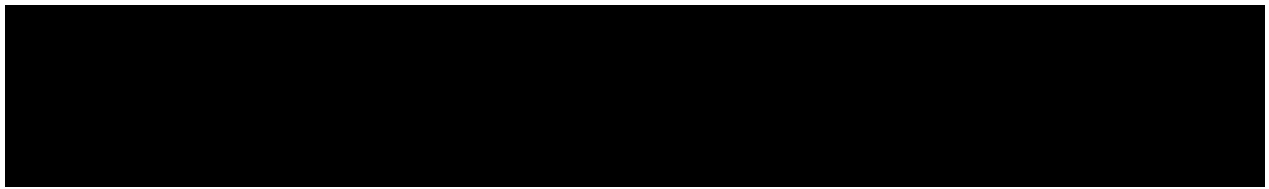




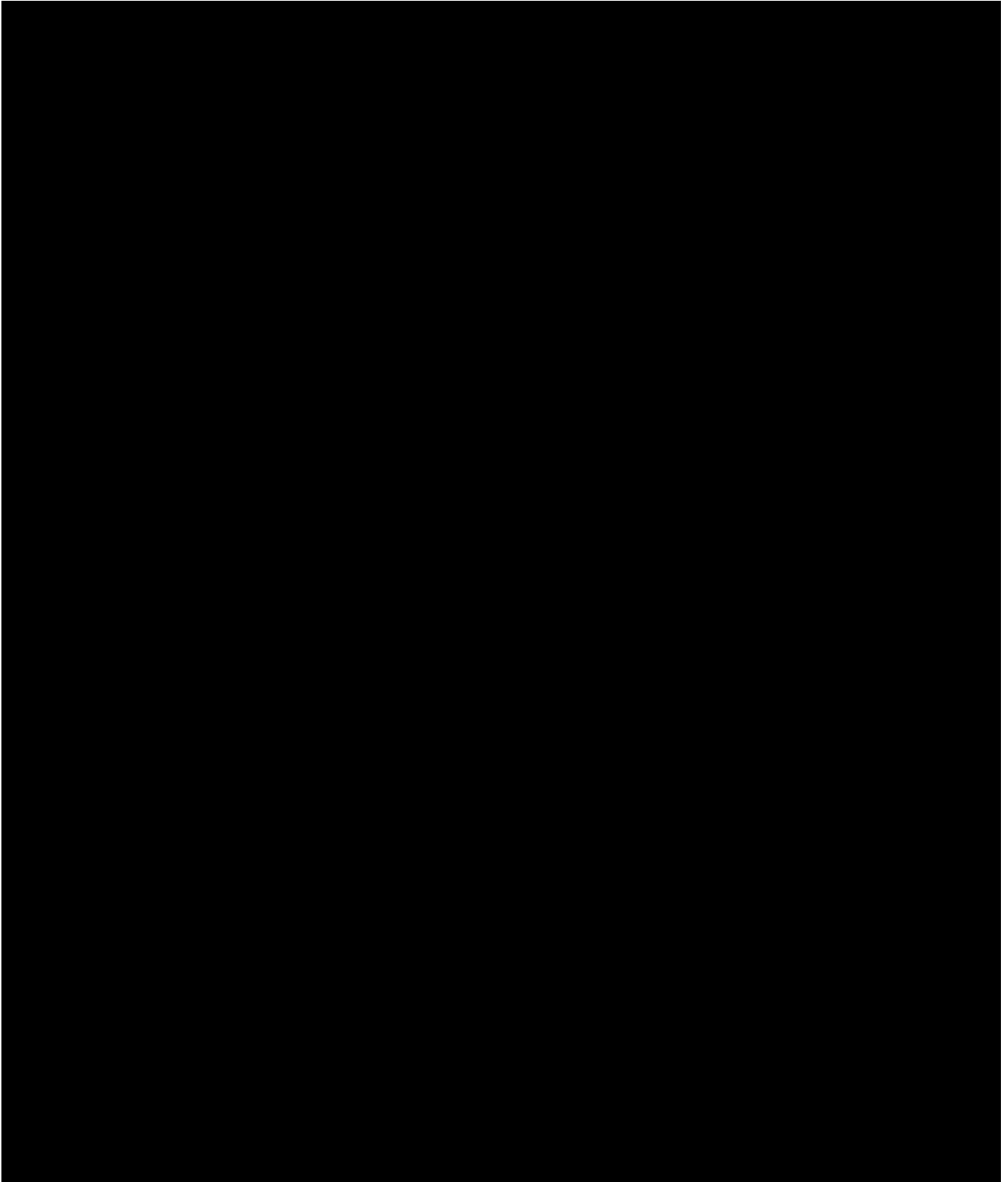








Schedule 4.15(d)
WPAHS' Parties Material Contracts Subject to Restrictions



Schedule 4.18(a)
WPAHS Parties' Owned Real Property

Address	City	State	Description of parcel owned by WPAHS
1217 Sandusky Street	Pittsburgh	PA	Vacant land
1219 Sandusky Street	Pittsburgh	PA	Vacant land
122 - 124 East North Avenue	Pittsburgh	PA	Aeberli Building
144 Creekside Lane	Pittsburgh	PA	Vacant land
144 Creekside Lane	Pittsburgh	PA	Vacant land
320 East North Avenue	Pittsburgh	PA	AGH hospital building (Allegheny Cancer Center wing)
320 East North Avenue	Pittsburgh	PA	AGH hospital building (northwest wing)
320 East North Avenue	Pittsburgh	PA	AGH hospital building (research wing)
320 East North Avenue	Pittsburgh	PA	AGH hospital building (Snyder Pavillion)
320 East North Avenue	Pittsburgh	PA	AGH hospital building (south tower)
320 East North Avenue	Pittsburgh	PA	East Wing land only (East Wing Office Building, Hemlock garage, James Street garage on such land is not owned by WPAHS)
490 East North Street	Pittsburgh	PA	Land only (Allegheny Professional Building on such land is not owned by WPAHS)
621 East North Avenue	Pittsburgh	PA	Allegheny Child Care Center building
650 Lowries Run Road	Pittsburgh	PA	Vacant land
9335 McKnight Road	Pittsburgh	PA	McCandless Building
Hemlock Street	Pittsburgh	PA	Vacant land
James Street	Pittsburgh	PA	Vacant land
Mt. Nebo Road	Pittsburgh	PA	Vacant land
Sandusky Street	Pittsburgh	PA	Parking garage
100 S. Jackson Ave	Pittsburgh	PA	Allegheny General Suburban Hospital
47 S. Jackson Avenue	Bellevue	PA	Parking lots
49 S. Jackson Avenue	Bellevue	PA	Parking lots
575 Lincoln Avenue	Pittsburgh	PA	Suburban Medical Office Building
601 Madison Avenue	Bellevue	PA	Vacant land
607 West Avenue	Bellevue	PA	Parking lot
616 Cliff Street	Bellevue	PA	Vacant land
617 Madison Avenue	Bellevue	PA	Vacant land

Address	City	State	Description of parcel owned by WPAHS
625 Madison Avenue	Bellevue	PA	Vacant land
637 Monroe Avenue	Bellevue	PA	Parking lot
94 Meade Avenue	Bellevue	PA	Vacant land
Cliff Street	Bellevue	PA	Parking lot
Madison Avenue 1	Bellevue	PA	Vacant land
Madison Avenue 2	Bellevue	PA	Vacant land
N. Fremont Avenue	Bellevue	PA	Vacant land
Oak Street	Bellevue	PA	Vacant land
South Home Avenue	Bellevue	PA	Vacant land
West Riverview Avenue	Bellevue	PA	Vacant land
1301 Alabama Avenue	Natrona Heights	PA	Medical office building
1301 Carlisle Street	Natrona Heights	PA	Hospital building
1302 Carlisle Street	Natrona Heights	PA	Hospital building
1303 Carlisle Street	Natrona Heights	PA	Hospital building
1304 Carlisle Street	Natrona Heights	PA	Hospital building
1305 Carlisle Street	Natrona Heights	PA	Hospital building
1306 Carlisle Street	Natrona Heights	PA	Hospital building
1307 Carlisle Street	Natrona Heights	PA	Hospital building
1308 Carlisle Street	Natrona Heights	PA	Hospital building
1309 Carlisle Street	Natrona Heights	PA	Hospital building
1309 Carlisle Street	Natrona Heights	PA	Parking garage
1309 Carlisle Street	Natrona Heights	PA	Parking lot
Pleasantville Road	Natrona Heights	PA	Parking lot
500 Blazier Drive	Wexford	PA	Blazier Building

Address	City	State	Description of parcel owned by WPAHS
100 Medical Blvd	Canonsburg	PA	Canonsburg General Hospital
36 East Pike Street	Canonsburg	PA	Canonsburg Community Health Care
2566 Haymaker Road	Monroeville	PA	Professional Office Building One land only (building is not owned by WPAHS)
2570 Haymaker Road	Monroeville	PA	Forbes Regional Hospital
2570 Haymaker Road	Monroeville	PA	Parking lot
2580 Haymaker Road	Monroeville	PA	Professional Office Building Two land only (building is not owned by WPAHS)
2614 - 2628 Mosside Blvd	Monroeville	PA	Vacant building
2628 Mosside Blvd	Monroeville	PA	Vacant building
210 Thomas Blvd	Wilkinsburg	PA	Thermal Building
316 Gross Street	Pittsburgh	PA	Parking lot
317 Millvale Avenue	Pittsburgh	PA	Parking lot
319 Millvale Avenue	Pittsburgh	PA	Parking lot
321 Millvale Avenue	Pittsburgh	PA	Parking lot
322 Gross Street	Pittsburgh	PA	Vacant land
324 Gross Street	Pittsburgh	PA	Vacant land
328 Gross Street	Pittsburgh	PA	Vacant land
33 McCandless Street	Pittsburgh	PA	Parking lot
332 Gross Street	Pittsburgh	PA	Vacant land
333 Millvale Avenue	Pittsburgh	PA	Hospital building
336 Gross Street	Pittsburgh	PA	Vacant land
342 Gross Street	Pittsburgh	PA	Vacant land
348 Gross Street	Pittsburgh	PA	House
366 Gross Street	Pittsburgh	PA	Daly Building
402 Millvale Avenue	Pittsburgh	PA	Hospital building
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (conference center wing)
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (east tower)
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (north tower)
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (south wing)
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (the tower)
4800 Friendship Avenue	Pittsburgh	PA	West Penn Hospital building (west tower)

Address	City	State	Description of parcel owned by WPAHS
4815 Liberty Ave	Pittsburgh	PA	Mellon Pavilion
4818 Liberty Avenue	Pittsburgh	PA	West Penn Foundation
4900 Friendship Avenue	Pittsburgh	PA	West Penn School of Nursing
4920 Liberty Avenue	Pittsburgh	PA	Vacant land
4925 Liberty Avenue	Pittsburgh	PA	Parking garage
5000 Liberty Avenue	Pittsburgh	PA	Parking lot
5120 Liberty Avenue	Pittsburgh	PA	Parking garage
720 Gross Street	Pittsburgh	PA	Research Building
Gross Street	Pittsburgh	PA	2 vacant parcels

Schedule 4.18(b)
WPAHS Parties' Leased Real Property

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
01/05/11 11/22/10 10/28/09 11/20/08 11/16/07 11/22/06 12/01/98	4348 Brodhead Road, Suite 2A Rear	Aliquippa, PA 15001	The Medical Center, Beaver	Forbes Hospice
03/15/10 03/15/10 01/03/06 01/03/06 02/01/04 05/15/87	4284 William Flynn Highway, Suite 101	Allison Park, PA 15101	RUM	North Suburban Health Center
03/15/10 01/03/06 undated	4284 William Flynn Highway, Suite 304	Allison Park, PA 15101	RUM	North Suburban Family Health Center
07/31/08	701 Fifth Street (1735 square feet on second floor as shown on floor plan attached to sublease)	Beaver, PA 15009	Oakland Neurosurgical Associates Real Estate	Allegheny Specialty Practice Network
04/04/02 12/10/01 12/04/01	59 Fort Couch Rd Suite 200	Bethel Park, PA 15102	G.G.R.M. Fort Couch 1999 Limited Partnership	Allegheny General Hospital
04/04/02 04/01/02 12/10/01	59 Fort Couch Road Suite 300	Bethel Park, PA 15102	G.G.R.M. Fort Couch 1999 Limited Partnership	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
05/03/05	2000 Oxford Drive Suite 110	Bethel Park, PA 15102	L&M Associates	McAuley Medical Associates, Inc.
12/17/10	1001 Ninth Avenue, Suite A	Brakenridge, PA 15014	Norman R. Walters & Cheryl A. Finley d.b.a. 1001 Professional Suites	Alle-Kiski Medical Center
10/19/06				
12/14/10	147 Town Square Way (leased premises shown on floor plan attached to lease)	Brentwood, PA 15227	Brentwood Town Square Associates	West Penn Allegheny Health System, Inc.
03/31/08				
02/21/08	1200 Sharon Road Suite #3	Bridgewater, PA 15009	Greenridge Investment Group	Allegheny Specialty Practice Network
10/12/05	102 Technology Drive, Suite 110	Butler, PA 16001	Benbrook Medical Holdings, LLC	West Penn Allegheny Oncology Network
08/30/05				
05/17/10	99 West Sunbury Road Suite 201	Butler, PA 16001	Phoenix Pacific Management Company, LLC	Allegheny Specialty Practice Network
05/10/10				
06/25/10	475 Airport Road (hangar space located at Butler County Airport for tenant to base a helicopter operation; leased premises shown on diagram attached to lease)	Butler, PA 16002	Butler County Airport Authority	West Penn Allegheny Health System Inc., t/d/b/a Allegheny General Hospital
06/25/10				
05/14/10				
03/01/10				
10/13/10	15700 State Route 170 Unit C & D	Calcutta (East Liverpool), OH 43920	David A. Kutlick Properties, LLC	Allegheny Specialty Practice Network
10/01/05				
10/01/03				
undated	36 East Pike Street	Canonsburg, PA 15317	Canonsburg General Hospital	Dr. Rhody
05/24/11	400 Southpointe Blvd. Suite 235	Canonsburg, PA 15317	Landmark Limited Partnership	Canonsburg General Hospital (Health Works)
07/18/08				
05/02/03				
01/01/11	209 West Pike Street	Canonsburg, PA 15317	Canonsburg Ambulance Service and Private James Perry, Post 191, VFW	Canonsburg General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
01/01/08				
01/01/98				
06/15/09	100 Medical Blvd (496 square feet located in the Ambulatory Care Department on the first floor)	Canonsburg, PA 15317	Canonsburg General Hospital	West Penn Specialty Practice Network (Dr. Keenan)
undated	100 Medical Blvd (496 square feet located in the Ambulatory Care Department on the first floor of the facility)	Canonsburg, PA 15317	Canonsburg General Hospital	West Penn Physician Practice Network
undated	100 Medical Blvd	Canonsburg, PA 15317	Canonsburg General Hospital	ASPN (Mutshler)
undated	100 Medical Boulevard Ambulatory Care Department on 1st floor of Canonsburg General Hospital	Canonsburg, PA 15317	Canonsburg General Hospital	Allegheny Specialty Practice Network
01/01/08	105 Hill Avenue	Cheswick, PA 15024	Donald Wilfong, M. D.	Allegheny Medical Practice Network
07/11/07	24 Doctors Lane (approximately 952 rentable square feet of space on the third floor)	Clarion, PA 16214	Clarion Hospital	Allegheny Specialty Practice Network, d/b/a Allegheny Neurological Associates
03/07/07				
02/17/11	420 Wood Street (medical office suite; leased premises shown on diagram attached to lease)	Clarion, PA 16214	Doctors of Clarion, Inc.	Allegheny Specialty Practice Network
07/26/10	575 Coal Valley Road Suite 104	Clairton, PA 15025	Associates in Neurology of Pittsburgh	Allegheny Specialty Practice Network
02/22/08	One Thorn Run Center 1187 Thorn Run Ext. (approximately 2,412 square feet on first floor as shown on diagram attached to lease)	Coraopolis, PA 15108	One Thorn Run Associates, L.P.	West Penn Allegheny Health System, Inc. (WPAHS)

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
08/01/10 02/22/08 05/15/99	995 Beaver Grade Road B2-C2	Coraopolis, PA 15108	Rodney Fedorchak, D.M.D. and Josephine Fedorchak	Allegheny Specialty Practice Network (assignee)
08/01/10 09/30/05 06/01/05	995 Beaver Grade Road, D-2	Coraopolis, PA 15108	Rodney Fedorchak, D.M.D. and Josephine Fedorchak	Allegheny Specialty Practice Network (assignee)
06/01/07	Two Landmark North 20397 Route 19 (medical office space at Wexford Medical Practice)	Cranberry Township, PA 16066	Allegheny Medical Practice Network	Jeanine Wilson Allegheny Neurological Associates
undated	20397 Route 19	Cranberry Township, PA 16066	AMPN	Allegheny Neuro-Valleriano
02/09/10 10/23/07	20397 Route 19, Two Landmark North Office Building, Suite 330	Cranberry Township, PA 16066	Landmark Properties, Inc.	Allegheny Medical Practice Network
05/31/08 undated	20215 Route 19 Suite 101	Cranberry Township, PA	Gigliotti Properties	West Penn Allegheny Health System, Inc.
undated	125 Emeryville Drive 110	Cranberry Township, PA 16066	Bottled Lightning, LP	West Penn Allegheny Health System, Inc, d/b/a The Western Pennsylvania Hospital
11/01/08	520 Freeport Road (office space consisting of 2,468 square feet)	Creighton, PA 15030	Citizens General Hospital	Allegheny Medical Practice Network
02/23/10 04/14/09	304 Evans Drive Suite 401	Ellwood City, PA 16117	The Ellwood City Hospital	Allegheny Specialty Practice Network
05/05/09 10/14/10	84 Center Ave, Storeroom 1	Emsworth, PA 15202	Prudential Realty Co., Agent for Wallace Park Dwellings, Inc.	Allegheny Medical Practice Network
11/01/08	215-217 E Main Street Suite #1	Evans City, PA 16033	BM Smith Realty, LLC	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
06/01/07	Richland Mall 5375 Route 8 (medical office space at Pine Richland Medical Associates)	Gibsonia, PA 15044-9628	Allegheny Medical Practice Network	Robin LaPorte, Allegheny Center for Digestive Health
06/01/07	Richland Mall 5375 Route 8 (medical office space at Pine Richland Medical Associates)	Gibsonia, PA 15044-9628	Allegheny Medical Practice Network	Tony Bianco, Allegheny Orthopedic Associates
06/01/07	Richland Mall 5375 Route 8 (medical office space at Pine Richland Medical Associates)	Gibsonia, PA 15044-9628	Allegheny Medical Practice Network	Mary Ann Hirt, Babcock OB/Gyn
undated	5375 William Flynn Highway	Gibsonia, PA 15044-9628	AMPN	West Penn Specialty Network
06/01/07	Richland Mall 5375 Route 8 (medical office space at Pine Richland Medical Associates)	Gibsonia, PA 15044-9628	Allegheny Medical Practice Network	Radiology Outreach
06/01/07	Richland Mall 5375 Route 8 (medical office space at Pine Richland Medical Associates)	Gibsonia, PA 15044-9628	Allegheny Medical Practice Network	Allegheny Orthopedic Associates
10/22/96	5375 William Flynn Highway (approximately 1.2 acres located within Richland Mall as shown on diagram attached to lease)	Gibsonia, PA 15044-9628	Richland Zamagias Limited Partnership	Allegheny Integrated Health Group
06/20/05 01/18/05 01/03/01	5375 William Flynn Highway, Richland Mall, Space #700	Gibsonia, PA 15044	Richland Zamagias Limited Partnership	Allegheny General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
12/01/97				
10/09/95				
undated				
02/09/10	5318 Ranalli Drive (a portion of 600 square feet within the building, more particularly described in exhibits attached to lease)	Gibsonia, PA 15044	Joseph Calhoun, M.D.	AGH Laboratory
06/17/09				
06/06/08				
06/29/07				
06/27/06				
08/17/04				
06/10/03				
06/27/02				
06/07/00				
06/07/00				
undated	1275 S. Main Street Suite 101	Greensburg, PA 15601	Edward Gumm, M.D.	AGH Neurosurgery
12/27/10	647 North Broad Street Ext. Suite 102	Grove City, PA 16127	Grove City Medical Center	Allegheny Specialty Practice Network (Neurosurgery)
05/11/10				
06/21/07				
11/11/10	647 North Broad Street Ext. Suite 102	Grove City, PA 16127	Grove City Medical Center	Allegheny Specialty Practice Network
07/01/10	647 North Broad Street Ext. Suite 102	Grove City, PA 16127	Grove City Medical Center	Allegheny Specialty Practice Network (Radiation Oncology)
12/01/06	835 Hospital Road (leased premises is a helipad)	Indiana, PA 15701	Indiana Regional Medical Center	Allegheny General Hospital
12/01/06				
09/18/07	524 Route 30, 1st Floor (approximately 3550 square feet located on the first floor of a multi-tenant building with adjoining parking lots)	Irwin, PA 15642	TRW Building Partnership	The Allegheny Medical Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
10/01/08	100 Pennsylvania Avenue, Office # 1	Irwin, PA 15642	Irwin Medical Associates	The Western Pennsylvania Hospital
11/01/08	1 Dolly Avenue Suite 1	Jeannette, PA 15644	Kevin M. Wong	West Penn Physician Practice Network
01/01/08	Greensburg Jeannette Helipad Hangar #1	Jeannette, PA	Greensburg Jeannette Airport Adm., Inc.	Allegheny General Hospital
10/07/10 04/26/10 03/11/10 02/16/10	1200 Brooks Lane Suite 180	Jefferson Hills, PA 15025	Jefferson Medical Associates, L.P.	West Penn Allegheny Health System, Inc.
01/01/11	100 Parkview Drive Suite #2	Kittanning, PA 16201	ACHM Hospital	Allegheny Specialty Practice Network
10/13/10 11/01/99 09/22/97 03/24/97	One Nolte Drive, rooms in the Laube Cancer Center described in Exhibit A	Kittanning, PA 16201	Armstrong County Memorial Hospital	Medical Center Clinic, Ltd.
05/01/08 05/01/03	2869 Leechburg Road	Lower Burrell, PA 15068	Padma Rao & Indira Jevaji	Allegheny Medical Practice Network
05/14/08	2692 Leechburg Road	Lower Burrell, PA 15068	Gino F. Peluso	Alle-Kiski Medical Center
11/01/07	2871 Leechburg Road	Lower Burrell, PA 15068	H.S.B. Real Estate, LLC	The Western Pennsylvania Hospital
08/16/05 03/06/01	3058 Leechburg Road, Suite #3	Lower Burrell, PA 15068	Darius Saghafi and Ester Saghafi	Robert W. Mendicino, DPM, the Foot and Ankle Institute of Western Pennsylvania
10/11/10 10/08/10 07/20/09 08/20/03	300 Hansen Plaza	Lyndora, PA 16045	Hansen Plaza Holdings, Inc.	West Penn Allegheny Health System, Inc.
02/15/07	Robinson Medical Center 133 Church Hill Road (space at Pine Hollow Medical Associates)	McKees Rocks, PA 15136	Allegheny Medical Practice Network	CVI ROBINSON
undated	133 Church Hill Road	McKees Rocks, PA 15136	AMPN	ACDH
undated	133 Church Hill Road	McKees Rocks, PA 15136	AMPN	Power
undated	133 Church Hill Road	McKees Rocks, PA 15136	AMPN	PCA Ecco Testing
undated	133 Church Hill Road	McKees Rocks, PA 15136	AMPN	Dr Gandhi (McGinnis)

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
undated	133 Church Hill Road	McKees Rocks, PA 15136	AMPN	AGH Lab
undated	133 Church Hill Road Suite 2B & 1B	McKees Rocks, PA 15136	Allegheny General Hospital	Century Medical Association, Inc.
12/10/10	133 Church Hill Road, Suite 1A	McKees Rocks, PA 15136	Allegheny Specialty Practice Network (ASPN)	West Penn Allegheny Oncology Network
06/02/11 06/29/06 04/01/06 09/28/05 09/28/05	133 Church Hill Road 2A	McKees Rocks, PA 15136	RMPD, LLC	Allegheny Medical Practice Network
07/01/06 06/29/06 06/29/06 06/23/06 12/21/05 12/20/05	133 Church Hill Road Suite 2B & 1B	McKees Rocks, PA 15136	RMPD, LLC	Allegheny General Hospital
06/21/06 09/29/05	133 Church Hill Road Suite 1A	McKees Rocks, PA 15136	JG Direct Marketing, Inc.	Allegheny Imaging of Robinson, Inc.
05/28/09	27 Heckel Road, Suite 112	McKees Rocks, PA 15136	Robert F. Yellenik, M.D.	Allegheny Specialty Practice Network
07/30/04	1000 Waterdam Plaza Drive Suite 220	McMurray, PA 15317	Waterdam Plaza Associates - V, L.P.	Allegheny Medical Practice Network
04/15/08 09/08/05 05/27/98	157 Waterdam Road Suite 120	McMurray, PA 15317	Waterdam Plaza Associates - V, L.P.	Allegheny Medical Practice Network
undated 04/15/08	157 Waterdam Road Suite 160	McMurray, PA 15317	Waterdam Plaza Associates - V, L.P.	Allegheny Medical Practices Network
01/14/08	3402 Washington Road, Suite 301	McMurray, PA 15317	3402 Washington Road, LLC	Allegheny Medical Practice Network
03/12/08	4190 Washington Road, Building #3, 2nd Floor	McMurray, PA 15317	James G. Manolakas	Allegheny Specialty Practice Network
03/01/11	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	West Penn Allegheny Health System, Inc.	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
04/03/11	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	West Penn Allegheny Health System, Inc.	AGH Center for Colon Rectal Surgery, a part of Allegheny Specialty Practice Network
undated	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	West Penn Allegheny Health System, Inc.	Farrel Buchinsky, MD, an employed physician of Allegheny Specialty Practice Network
undated	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	West Penn Allegheny Health System, Inc.	David Skoner, MD and Deborah Gentile, MD, employed physicians of Allegheny Specialty Practice Network
undated	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	West Penn Allegheny Health System, Inc.	Allegheny Nephrology Associates, a part of the Allegheny Specialty Practice Network
12/14/10 09/14/10 04/19/10 04/19/10 04/19/10	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Gallery Shoppes I, Ltd., Gallery Shoppes II, Ltd.	West Penn Allegheny Health System, Inc.
07/01/09	675 N. Broad St. Ext. Suite 1	Grove City, PA 16127	Grover Enterprises, LLC	Cardiology Associates
undated	2550 Mosside Blvd	Monroeville, PA 15146	AMPN	ACDH-Anghel
undated	2550 Mosside Blvd	Monroeville, PA 15146	AMPN	AGH OUTREACH LAB (DRAW STATION)
11/05/10 02/14/06 10/09/02 02/01/01 02/01/01	2550 Mosside Blvd 5th Floor, Suite 500	Monroeville, PA 15146	Monroeville Medical Arts Building	Allegheny Medical Practice Network
02/02/07	2550 Mosside Blvd Suite #515	Monroeville, PA 15146	Monroeville Medical Arts Building	Allegheny General Hospital
07/13/07 04/16/07	2550 Mosside Blvd Suite 208	Monroeville, PA 15146	Monroeville Medical Arts Building	West Penn Hospital
07/21/08	2566 Haymaker Road Suite 306	Monroeville, PA 15146	The Western Pennsylvania Hospital	Allegheny Medical Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
12/20/07				
undated	2566 Haymaker Road Suite 311	Monroeville, PA 15146	The Western Pennsylvania Hospital	West Penn Plastic & Reconstructive Surgery
undated	2566 Haymaker Road Suite 311	Monroeville, PA 15146	The Western Pennsylvania Hospital	Department of Gyne-Onc
undated	2566 Haymaker Road Suite 203, 201/210	Monroeville, PA 15146	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network
undated	2566 Haymaker Road Suite 306	Monroeville, PA 15146	The Western Pennsylvania Hospital Forbes Campus	ACDH-Lebovitz
10/28/10	2566 Haymaker Road Suite 306	Monroeville, PA 15146	Greco One Partners, LP	West Penn Allegheny Health System, Inc.
10/28/10				
08/30/07				
06/22/09	2566 Haymaker Road Suite 107	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
08/30/06				
05/23/07	2566 Haymaker Road Suite 211	Monroeville, PA 15146	Peter C. Dozzi d/b/a Dozzi Medical	The Western Pennsylvania Hospital
03/01/07				
04/22/09	2566 Haymaker Road Suite 212	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
06/30/06				
04/16/03				
05/19/98				
04/22/09	2566 Haymaker Road Suite 216	Monroeville, PA 15146	Greco One Partners, LP	Forbes Health System
06/30/06				
04/16/03				
04/16/03				
05/19/98				
04/22/09	2566 Haymaker Road Suite 204	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
06/30/06				
04/16/03				
05/19/98				

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
10/10/08	2566 Haymaker Road Suite 314	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
08/31/07				
09/05/07	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
01/05/10	2566 Haymaker Road Suite 203, 201/210	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
09/05/08				
12/23/10	2566 Haymaker Road Suite 208	Monroeville, PA 15146	Greco One Partners, LP	West Penn Allegheny Health System
12/31/07				
04/24/08	2566 Haymaker Road Suite 105/106	Monroeville, PA 15146	Greco One Partners, LP	The Western Pennsylvania Hospital
04/04/05				
02/23/04				
05/22/02				
07/10/80				
09/11/09	2566 Haymaker Road Suite 304	Monroeville, PA 15146	Greco One Partners, LP	Forbes Regional Hospital d/b/a Associated Surgeons of Western Pennsylvania at Forbes Regional Hospital
12/12/04				
11/01/09	2566 Haymaker Road, Ground Floor	Monroeville, PA 15146	Greco One Partners, LP	Forbes Health System, Forbes Family Practice
05/18/09				
05/24/04				
05/20/99				
08/15/79				
04/30/04	2580 Haymaker Road Suite 201	Monroeville, PA 15146	Med I Associates	Allegheny Medical Practice Network
11/12/90				
07/15/08	Forbes Regional Health Center 2580 Haymaker Road (leased premises shown on diagram attached to lease)	Monroeville, PA 15146	Med I Associates	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
09/09/02				
07/15/09	2580 Haymaker Road 4th Floor, #403 & #404	Monroeville, PA 15146	Med-One Associates, LP	West Penn Allegheny Health System, Inc
02/15/11	2580 Haymaker Road (Flrs 1 & 3), #101, 106 & 303	Monroeville, PA 15146	Med-One Associates, LP	West Penn Allegheny Health System, Inc
07/15/09				
09/03/91	2580 Haymaker Road SKYWALK, as noted in Exhibit A	Monroeville, PA 15146	Med I Associates	Forbes Regional Hospital
06/19/90				
03/29/90				
05/02/89				
07/01/88				
07/09/09	4318 Northern Pike Suite 101	Monroeville, PA 15146	Elizabeth Y. Polidora and the Estate of	Allegheny Medical Practice Network
02/27/09				
02/25/08				
02/27/02				
09/28/09	2570 Haymaker Road (Modular Building 1)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
02/07/07				
09/28/09	2570 Haymaker Road (Modular Building 2)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
02/07/07				
09/28/09	2570 Haymaker Road (Modular Building 3)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
02/07/07				
09/28/09	2570 Haymaker Road (Modular Building 4)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
02/07/07				
09/28/09	2570 Haymaker Road (Modular Building 5)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
02/07/07				
08/23/07	2570 Haymaker Road (Decks, Steps and Ramps)	Monroeville, PA 15146	Pac-Van, Inc.	The Western Pennsylvania Hospital
11/01/07	4217 Northern Pike	Monroeville, PA 15146	Ragoor Family Holdings, P.C.	Allegheny Medical Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
07/01/05				
07/01/08	100 Stoops Drive, No. 320	Monongahela, PA 15063	Spartan Medical Facility, L.P.	Allegheny Specialty Practice Network
11/01/10	2380 McGinley Road (625 square feet of office space known as Suite Allegheny shown in floor plan attached to lease)	Monroeville, PA 15146	Healthsouth of Pittsburgh, LLC	Allegheny Specialty Practice Network, d/b/a Allegheny Neurological Associates
11/01/07				
03/19/07	3824 Northern Pike, Suite 475	Monroeville, PA 15146	Premier Medical Associates, P.C. (sublandlord)	The Western Pennsylvania Hospital-Forbes Regional Campus (subtenant)
02/04/10	One Monroeville Center, Suite 1050	Monroeville, PA 15146	One Monroeville Center Associates	West Penn Allegheny Health System, Inc. d/b/a The Western Pennsylvania Hospital-Forbes Regional Campus
11/08/10	Thorn Run Crossing Shopping Center 1136 Thorn Run Road (approximately 6,707 square feet as shown on floor plan attached to sublease)	Moon Township, PA 15108	Total Renal Care, Inc.	Allegheny Specialty Practice Network
10/08/10				
09/01/10				
09/01/10				
06/14/07				
06/14/10	Old William Penn Hwy Suite 110	Murrysville, PA 15668	Murrysville Medical Commons, L.P.	Allegheny Medical Practice Network
06/14/10	Old William Penn Highway Suite 109	Murrysville, PA 15668	Murrysville Medical Commons, L.P.	West Penn Allegheny Health System, Inc.
07/16/08	1600 Pacific Avenue Suite 9	Natrona Heights, PA 15065	John D. Marino, Geraldine Decroo & Marlene Young	Allegheny Specialty Practice Network
05/01/08	1621 C Union Avenue 1st and 2nd flrs, parts	Natrona Heights, PA 15065	John D. Marino, Geraldine Decroo & Marlene Young	Allegheny Medical Practice Network
07/01/07				
01/01/05				
12/15/09	1709 Union Avenue	Natrona Heights, PA 15237	Wild Blue Management L.P.	Natrona Heights OB GYN Associates
03/18/09				
02/05/08				

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
01/28/05				
12/15/09 02/28/06 09/15/05 04/19/05	1719 Union Avenue	Natrona Heights, PA 15065	Wild Blue Management L.P.	Allegheny Medical Practice Network
03/17/05	3063 Freeport Road Suite C	Natrona Heights, PA 15065	Anthony Golio, M.D. and Allen P. Snyder, M.D.	Alle-Kiski Medical Center
12/15/09 12/16/06	1624 Pacific Avenue	Natrona Heights, PA 15065	Alle-Kiski Medical Center	The Western Pennsylvania Hospital
12/15/09 01/05/06	1624 Pacific Avenue	Natrona Heights, PA 15065	Wild Blue Management L.P.	Alle-Kiski Medical Center
12/15/09 04/01/09	1622 Pacific Avenue	Natrona Heights, PA 15065	Wild Blue Management L.P.	Alle-Kiski Medical Center
12/15/09 09/17/09	1620 Pacific Avenue (Parking)	Natrona Heights, PA 15065	Wild Blue Management L.P.	Alle-Kiski Medical Center
12/15/09 12/09/97	1620 Pacific Avenue, Heights Plz #1620	Natrona Heights, PA 15065	Wild Blue Management L.P.	Allegheny University Medical Centers
12/15/09 08/10/09	1624 Pacific Avenue, Heights Plz #1624C	Natrona Heights, PA 15065	Wild Blue Management L.P.	Alle-Kiski Medical Center
03/28/11 11/17/08 02/14/06	2801 Freeport Road (office space consisting of approximately 7226 square feet of floor space)	Natrona Heights, PA 15065	322 South Main Street Associates, LP	West Penn Allegheny Health System, Inc. (as successor in interest to Alle-Kiski Medical Center)
11/05/07	965 Burtner Road (Parking - Gravel Lot)	Natrona Heights, PA 15065	Citizen's Hose Fire Department	Alle-Kiski Medical Center
07/17/09	Medical Arts Building 1627-29 Union Avenue (premises more specifically described on exhibit attached to lease)	Natrona Heights, PA 15065	Beechtree Realty Services, LLC	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
07/17/09	1629 Union Avenue (approximately 1,915 square feet; premises more specifically described on exhibit attached to lease)	Natrona Heights, PA 15065	Beechtree Realty Services, LLC	Allegheny Specialty Practice Network
09/28/07	305 Seventh Street Units 2, 3, 4 & 5	New Kensington, PA 15068	Bajwa/Casper Estate Partnership	Allegheny Medical Practice Network
12/09/02				
08/01/09	313-315 7th Street (1,585 square feet of professional offices in office building)	New Kensington, PA 15068	Citizens General Hospital	Allegheny Medical Practice Network
08/01/06				
09/01/10	Citizens General Hospital, 651 Fourth Avenue (13,037 square feet on the first floor of the building)	New Kensington, PA 15068	Citizens General Hospital	Alle-Kiski Medical Center
09/02/08				
07/23/07				
01/02/07				
04/29/05				
03/01/04				
05/10/02				
04/24/01				
11/16/10	651 Fourth Avenue (5,580 square feet of 1st Flr Space)	New Kensington, PA 15068	Citizens General Hospital	West Penn Allegheny Health System, Inc.
04/13/11	3124 Wilmington Road, Suite 203	New Castle, PA 16105	Community Practice Development, L.P.	West Penn Allegheny Oncology Network
10/11/10				
10/11/10				
03/11/10				
03/04/10				
08/11/10	638 Fourth Ave	New Kensington, PA 15068	Karl Salatka	Allegheny Specialty Practice Network
09/01/08	1744 Greensburg Avenue (approximately 2,000 square feet of office space in the Village Shoppes)	North Versailles, PA 15137	Richard H. Katz, M.D., LLC	Allegheny Medical Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
02/01/11	201 South Johnson Road (2,347 square feet in the first floor of the Foxpointe Centre, shown in Exhibit A attached to the lease)	North Strabane Township, PA 15342	D. Fuchs Enterprises, LLC	West Penn Allegheny Health System
01/13/08 undated				
12/14/07	333 Allegheny Avenue Suite 200	Oakmont, PA 15139	Prudential Realty Co.	Allegheny Medical Practice Network
04/30/09	1382 Old Freeport Road Suites 1A & 1B	O'Hara Township, PA 15238	Margaret S. Lally, M.D., LLC	Pittsburgh Cardiology Associates
04/30/08 04/27/07 08/01/05 08/01/05				
04/12/05 undated	107 Gamma Drive, Suite 110	Pittsburgh, PA 15238	107 Gamma Drive Associates, LP	Allegheny Specialty Practice Network
11/01/08	2057 Harrison Avenue (Medical office building and parking, sidewalks, and/or driveways)	Penn Township, PA 15644	Kevin M. and Shirley R. Wong	West Penn Physician Practice Network
12/07/10	1000 West View Park Drive Suite 4	Pittsburgh, PA 15229	West Vue Associates, L.P.	Allegheny Medical Practice Network
05/21/10 01/04/10 12/12/08 06/03/08 07/09/07 02/22/07 04/19/04 04/10/04 01/13/04 01/29/01 undated				

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
08/01/08 11/01/07 02/01/04 05/29/02	10700 Frankstown Road Suite 101	Pittsburgh, PA 15235	Technology Properties 1 LLC	Allegheny Medical Practice Network
10/14/08 04/01/08 01/03/08	1130 Perry Highway Suite 37	Pittsburgh, PA 15237	Union Real Estate Company of Pittsburgh	Allegheny Medical Practice Network
01/04/08 06/10/04 05/24/99 10/30/95 06/02/82	211 North Whitfield Street Suite 590	Pittsburgh, PA 15206	Real Estate Enterprises	Allegheny Medical Practice Network, Inc.
01/10/09 09/30/08 04/05/07 08/05/03 11/01/02	300 Penn Center Blvd Suite 702	Pittsburgh, PA 15235	PCE LL, LP	Allegheny Medical Practice Network Corporation
01/01/08 01/01/06 01/01/04 01/08/98	4815 Liberty Ave Suite 154	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Medical Practice Network
01/01/08 01/01/06	4815 Liberty Ave Suite 432	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Medical Practice Network
01/01/08 01/01/06	4815 Liberty Ave Suite GR25	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Medical Practice Network
03/08/08	4815 Liberty Ave Suite M54	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Medical Practice Network
07/01/08	4815 Liberty Ave Suite 252	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network
01/01/08	4815 Liberty Ave Suite 448	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network
01/01/08	4815 Liberty Ave Suite M58	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network
01/01/08	4815 Liberty Ave Suite 158	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
undated	4815 Liberty Ave Suite GR70	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Liberty Physicians, P.C.
07/01/08	4815 Liberty Ave Suite 142	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Allegheny Specialty Practice Network Center for
02/01/08	4815 Liberty Ave Suite 156	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Pittsburgh Cardiothoracic Associates
01/01/08	4815 Liberty Ave Suite 304	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	West Penn Multispecialty, P.C.
01/01/08	4815 Liberty Ave Suite 321	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	West Penn Multispecialty, P.C.
01/01/08	4815 Liberty Ave Suite 330	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	West Penn Multispecialty, P.C. (IVF)
05/27/05	490 East North Avenue Suite 200	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Medical Practice Network
09/10/02				
12/20/99				
01/31/96				
01/01/06	490 East North Ave Suite G- 100 A	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
01/31/96				
09/16/88				
12/13/85				
undated				
02/16/98	490 East North Ave Suite G100	Pittsburgh, PA 15212	APB Associates	Allegheny General Hospital
01/31/96				
01/11/96				
03/24/08	490 East North Ave Suite 102	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
03/17/99				
01/31/96				
11/07/95				
02/17/93				
01/08/90				
01/01/87				
09/16/83				
03/02/83				
12/21/79				
11/28/07	490 East North Ave Suite 309	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
01/31/96 01/11/96				
03/13/00 07/02/97 01/31/96 01/11/96	490 East North Ave Suite G101	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
08/30/07 06/05/07 01/31/96 01/11/96	490 East North Ave Suite 500	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Specialty Practice Network
08/30/07 06/05/07 01/31/96	490 East North Ave Suite 504/515	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
11/01/06 01/31/96	490 East North Ave Suite 210	Pittsburgh, PA 15212	Clough and Associates	Allegheny General Hospital
01/31/96 01/11/96 04/23/79 04/23/79	490 East North Ave Suite 107	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
04/08/04 01/31/96 01/11/96	490 East North Ave Suite 307	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Specialty Practice Network
05/27/04 01/31/96 01/11/96	490 East North Ave Suite 103	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Specialty Practice Network
05/25/04 11/03/03 01/31/96	490 East North Ave Suite 402	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
01/11/96				
04/08/04	490 East North Ave Suite 406	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny Specialty Practice Network
01/31/96				
01/11/96				
07/01/09	490 East North Ave Suite 408	Pittsburgh, PA 15212	APB Associates (Limited Partnership)	Allegheny Specialty Practice Group
03/25/08				
01/31/96				
01/31/96	490 East North Ave Suite 410	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
01/11/96				
03/18/09	490 East North Ave Suite 405	Pittsburgh, PA 15212	LG Realty Advisors, Inc., Agents	Allegheny General Hospital
03/04/09				
07/14/06				
01/31/96				
07/06/10	5140 Liberty Avenue (leased premises is approximately 3,000 rentable square feet as shown on diagrams attached to lease)	Pittsburgh, PA 15206	West Penn/5148 Liberty Avenue Associates	Allegheny General Hospital Human Motion Rehab
undated				
02/17/10	535 Smithfield Street Suite 1030	Pittsburgh, PA 15222	Oliver Building, L.P.	Century Medical Association, Inc.
09/24/07				
01/19/04				
11/16/98				
03/21/96				
12/18/95				
12/03/04	5500 Corporate Drive Suite 240	Pittsburgh, PA 15237	Zell Two Inc.	Allegheny Medical Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
07/02/08				
03/18/03	5750 Centre Avenue Suite 230	Pittsburgh, PA 15205	SNH Medical Office Properties Trust	Allegheny Medical Practice Network
07/02/08	5750 Centre Avenue Storage Unit 3A	Pittsburgh, PA 15205	SNH Medical Office Properties Trust	Allegheny Medical Practice Network
05/21/08				
06/01/03				
06/01/07	Five Foster Plaza, 651 Holiday Drive (Approximately 1,027 square feet of office space, including exam rooms and waiting and office-related rooms)	Pittsburgh, PA 15220	Allegheny Medical Practice Network	Allegheny Center for Digestive Health
undated	Five Foster Plaza, 651 Holiday Drive	Pittsburgh, PA 15220	AMPN	Inserra
undated	Five Foster Plaza, 651 Holiday Drive	Pittsburgh, PA 15220	AMPN	Grill TTG
06/01/07	Five Foster Plaza, 651 Holiday Drive (One exam room and all waiting and office-related rooms)	Pittsburgh, PA 15220	Allegheny Medical Practice Network	Pittsburgh Cardiology Association
06/01/07	Five Foster Plaza, 651 Holiday Drive (One exam room and all waiting and office-related rooms)	Pittsburgh, PA 15220	Allegheny Medical Practice Network	Pittsburgh Cardiology Association
11/09/06	Five Foster Plaza, 651 Holiday Drive (Three exam rooms, physician's office, waiting area, and common space and business office space)	Pittsburgh, PA 15220	Allegheny Medical Practice Network	AGH Kids: Allergy, Asthma & Immunology
06/01/07	Five Foster Plaza, 651 Holiday Drive (Seven/one exam rooms and waiting office-related rooms)	Pittsburgh, PA 15220	Allegheny Medical Practice Network	M. Denise Leonard, D.O., P.C.

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
undated	Five Foster Plaza, 651 Holiday Drive	Pittsburgh, PA 15220	AMPN	AGH OUTREACH LAB (DRAW STATION)
06/18/07				
05/20/02	Five Foster Plaza, 651 Holiday Drive 1st Floor (Suite 100)	Pittsburgh, PA 15220	HUB Properties Trust c/o Reit Mgmt & Research LLC	Allegheny Medical Practices Network
05/06/09	7110 Church Avenue (1,000 square feet of commerical office space)	Pittsburgh, PA 15202	Michael J. Joyce, et ux.	Allegheny Medical Practice Network
04/10/07				
01/14/05				
10/31/99				
undated	Crafton-Ingram Shopping Center, One Walsh Road	Pittsburgh, PA 15205	AMPN	Pittsburgh Cardiology Associates
06/01/07	Crafton-Ingram Shopping Center, One Walsh Road (Two exam/office rooms and all waiting and office-related rooms)	Pittsburgh, PA 15205	Allegheny Medical Practice Network	Allegheny Center for Digestive Health
X/X/05	Crafton-Ingram Shopping Center, Walsh Road (A portion of the land and building known as Crafton Medical Center)	Pittsburgh, PA 15205	Paul M. Oczypok, M.D.	Allegheny Integrated Health Group
06/01/95				
03/21/11	1307 Federal Street Suite 100	Pittsburgh, PA 15212	HTA Federal North, LLC	Dynacare\WPAHS, LLC
04/29/10				
03/29/10				
04/24/09				
11/18/08				
02/27/02				
12/12/01				
03/21/11	1307 Federal Street Suite 301	Pittsburgh, PA 15212	HTA Federal North, LLC	Allegheny Specialty Practice Network
04/29/10				
11/18/08				

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
08/29/06 02/27/02				
03/21/11 04/29/10 04/24/09 11/11/08 05/23/08 07/30/07	1307 Federal Street (Approximately 43,875 of the lower level floor of the building, as shown in Exhibit A attached to the lease)	Pittsburgh, PA 15212	HTA Federal North, LLC	Allegheny General Hospital
03/21/11 04/29/10 04/24/09 11/18/08 02/27/02 12/14/01 12/12/01	1307 Federal Street Suite 200	Pittsburgh, PA 15212	HTA Federal North, LLC	Allegheny Specialty Practice Network
03/21/11 04/29/10 11/18/08 11/15/04	1307 Federal Street Suite 302	Pittsburgh, PA 15212	HTA Federal North, LLC	Allegheny General Hospital
03/21/11 04/29/10 11/18/08 05/28/08 09/14/07	1307 Federal Street (Approximately 10,686 square feet of third floor, as shown in Exhibit A attached to the lease)	Pittsburgh, PA 15212	HTA Federal North, LLC	Allegheny General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
07/16/08 01/31/03 04/01/98 01/29/97 04/24/92	503 Martindale Street (First Floor)	Pittsburgh, PA 15212	501 Martindale Associates, L.P.	West Penn Allegheny Health System
06/03/10 12/07/04 10/07/02 06/30/00	Allegheny Center Cplx (D-289-3) Stes 610, 300, 200A	Pittsburgh, PA 15212	Allegheny Ctr. Assc.	Allegheny General Hospital
10/01/10 10/01/10 08/08/00 06/30/00	Allegheny Center Complex (WP2AC) Ste 1300,1100,1050,600,150, 100	Pittsburgh, PA 15212	Allegheny Ctr. Assc.	Allegheny General Hospital
08/20/09	Allegheny Center Complex (AGH) Suite 414	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System
03/16/09	Allegheny Center Cplx (WPAHS - 1) Suite 445	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System
07/13/10	One Allegheny Square (WPAHS455) Allegheny Center, #455	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System
07/13/10	One Allegheny Square (WPAHS450) Allegheny Center, #450	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System
07/13/10	Allegheny Center, (WPAHS453) 453	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System
08/03/10 06/26/96	4 Allegheny Center	Pittsburgh, PA 15212	Four Allegheny Associates, L.P.	West Penn Allegheny Health System, Inc.
08/03/10 06/26/96	4 Allegheny Center	Pittsburgh, PA 15212	Four Allegheny Associates, L.P.	West Penn Allegheny Health System, Inc.
10/23/08	1000 Bower Hill Road Suite 201	Pittsburgh, PA 15243	SCNSC Properties, Inc.	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
04/01/01	1050 Bower Hill Road Suite 203B	Pittsburgh, PA 15243	St. Clair Management Resources, Inc.	Cardio-Thoracic Surgical Associates, Inc.
07/28/11 04/28/10 12/29/04 11/19/96 05/05/92	East Wing Office Bldg	Pittsburgh, PA	Sun-Allegheny Business Trust	Allegheny General Hospital
07/28/11 11/19/96	James Street Garage	Pittsburgh, PA 15212	Sun-Allegheny Business Trust	Allegheny General Hospital
07/28/11 11/19/96	Hemlock Garage	Pittsburgh, PA 15212	Sun-Allegheny Business Trust	Allegheny General Hospital
12/22/08	4727 Friendship Avenue 2nd Floor	Pittsburgh, PA 15224	Trinity Associates, LLC	West Penn Allegheny Health System, Inc.
01/00/00	4727 Friendship Avenue Floor 1	Pittsburgh, PA 15224	Trinity Associates LLC	The Western Pennsylvania Hospital
10/01/03	4727 Friendship Avenue Floor 2	Pittsburgh, PA 15224	Trinity Associates, LLC	West Penn Corporate Medical Services, Inc.
03/24/04	4727 Friendship Avenue 3rd Floor	Pittsburgh, PA 15224	Trinity Associates, LLC	West Penn Specialty M.S.O.
06/22/05 03/22/02 undated	245 & 247 Morewood Avenue (space on the main level, as shown on exhibit A)	Pittsburgh, PA	Real Estate Enterprises	Medical Center Clinic, P.C.
02/01/07 10/06/06	5124 Liberty Avenue (095) #101	Pittsburgh, PA 15224	5124 Liberty Avenue Partners	The Western Pennsylvania Hospital Pain Mgmt Center
07/06/10 03/01/04 08/15/01 03/01/99 12/16/91	5140 Liberty Avenue, 2nd Fl (091) Suite F	Pittsburgh, PA 15224	West Penn/5148 Liberty Avenue Associates	Western Pennsylvania Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
07/06/10 05/19/05 02/21/05 02/21/05	5140 Liberty Avenue (176) Suite G	Pittsburgh, PA 15224	West Penn/5148 Liberty Avenue Associates	The Western Pennsylvania Hospital, Sleep
undated	5148 (5140) Liberty Avenue	Pittsburgh, PA 15224	AMPN	ACDH-Lebovitz
07/28/03	5148 Liberty Avenue (090) Suite E	Pittsburgh, PA 15224	West Penn/5148 Liberty Avenue Associates	West Penn Corporate Medical Services
07/08/08 03/25/08	601 Holiday Drive Suite 190	Pittsburgh, PA 15220	HUB Properties Trust c/o Reit Mgmt & Research LLC	West Penn Allegheny Health System, Inc.
08/25/10 03/01/07	81 Hillcrest Drive Suite 2400	Punxsutawney, PA 15767	Punxsutawney Area Hospital, Inc.	West Penn Allegheny Oncology Network
02/13/08	811 Camp Horne Road Mezzanine Level	Pittsburgh, PA 15237	Five Mile Development Group	Allegheny Specialty Practice Network
04/07/11 11/19/10 11/01/10 08/31/10 04/01/09 12/29/08	30 Isabella Street Suite 300	Pittsburgh, PA 15212	HTA - Jackson's Row, LLC	West Penn Allegheny Health System, Inc.
11/24/97	100 S. Jackson Ave. 6th Floor	Pittsburgh, PA 15202	Suburban General Hospital	The Western Pennsylvania Hospital
02/15/08	4826 & 4824 Liberty Avenue (Legal)	Pittsburgh, PA 15224	Albanese Properties, LLC	West Penn Allegheny Health System, Inc
05/13/10	Space at West Penn Hospital by Forbes Hospice for an inpatient Hospital unit on T-8	Pittsburgh, PA 15224	The Western Pennsylvania Hospital	Forbes Hospice
	4800 Friendship Avenue North Tower, First Floor	Pittsburgh, PA 15224	West Penn Hospital	Foot and Ankle Institute
07/01/03	Snyder Pavilion 320 East North Avenue, Suite #700	Pittsburgh, PA 15212	Allegheny General Hospital	Medical Center Clinic, P.C.
03/02/09	925 Brighton Road	Pittsburgh, PA 15233	Marcie L.P.	Allegheny Specialty Practice Network

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
03/01/09	320 Guys Run Road (2,371 rentable square feet of space as more particularly described in exhibits A and A-1)	Pittsburgh, PA 15238	Advantage Health Harmarville Rehabilitation Corporation	Allegheny Specialty Practice Network
07/01/02	340 Lincoln Avenue	Pittsburgh, PA 15202	Syed R. Hussaini, M.D., Ltd.	Allegheny Medical Practice Network
09/02/09	Howard St. (a certain area within the right-of-way pf S.R. 0279, which is not required for the free movement of traffic, and is identified on exhibit A)	Pittsburgh, PA 15212	Pennsylvania Department of Transportation	Allegheny General Hospital
undated	5001 Baum Blvd Suite 430	Pittsburgh, PA 15213	Real Estate Enterprises	The Western Pennsylvania Hospital
04/27/09	1386 Old Freeport Road Suite 1 AR	Pittsburgh, PA 15238	Fox Chapel Office Center	Tri-County Cardiology
01/01/07	9335 McKnight Road Suites 220, 240	Pittsburgh, PA 15237	Allegheny General Hospital	Allegheny Specialty Practice Network
01/01/07	9335 McKnight Road Suite 100	Pittsburgh, PA 15237	Allegheny General Hospital	Allegheny Medical Practice Network
12/01/07 10/12/07	107 Gamma Drive Suite 130	Pittsburgh, PA 15238	107 Gamma Drive Associates, LP	West Penn Hospital
05/07/10	100 Forest Hills Plaza, Suite 200	Pittsburgh, PA	Premier Medical Associates, P.C.	The Western Pennsylvania Hospital - Forbes Regional Campus
10/01/09	100 Forest Hills Plaza, Suite 200	Pittsburgh, PA	Premier Medical Associates, P.C.	The Western Pennsylvania Hospital - Forbes Regional Campus
05/12/10	Two Allegheny Center (West Penn) 500	Pittsburgh, PA 15212	Allegheny Center Associates	West Penn Allegheny Health System, Inc.
07/30/10	4955 Steubenville Pike Suite 180	Robinson Township, PA 15205	JAM (Twin Towers) LLC and CCM (Twin Towers) LLC	Alan R. Catanzariti, DPM, P.C. (tenant) and West Penn Allegheny Health System, Inc (assignee)
02/08/08 08/05/05 05/13/05 05/13/05 02/06/00				
11/13/98	Rostraver Airport Hanger Site 106	Rostraver Township, PA 15012	Westmoreland County Airport Authority	Allegheny General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
10/01/95				
02/28/10	333 Main Street Suite 101, 102 & 106	Saxonburg, PA 16056	Dinnerbell Associates, LLC	Allegheny Medical Practice Network
10/01/09	3512 State Route 257 ("certain premises located in the rear portion of that certain building...consisting of approximately 240 square feet")	Seneca, PA 16346	Chest Medicine Associates	Allegheny Specialty Practice Network
X/X/2009	100 Northpointe Circle Suite 103	Seven Fields, PA 16046	NPG Venture, LP	Allegheny Specialty Practice Network
11/01/08	2976 Clay Pike ("the medical office building and any associated parking, sidewalks, and/or driveways")	Sewickley Township, PA 15642	Bakshi Wong Equipment	West Penn Physician Practice Network
11/14/07	720 Blackburn Road, 4th Floor, Area D	Sewickley, PA 15143	Heritage Valley Health System	Allegheny Neurological Associates
undated	701 Broad Street	Sewickley, PA 15143	Valley Urological Associates	AGH Nephrology Associates
07/28/11	314 South Kimberly Avenue	Somerset Borough, PA 15501	Somerset PA Business Trust	Allegheny General Hospital
04/27/98				
01/01/08				
10/12/06	831 Pittsburgh Street	Springdale, PA 15144	Michael J. Rusek	Allegheny Medical Practice Network
02/01/07	Sinclair Building 1805 Sinclair Avenue (leased premises more particularly described in exhibit attached to lease)	Steubenville, OH 43952	Riverside Medical, Inc.	Allegheny Specialty Practice Network
01/01/08	317 First Avenue Suites 3 & 4	Tarentum, PA 15084	Lawrence Ferlan	Allegheny Medical Practice Network
06/01/09	320 East Third Avenue	Tarentum, PA 15084	Margaret E. Meals	Allegheny Medical Practice Network-1
02/03/11	590 Pittsburgh Mills Circle Unit 556	Tarentum, PA 15084	Pittsburgh Mills Limited Partnership	Alle Kiski Medical Center
01/13/10				
09/16/09				
08/04/08				

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
12/20/07				
03/03/08	590 Pittsburgh Mills Circle #555	Tarentum, PA 15084	Pittsburgh Mills Limited Partnership	Alle Kiski Medical Center
07/01/07	25 Highland Park Drive Suite 203	Uniontown, PA 15401	Riad Saradar, M.D.	Allegheny Medical Practice Network
08/31/06	202 Jacob Murphy Lane, Suite 201	Uniontown, PA 15401	H & P Properties, LLC	Allegheny Cardiology Associates
09/21/09	2535 Washington Road Suite 1121	Upper St Clair, PA 15241	Summerfield Village Associates	Allegheny Specialty Practice Network
11/13/09	244 Longfellow St. (as shown on exhibit A-1)	Vandergrift, PA 15690	Wilson Square Professional Associates, Inc.	Alle-Kiski Medical Center
11/13/09				
09/22/09				
09/21/09				
08/28/09				
08/28/09				
12/14/07	6145-6149 Saltsburg Road (second floor of Penn Commons Office Building as marked in exhibit A)	Verona, PA 15147	Prudential Realty Co., Agent	Allegheny Medical Practice Network
undated	500 Route 909	Verona, PA 15147	Longwood at Oakmont	Choicecare Physicians, P.C.
05/01/07	380 W Chestnut Street Suite 101	Washington, PA 15301	Central Washington Development Company	Allegheny Specialty Practice Network
01/15/11	100 Trich Drive, Suite 2	Washington, PA 15301	Advanced Orthopedics & Rehabilitation LLC, L.P.	Allegheny Specialty Practice Network
06/01/07	2027 Lebanon Church Rd	West Mifflin, PA 15122	Allegheny Medical Practice Network-1	Pittsburgh Cardiology Association
undated	2027 Lebanon Church Rd	West Mifflin, PA 15122	AMPN	Grill Stress Testing
undated	2027 Lebanon Church Rd	West Mifflin, PA 15122	AMPN	Jallil
undated	2027 Lebanon Church Rd	West Mifflin, PA 15122	AGH	AMPN
09/01/07	2027 Lebanon Church Rd (two-story medical office building situated on certain real property, more particularly identified in exhibit-A)	West Mifflin, PA 15122	Trumbull Corporation	Allegheny General Hospital

Date of lease document	Address/Premises	City State Postal Code	Landlord Name	Tenant Name
undated	500 Blazier Drive Suite 200	Wexford, PA 15090	Allegheny General Hospital	Allegheny Orthopedic Associates
undated	500 Blazier Drive Suite 100	Wexford, PA 15090	Allegheny General Hospital	Allegheny Orthopedic Associates
undated	500 Blazier Drive	Wexford, PA 15090	Allegheny General Hospital	Allegheny General Hospital
01/00/00	8500 Brooktree Road (330 square feet of premises and the corresponding common area)	Wexford, PA	Pittsburgh Ear Associates, P.C	Allegheny General Hospital
undated	1955 Lincoln Way	White Oak, PA 15131	AMPN	ACDH-GUPTA
08/01/05	1955 Lincoln Way Suite C	White Oak, PA 15131	John Nigro	Allegheny Medical Practice Network
04/01/09	Osso Building 200 Luray Drive (more particularly described in exhibit attached to lease)	Wintersville, OH 43952	Riverside Medical, Inc.	Allegheny Orthopedic Associates
04/01/08				
04/01/07				
04/01/06				
04/01/05				

Schedule 4.18(c)
WPAHS Parties' Third Party Leases

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
1/8/2009	Canonsburg General Hospital	400 Southpointe Blvd. Suite 235	Canonsburg, PA 15317	Brian Ernstoff, M.D.	01/08/2009	1/7/2012
4/14/2009	Canonsburg General Hospital	100 Medical Blvd (Ambulatory Care Department)	Canonsburg, PA 15317	Arthritis & Rheumatology Associates of Southwestern Pennsylvania	04/14/2009	4/13/2012
10/20/2009	Canonsburg General Hospital	100 Medical Blvd (Ambulatory Care Department on First Floor)	Canonsburg, PA 15317	US Heart & Vascular, P.C.	11/02/2009	11/1/2012
9/30/2008	Allegheny Specialty Practice Network	100 Medical Blvd	Canonsburg, PA 15317	Debra J. Panucci, M.D., LLC	09/03/2008	9/2/2012
7/1/2010	Allegheny Medical Practice Network	20397 Route 19 Suite #330	Cranberry Township, PA 16066	Electrodes at Work	07/01/2010	6/30/2012
7/28/2011	Allegheny Medical Practice Network	5375 William Flynn Highway (as depicted in exhibit A)	Gibsonia, PA 15044	Children's Community Care, Inc.	02/01/2011	1/31/2012
1/28/2011						
undated	Allegheny Medical Practice Network	133 Church Hill Road	McKees Rocks, PA 15136	Kaplan - Integrated Pulmonary	07/01/2009	M-T-M
4/1/2011	West Penn Allegheny Health System, Inc.	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Three Rivers Travel Medicine, LLC	04/01/2011	3/31/2012
3/29/2011	West Penn Allegheny Health System, Inc.	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Kathryn Weldy, DPM	04/01/2011	3/31/2012
5/3/2011	Canonsburg General Hospital	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Allergy and Asthma Care	05/01/2011	4/30/2012

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
3/29/2011	Canonsburg General Hospital	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Cynthia Hatfield, DPM	04/01/2011	3/31/2012
4/1/2011	West Penn Allegheny Health System, Inc.	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Hani Gabriel, MD	04/01/2011	3/31/2012
4/1/2011						
3/23/2011	West Penn Allegheny Health System, Inc.	160 Gallery Drive Units 144 & 160	McMurray, PA 15317	Erik Happ, MD	06/01/2011	5/31/2012
2/7/2001	The Western Pennsylvania Hospital	2566 Haymaker Road (as described in Exhibit A) (Ground Lease)	Monroeville, PA 15146	Greco One Partners, LP	08/05/1977	5/31/2019
9/4/1979						
5/26/1978						
8/5/1977						
12/16/2010	The Western Pennsylvania Hospital	2566 Haymaker Road Suite 311	Monroeville, PA 15164	Groff Orthopedics	02/01/2008	M-T-M
2/1/2008						
3/10/2008	The Western Pennsylvania Hospital Forbes Campus	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Dr. Darius Saghafi	03/01/2008	M-T-M
9/14/2009	The Western Pennsylvania Hospital	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Advanced Pain Medicine	09/14/2009	9/14/2012
undated	The Western Pennsylvania Hospital	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Dr. Choo	01/12/2010	M-T-M
2/2/2010	The Western Pennsylvania	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Dr. Vijaykumar	02/01/2010	M-T-M

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
	Hospital					
undated	The Western Pennsylvania FRC	2566 Haymaker Road Suite 311	Monroeville, PA 15146	Allegheny Radiology Association	05/01/2011	M-T-M
undated	The Western Pennsylvania Hospital Forbes Campus	2566 Haymaker Road Suite 306	Monroeville, PA 15146	Rehabilitation and Pain Specialist	11/01/2010	M-T-M
undated	The Western Pennsylvania Hospital Forbes Campus	2566 Haymaker Road Suite 306	Monroeville, PA 15146	Dr. R. C. Lin	01/01/2011	M-T-M
7/1/2010 6/1/2007	Allegheny Medical Practice Network	2580 Haymaker Road Suite 201	Monroeville, PA 15146	Lowry Radiology	07/01/2007	6/30/2012
9/3/1991 6/19/1990 3/29/1990 5/2/1989 7/1/1988	Forbes Regional Hospital	2580 Haymaker Road (Ground Lease)	Monroeville, PA 15146	Med-1 Associates	07/01/1988	6/30/2041
undated	Allegheny Medical Practice Network	4318 Northern Pike Suite 101	Monroeville, PA 15146	Dr, Satish Kanakamedala	07/01/2009	M-T-M
7/27/2011 8/20/2007 6/25/2007 12/18/2001	West Penn Allegheny Health System	2628 Mosside Boulevard First Floor Rear	Monroeville, PA 15146	Dr. A.E. Kilic D.D.S.	07/01/1988	10/31/2011

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
7/7/1995						
4/6/1993						
8/27/1990						
5/17/1988						
7/27/2011	West Penn Allegheny Health System	2628 Mosside Boulevard 2nd Floor	Monroeville, PA 15146	Dr. A.E. Kilic D.D.S.	11/01/1997	10/31/2011
8/20/2007						
6/25/2007						
11/6/1997						
10/27/1997						
11/8/2007	Allegheny Medical Practice Network	3063 Freeport Road Suite C	Natrona Heights, PA 15065	Renal Endocrine Associates	12/01/2007	6/30/2012
1/5/2010	Alle-Kiski Medical Center	1622 Pacific Avenue (approximately 2,520 square feet of the master lease premises)	Natrona Heights, PA 15065	North Pittsburgh Pain Physicians, P.C.	01/01/2010	3/31/2014
12/15/2009						
4/1/2009						
4/1/2008	Alle-Kiski Medical Center	1301 Carlisle Street (leased premises is described more particularly in exhibit attached to lease)	Natrona Heights, PA 15065	Renal-Endocrine Associates, P.C.	04/01/2008	3/31/2012

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
11/19/2010	Alle-Kiski Medical Center	1301 Carlisle Street 1A/1C	Natrona Heights, PA 15065	LifeCare Hospitals of Pittsburgh, Inc.	10/16/2010	10/31/2015
10/13/2010						
4/2/2009	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Advanced Kidney Care Med Ass	04/02/2009	M-T-M
1/14/2009	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Dr. David Catalane & Dr. Paul Willis	01/14/2009	M-T-M
6/15/2007	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Saroj Wadhwa, MD	07/01/2007	M-T-M
6/15/2007	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Maria Sunseri, MD, L.L.C.	07/01/2007	M-T-M
6/15/2007	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Infectious Disease Associates of Western PA	07/01/2007	M-T-M
undated	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Dr. McGraw	07/01/2009	M-T-M
undated	West Penn Hospital	4815 Liberty Ave Suite M02	Pittsburgh, PA 15224	Dr. Asha Raman	01/01/2011	M-T-M
4/1/2009	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 106	Pittsburgh, PA 15224	Thomas Jackson, D.M.D.	04/01/2009	12/31/2011
4/1/2009	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 141	Pittsburgh, PA 15224	Daniel W. Pituch D.M.D., Stephen J. Miloser, D.M.D.	04/01/2009	12/31/2011
5/2/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 234	Pittsburgh, PA 15224	Cardiovascular and Critical Care Associates, P.C.	05/01/2008	M-T-M
1/31/2011	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 422	Pittsburgh, PA 15224	H.R. Berk, M.D.	10/15/2001	M-T-M

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
11/10/2002						
undated						
2/1/2011	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 426	Pittsburgh, PA 15224	Neurological Neurodiagnostic Associates	01/01/2008	M-T-M
1/1/2008						
1/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 437	Pittsburgh, PA 15224	Pittsburgh Gynob, P.C.	01/01/2008	M-T-M
1/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 443	Pittsburgh, PA 15224	Shelly McQuone, M.D. and John Straka, M.D.	01/01/2008	M-T-M
undated	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 453	Pittsburgh, PA 15224	Kotayya E. Kondaveeti, M.D.	01/01/2009	M-T-M
1/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 456	Pittsburgh, PA 15224	Terrence J. Obringer, D.O.	01/01/2008	M-T-M
1/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite GR31	Pittsburgh, PA 15224	Sukdev S. Grover, M.D.	01/01/2008	M-T-M
1/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite GR04	Pittsburgh, PA 15224	Greater Pittsburgh Cardiology, P.C.	01/01/2008	M-T-M
1/2/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite M25	Pittsburgh, PA 15224	West Penn Eye Associates	01/01/2008	M-T-M
5/1/2008	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 204	Pittsburgh, PA 15224	Pittsburgh Gynecologic Oncology, Inc.	05/01/2008	4/30/2013
4/30/2008	The Western Pennsylvania Hospital	4815 Liberty Ave (Espresso Café in Mellon Pavillion)	Pittsburgh, PA 15224	Crazy Mocha Coffee	05/01/2008	5/1/2012

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
undated	The Western Pennsylvania Hospital	4815 Liberty Ave Suite 235	Pittsburgh, PA 15224	Dr. Bragdon	01/01/2010	M-T-M
8/26/2009	Allegheny General Hospital	490 East North Street (Ground lease as delineated in attachment to lease)	Pittsburgh, PA 15212	APB Associates	06/21/1977	12/31/2037
1/31/1996						
8/30/1978						
6/21/1977						
undated	Allegheny General Hospital	490 East North Ave Suite 405	Pittsburgh, PA 15212	Dr. Peter M. Joseph	07/01/2009	M-T-M
10/12/1998	Suburban General Hospital	575 Lincoln Avenue Lower Level 1	Pittsburgh, PA 15205	Rewat Cholaranee, MD	09/01/1989	8/31/2012
9/1/1989						
11/11/2004	Suburban General Hospital	575 Lincoln Avenue # LL1	Pittsburgh, PA 15205	Pittsburgh Family Practice	08/01/1994	M-T-M
8/1/1994						
7/18/1994						
undated	Allegheny General Suburban MOB	575 Lincoln Avenue Lower Level	Pittsburgh, PA 15205	Parviz Jian, MD	01/01/2008	M-T-M
undated	Allegheny General Suburban MOB	575 Lincoln Avenue Lower Level	Pittsburgh, PA 15205	Siva Kedarnath	11/01/2004	M-T-M
12/1/2003	Suburban General Hospital	575 Lincoln Avenue Suite 100	Pittsburgh, PA 15202	James Cervone	01/01/1998	Y-T-Y
11/26/1999						
11/4/1997						
7/31/2004	Allegheny General Suburban MOB	575 Lincoln Avenue Suite 303	Pittsburgh, PA 15205	Greg Hofstetter	07/01/2004	6/30/2012

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
undated	Allegheny General Suburban MOB	575 Lincoln Avenue Suite 303	Pittsburgh, PA 15205	Dr. Pandit	09/01/2004	M-T-M
undated	Allegheny General Suburban MOB	575 Lincoln Avenue 204	Pittsburgh, PA 15205	Lisa Nath	01/01/2008	M-T-M
6/1/2007	Allegheny Medical Practice Network	651 Holiday Drive (Approximately 342 square feet of exam rooms and waiting and office-related rooms)	Pittsburgh, PA 15220	Marilyn Obiecunas	07/01/2007	6/30/2012
6/5/2008	Allegheny Specialty Practice Network	1307 Federal Street Suite 200	Pittsburgh, PA 15212	ChoiceCare Physicians P.C.	06/01/2008	M-T-M
6/12/2003	Allegheny General Hospital	4 Allegheny Center, (7,412 square feet on 2nd Floor and 10 parking spaces)	Pittsburgh, PA 15212	United States of America	11/01/2001	M-T-M
9/7/2001						
7/31/2001						
undated	Allegheny General Hospital	4 Allegheny Center Stes 500, 501, 501A, 570	Pittsburgh, PA 15212	NSABP Foundation, Inc.	08/01/1999	M-T-M
12/21/2004						
8/1/2003						
X/X/2001						
8/1/1999						
1/1/2004	Allegheny General Hospital	4 Allegheny Center Suite 300	Pittsburgh, PA 15212	Christian and Missionary Alliance Branch	06/01/2004	M-T-M
6/1/2008	The West Penn Allegheny Health System Inc.	4 Allegheny Center 4th Fl (6,631 square feet as set forth in Exhibit A attached	Pittsburgh, PA 15212	Allied Insurance Brokers, Inc.	03/01/2002	M-T-M

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
		to lease)				
10/1/2002						
X/X/2001						
undated						
7/24/2007	Allegheny General Hospital	4 Allegheny Center Suite 601	Pittsburgh, PA 15212	Northside Leadership Conference	07/01/2005	M-T-M
6/1/2005						
1/7/2003	Allegheny General Hospital	4 Allegheny Center Suite 205	Pittsburgh, PA 15212	Kowatch & Affiliates	02/01/2003	M-T-M
3/24/2005	Allegheny General Hospital	4 Allegheny Center Suite 206	Pittsburgh, PA 15212	Miss Lisel Virkler	04/01/2005	M-T-M
11/19/1996	Allegheny General Hospital	320 East North Avenue (Ground Lease)	Pittsburgh, PA 15212	Sun-Allegheny Business Trust	11/22/1996	11/21/2095
undated	Allegheny General Hospital	320 East North Ave #112	Pittsburgh, PA 15212	Dr. John Gruendel, Jr	07/01/2009	M-T-M
1/1/1990	Allegheny General Hospital	320 East North Ave 112	Pittsburgh, PA 15212	John F. Buzzatto, DMD	01/01/1990	12/31/1990
12/22/1989						
7/1/2010	Allegheny General Hospital	420 East North Ave #112	Pittsburgh, PA 15212	Dr. DiPerna	07/01/2010	6/30/2012
11/19/1996						
6/2/2005	Allegheny General Hospital	420 East North Avenue Suite 205	Pittsburgh, PA 15212	Murray B. Gordon, M.D.	08/01/1988	5/31/2010
1/21/2004						
8/15/1997						
6/6/1988						

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
undated	Allegheny General Hospital	420 East North Ave. Suite 402	Pittsburgh, PA 15212	Pittsburgh Ear Associates, P.C	12/01/2001	11/30/2009
7/8/2002	Allegheny General Hospital	420 East North Ave 3rd Floor	Pittsburgh, PA 15212	Pittsburgh Ear Associates, P.C	03/01/2002	2/28/2003
undated	Allegheny General Hospital	420 East North Avenue Suite 116	Pittsburgh, PA 15212	Allegheny Ophthalmic and Orbital	10/01/1985	M-T-M
undated	Allegheny General Hospital	420 East North Avenue Suite 118	Pittsburgh, PA 15212	Optical Shop	10/01/1985	M-T-M
undated	Allegheny General Hospital	420 East North Avenue Suite 407	Pittsburgh, PA 15212	Frazier-Hart, Inc.	07/01/2009	M-T-M
7/1/2007	Allegheny General Hospital	420 East North Avenue Suite 302	Pittsburgh, PA 15212	Allegheny Neurosurgery & Spine Associates, PC	07/01/2007	6/30/2011
4/1/2010	Allegheny Specialty Practice Network	811 Camp Horne Road, Mezzanine Level	Pittsburgh, PA 15237	Tri-State Medical Group, Inc.	04/12/2010	4/30/2012
4/28/2010	West Penn Allegheny Health System, Inc.	30 Isabella Street Suite 301	Pittsburgh, PA 15212	Digital Pathco, LLC	08/01/2010	11/30/2013
12/29/2008						
11/1/2002	Allegheny General Suburban Hospital	100 S Jackson Ave Seventh Floor	Pittsburgh, PA 15202	Dialysis Clinic	11/01/2002	10/31/2012
undated	Allegheny General Suburban Hospital	100 S Jackson Ave Third Floor	Pittsburgh, PA 15202	Kenneth C. Huber	06/01/2004	M-T-M
undated	Allegheny General Suburban Hospital	100 S Jackson Ave 6th Floor	Pittsburgh, PA 15202	Shelly McQuone, M.D. and John Straka, M.D.	01/01/2008	M-T-M
6/10/2011	West Penn Allegheny Health System, Inc.	100 S Jackson Ave 5th Floor	Pittsburgh, PA 15202	LifeCare Hospitals of Pittsburgh, Inc.	11/18/2010	11/30/2015
6/10/2011						
4/3/2011						
10/15/2010						
10/15/2010	West Penn Allegheny Health	100 S Jackson Ave 4th Floor	Pittsburgh, PA 15202	LifeCare Hospitals of Pittsburgh, Inc.	04/01/2011	3/31/2016

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
	System, Inc.					
10/13/2010						
10/13/2010						
11/17/2004	Allegheny General Hospital	320 East North Avenue (Coffee Shop)	Pittsburgh, PA 15212	SMLD, Inc.	01/01/2005	12/31/2014
undated	Allegheny General Hospital	320 East North Avenue Suite 401	Pittsburgh, PA 15212	Plastic Surgery of Pittsburgh, Ltd.	01/01/2007	12/31/2011
9/10/2004	Allegheny General Hospital	320 East North Avenue, 6th Floor, South Tower	Pittsburgh, PA 15212	Pediatric Cardiology of Western PA	08/01/2004	M-T-M
9/1/2010	West Penn Allegheny Health System	320 East North Avenue (portions of 4th floor south tower, as defined in exhibit)	Pittsburgh, PA 15212	Total Renal Care, Inc.	09/01/2010	2/29/2012
10/1/2010	West Penn Allegheny Health System, Inc.	320 East North Avenue 434 & 435	Pittsburgh, PA 15212	Total Renal Care, Inc.	10/01/2010	2/29/2012
11/2/2007	Allegheny General Hospital	9335 McKnight Road Suite 200	Pittsburgh, PA 15237	McCandless Endoscopy Center, LLC	01/02/2007	11/1/2017
2/18/2005	Allegheny General Hospital	9335 McKnight Road Suite 140	Pittsburgh, PA 15237	Allegheny Imaging of McCandless	10/04/2005	9/30/2012
5/1/2005	Allegheny General Hospital	9335 McKnight Road Suite 104	Pittsburgh, PA 15237	Pittsburgh Audiology & Hearing Aid	05/01/2004	M-T-M
1/19/2004						
undated	Allegheny Medical Practice Network	831 Pittsburgh Street	Springdale, PA 15144	Dr Block	07/01/2009	M-T-M
6/1/2007	Allegheny Medical Practice Network	25 Highland Park Drive Suite 203	Uniontown, PA 15401	Renal & Electrolyte Associates	07/01/2007	6/30/2012
undated	Allegheny Medical Practice Network	2027 Lebanon Church Rd	West Mifflin, PA 15122	Marilyn Obiecunas	07/01/2009	M-T-M

Date of lease document	Landlord Name (WPAHS entity)	Address/Premises	City State Postal Code	Tenant Name	Commencement Date	Expiration Date or status
undated	Allegheny General Hospital	2027 Lebanon Church Rd	West Mifflin, PA 15122	Community Eye Care Associates	07/01/2009	M-T-M
undated	Allegheny Medical Practice Network	2027 Lebanon Church Rd.	West Mifflin, PA 15122	Jan C. Seski, MD & Associates, P.C.	05/01/2011	M-T-M

Schedule 4.18(j)
WPAHS Parties' Notices of ADA Non-Compliance

None.

Schedule 4.20(d)
WPAHS Parties' Compliance with Plans and Benefit Programs and Agreements

(ii)

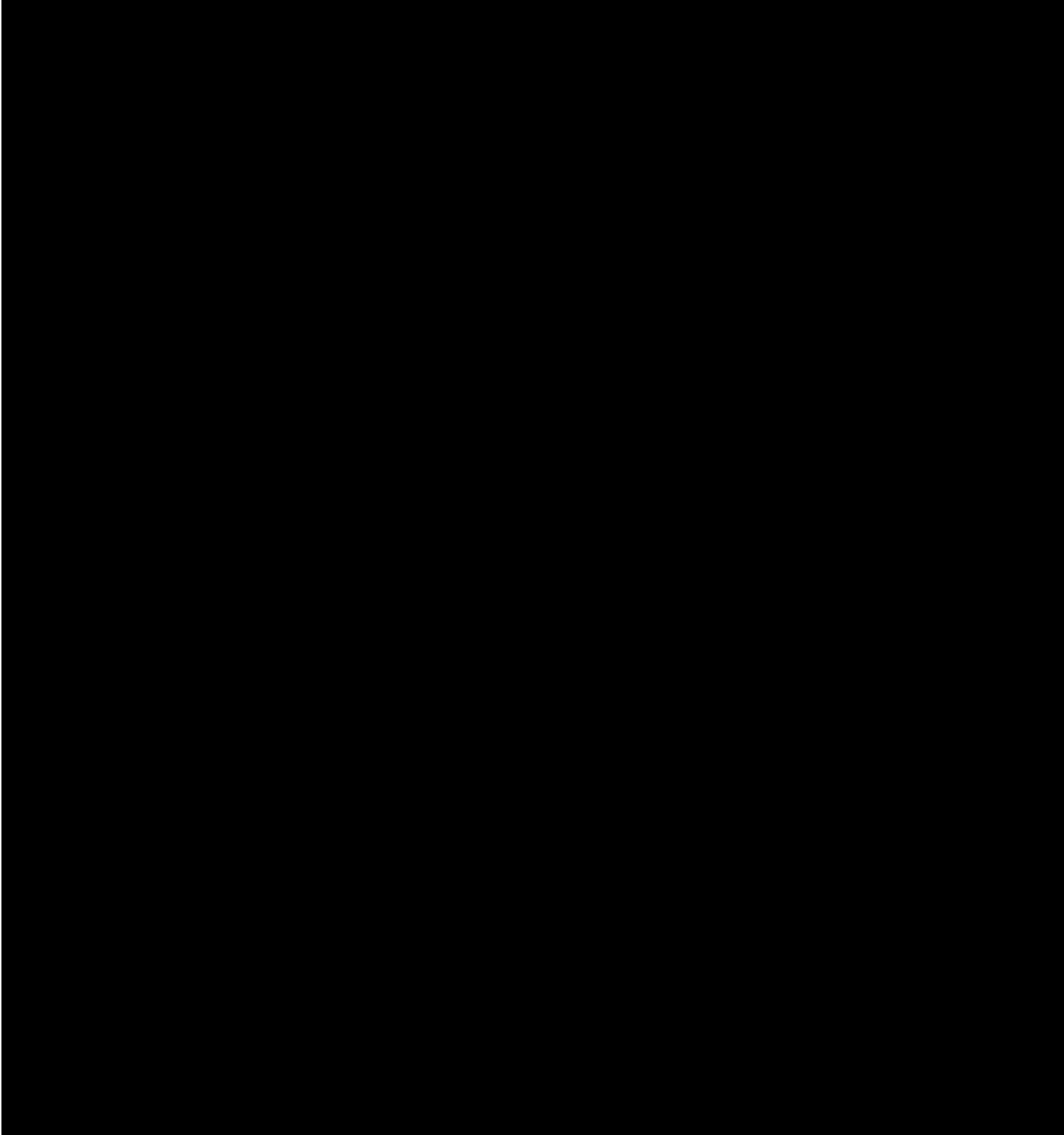
Effective January 1, 2009, the assets of the Retirement Plan for Employees of West Penn Allegheny Health System relating to eligible collectively bargained employees were spun-off into a newly established plan, called the Retirement Plan for Eligible Represented Employees of West Penn Allegheny Health Systems. WPAHS sent a request for a determination letter with respect to the plan to the IRS, which the IRS acknowledged receipt of on February 18, 2010, but has not received a response as of October 31, 2011.

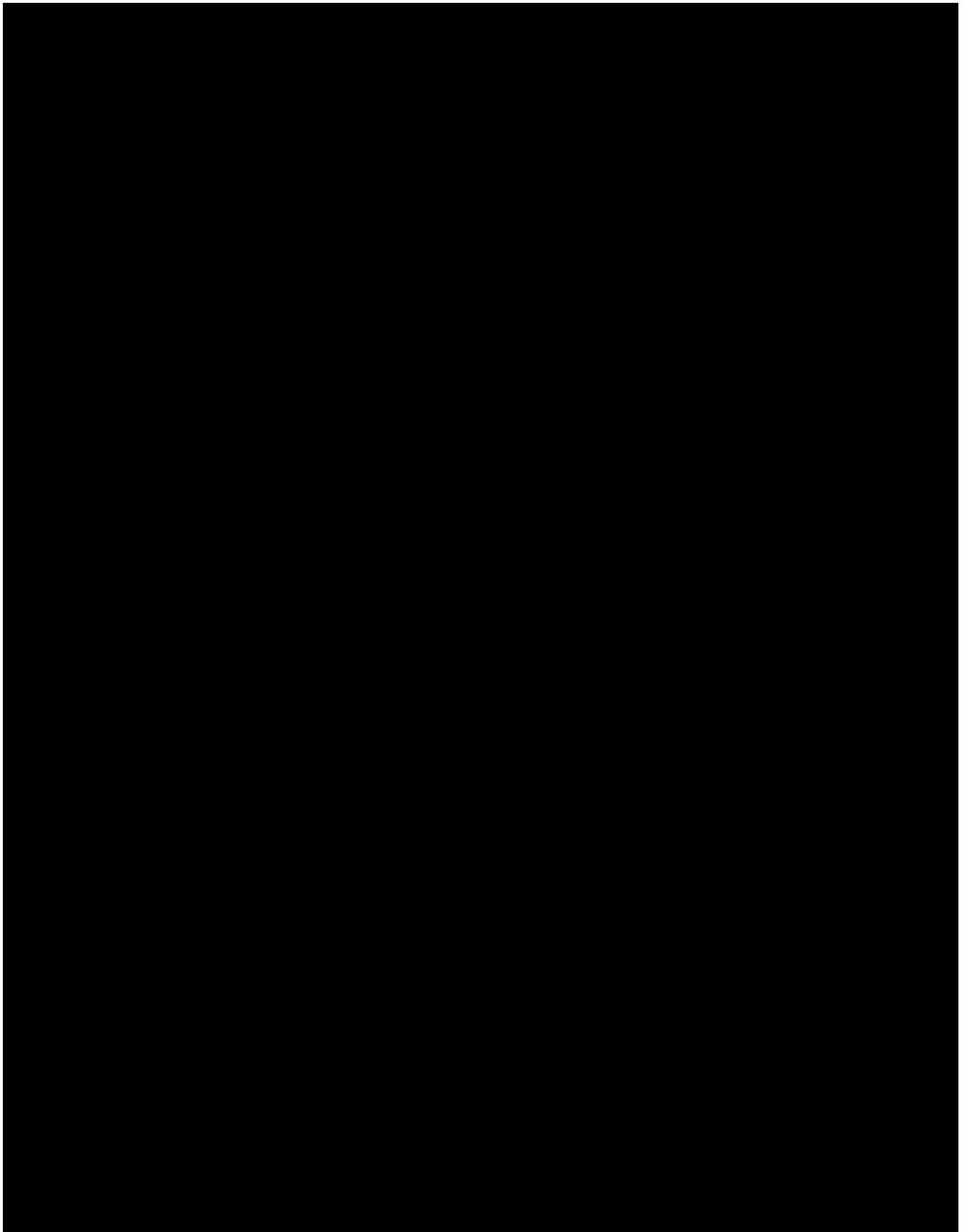
(v)

Based on the most recent actuarial valuation for purposes of financial accounting, as of 6/30/2011, the Retirement Plan for Eligible Represented Employees of West Penn Allegheny Health System had a projected benefit obligation of \$76,469,201, and the fair value of the plan's assets was \$57,029,994.

Based on the most recent actuarial valuation for purposes of financial accounting, as of 6/30/2011, the Retirement Plan for Eligible Non-Represented Employees of West Penn Allegheny Health System had a projected benefit obligation of \$576,127,655, and the fair value of the plan's assets was \$399,311,240.

Schedule 4.20(e)
WPAHS Parties' Employee Obligations Triggered by Transaction







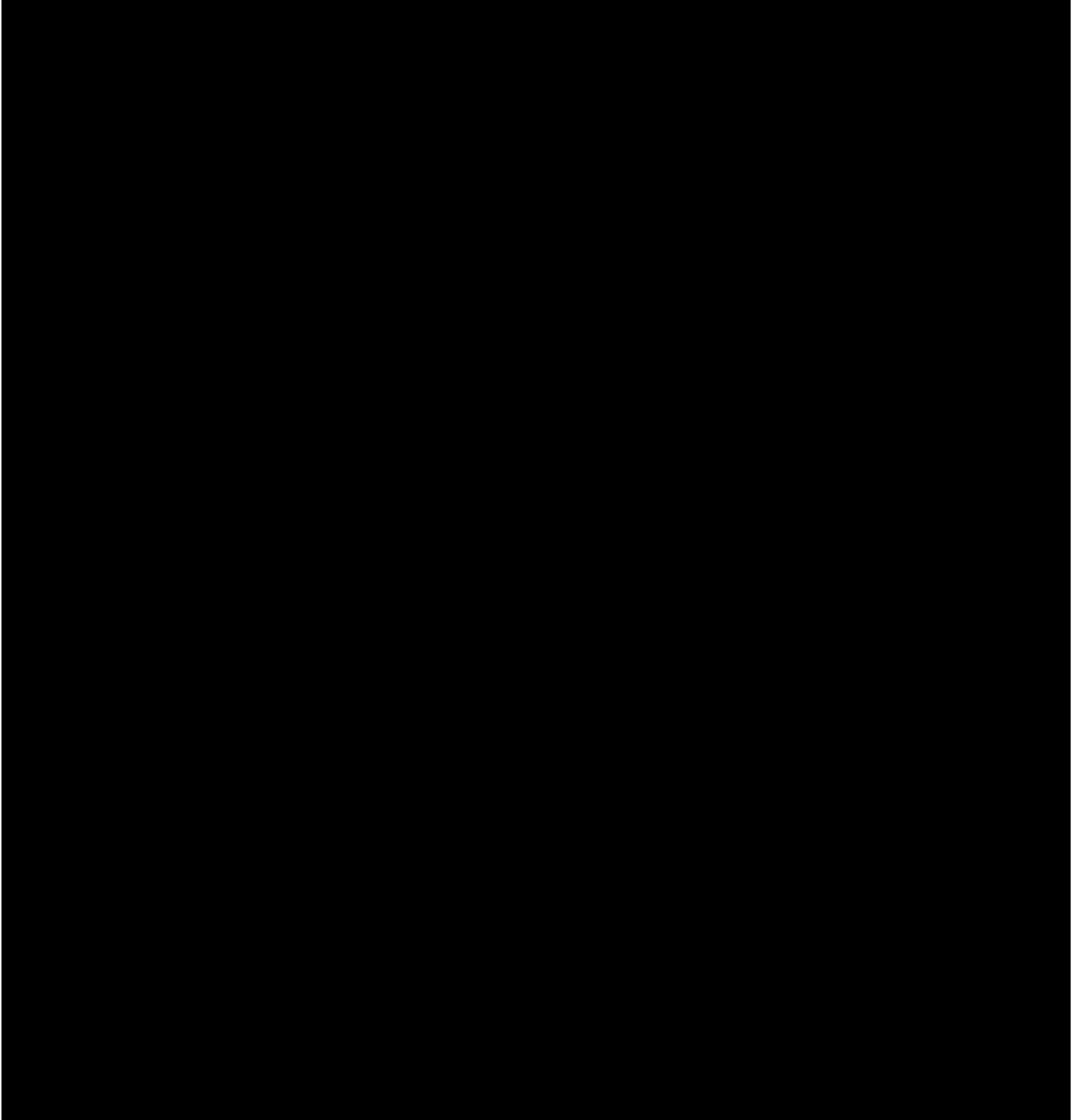
Schedule 4.20(f)
WPAHS Parties' Sanctions Under Section 280G, 4999 or 409A

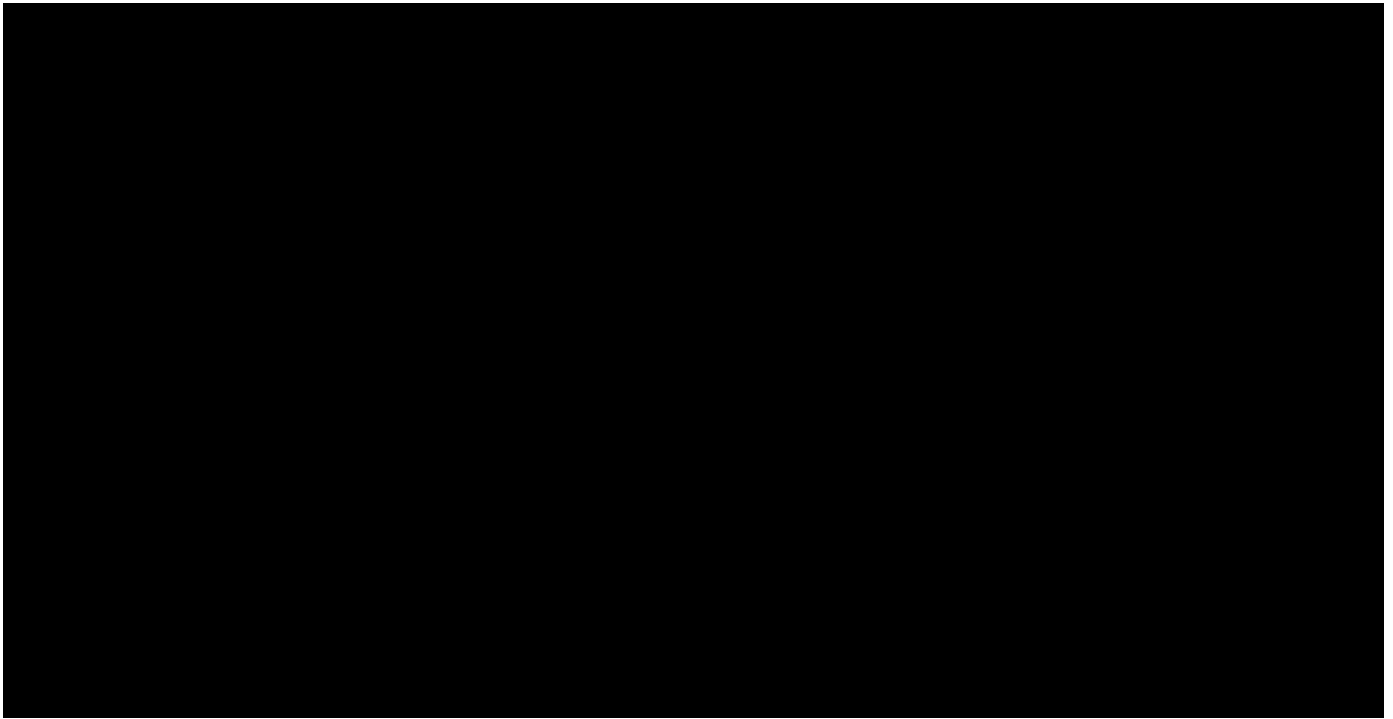
None.

Schedule 4.20(g)
WPAHS Parties' Employee Plan Liabilities Beyond COBRA

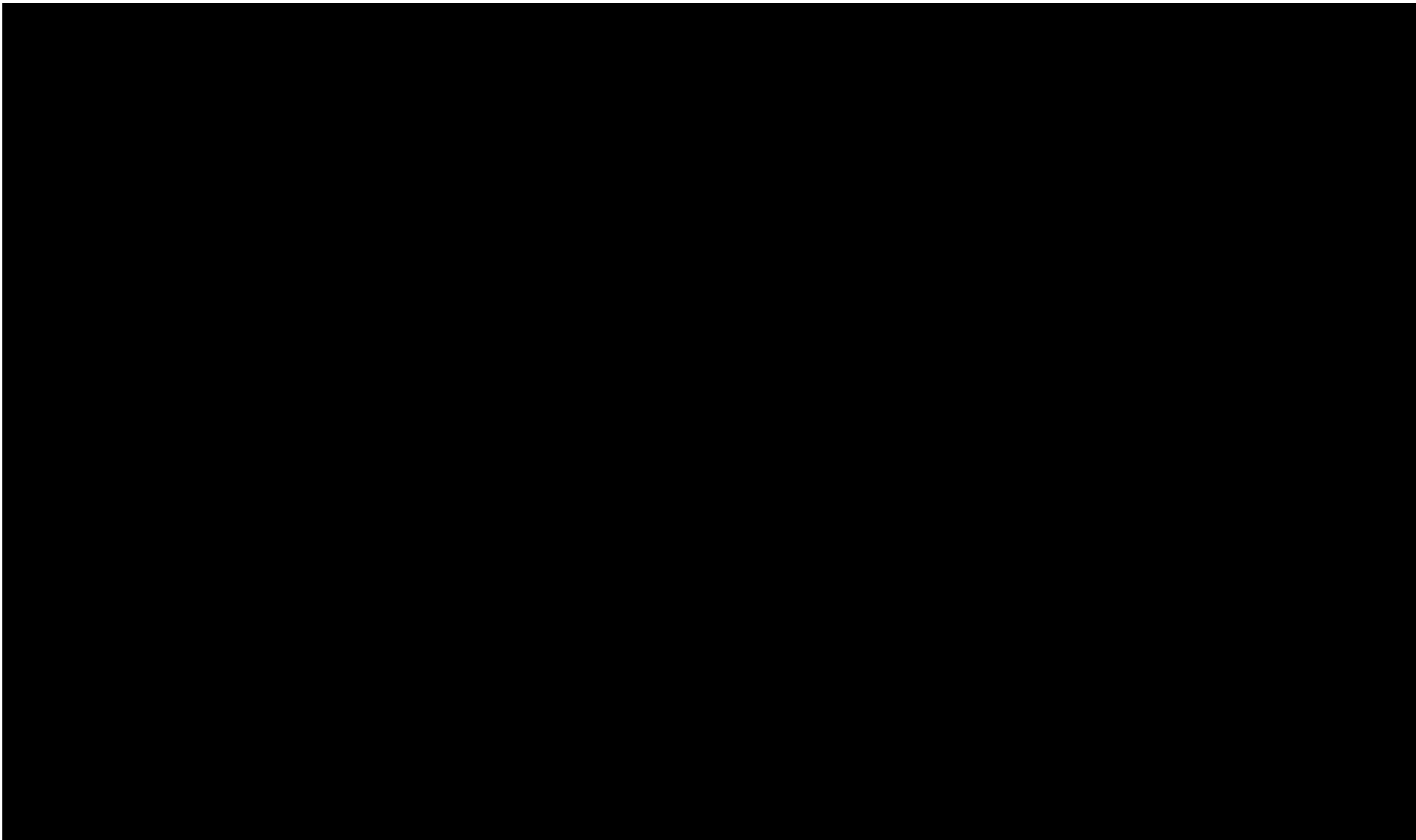


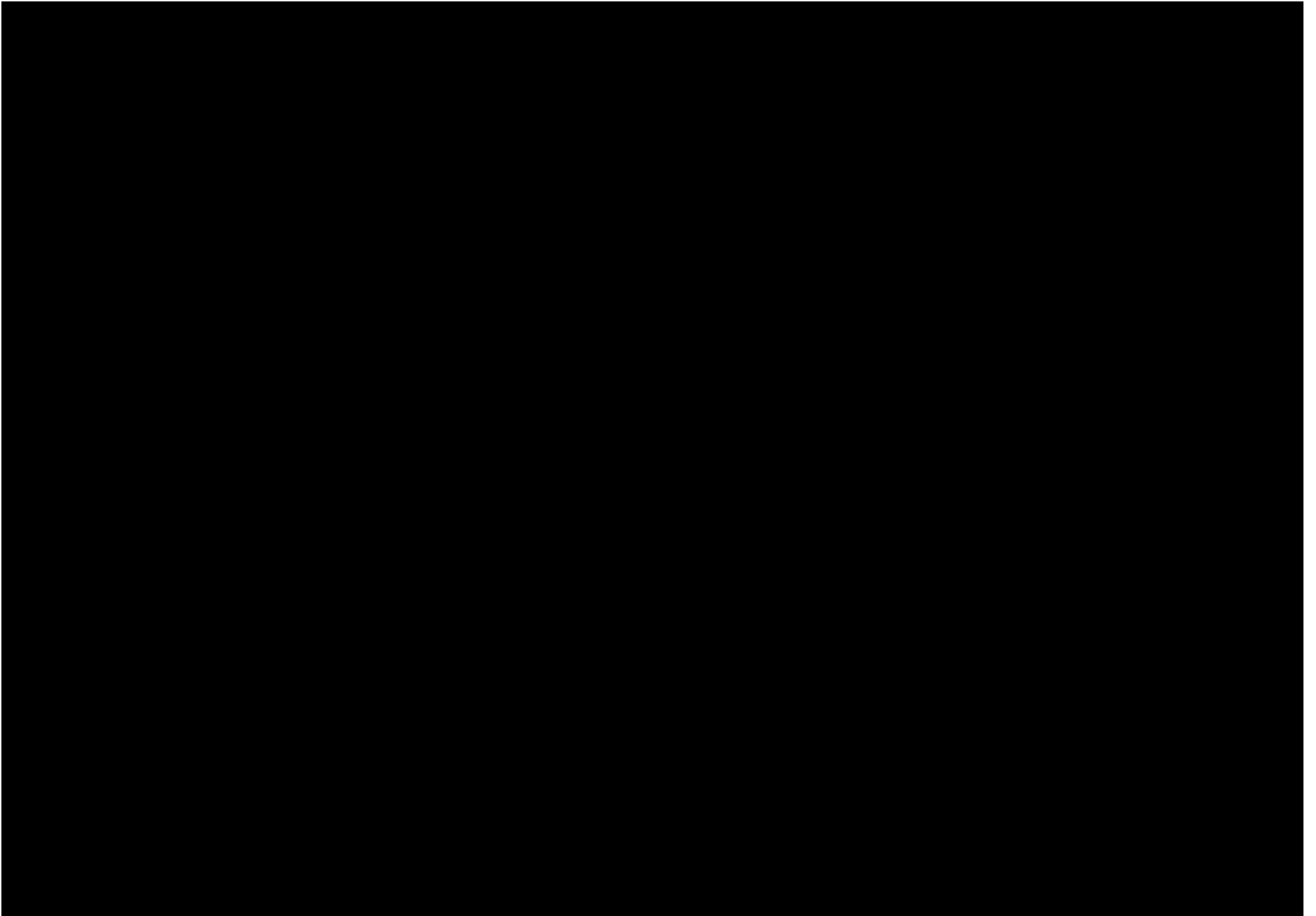
Schedule 4.21(c)
WPAHS Parties' Compliance with Employment Laws
and Collective Bargaining Matters

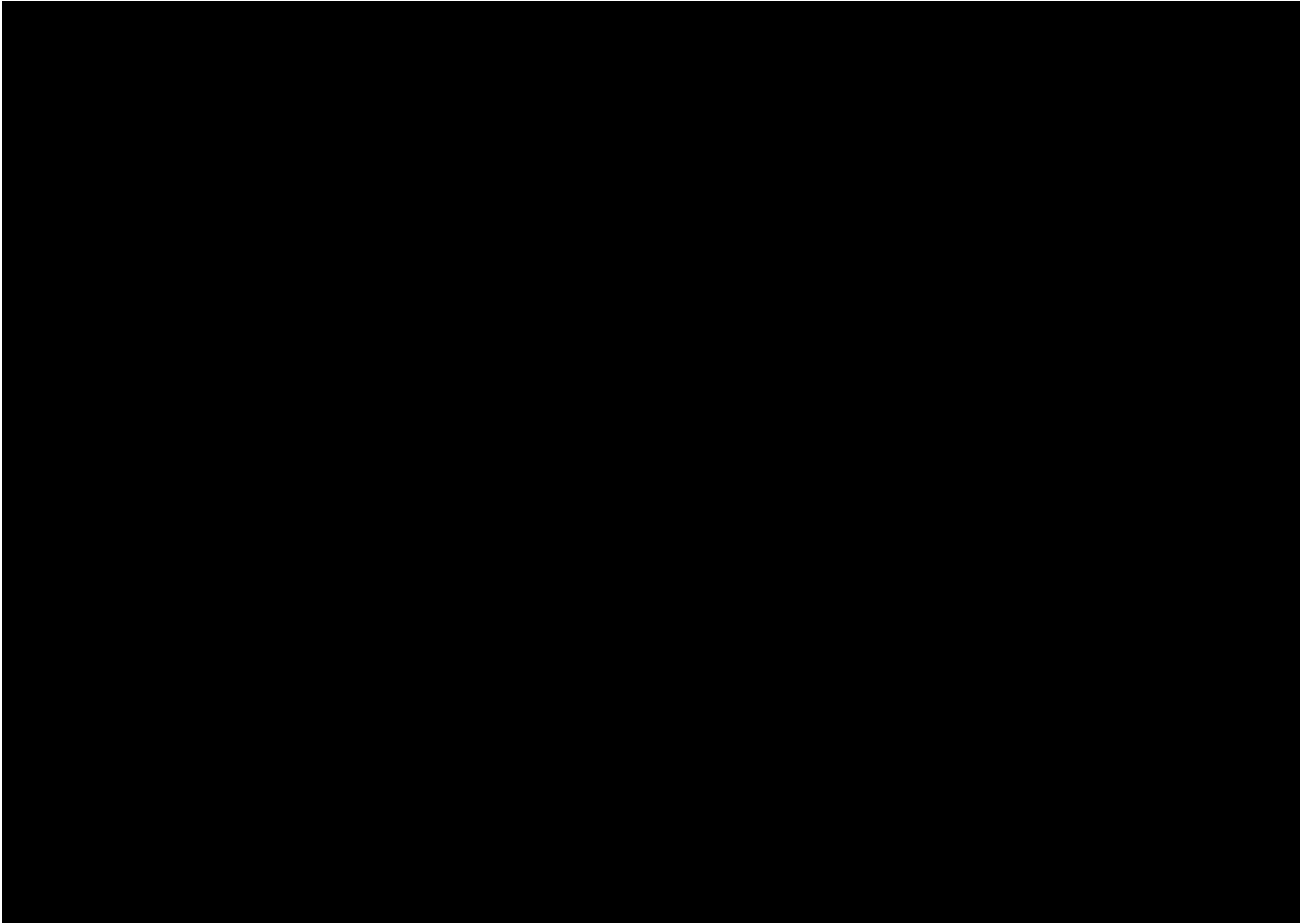


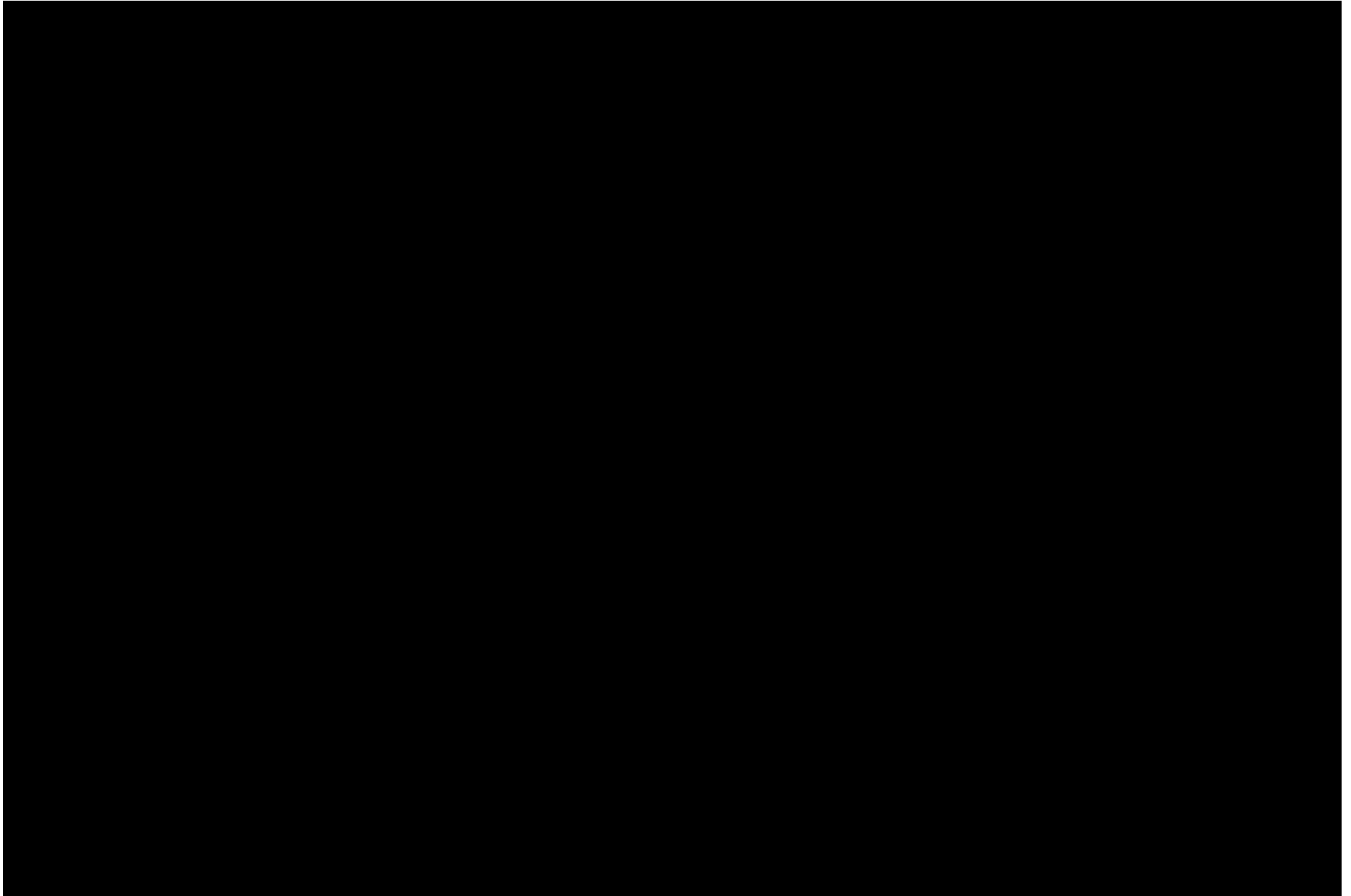


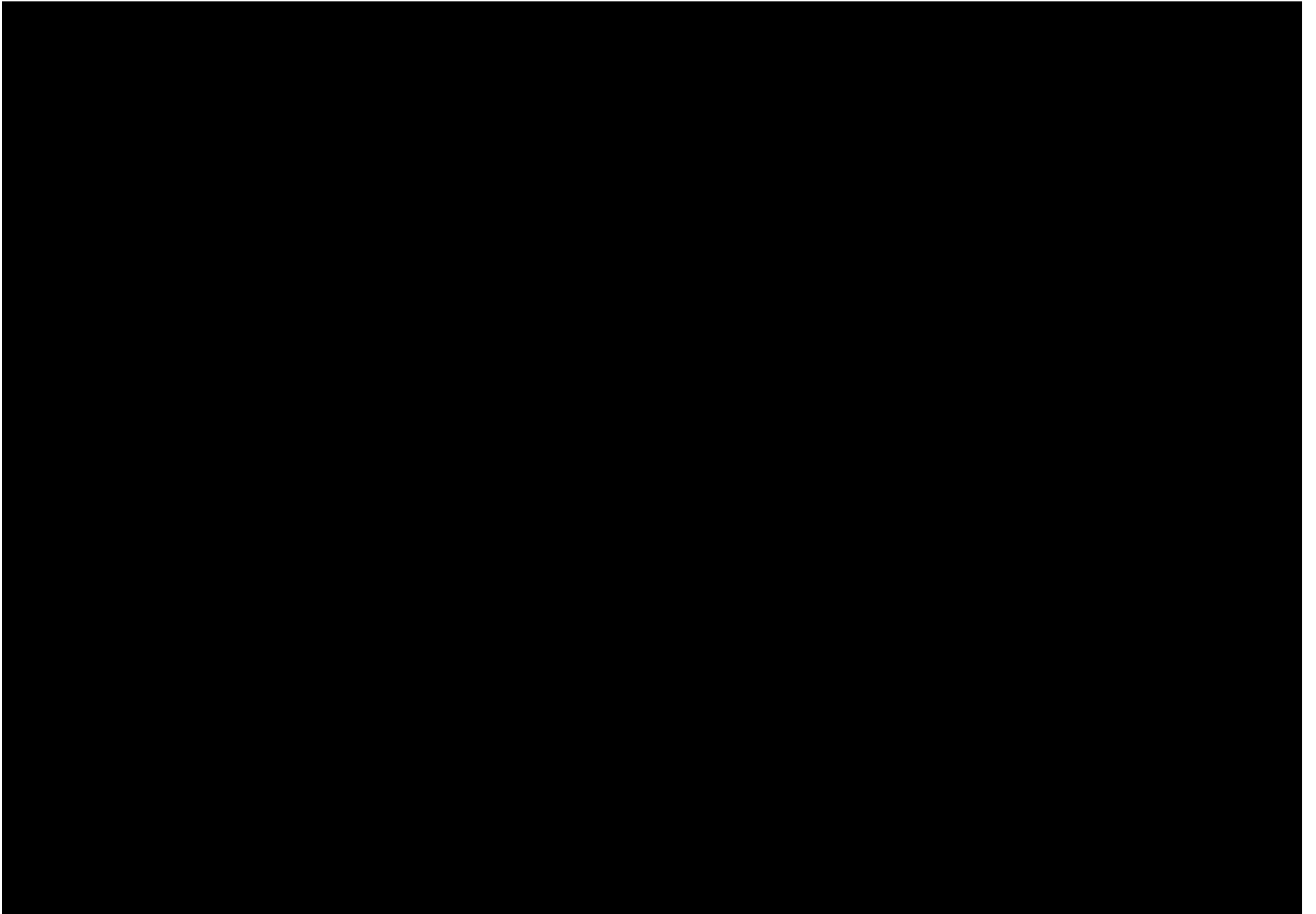
Schedule 4.22(a)
WPAHS Parties' Litigation

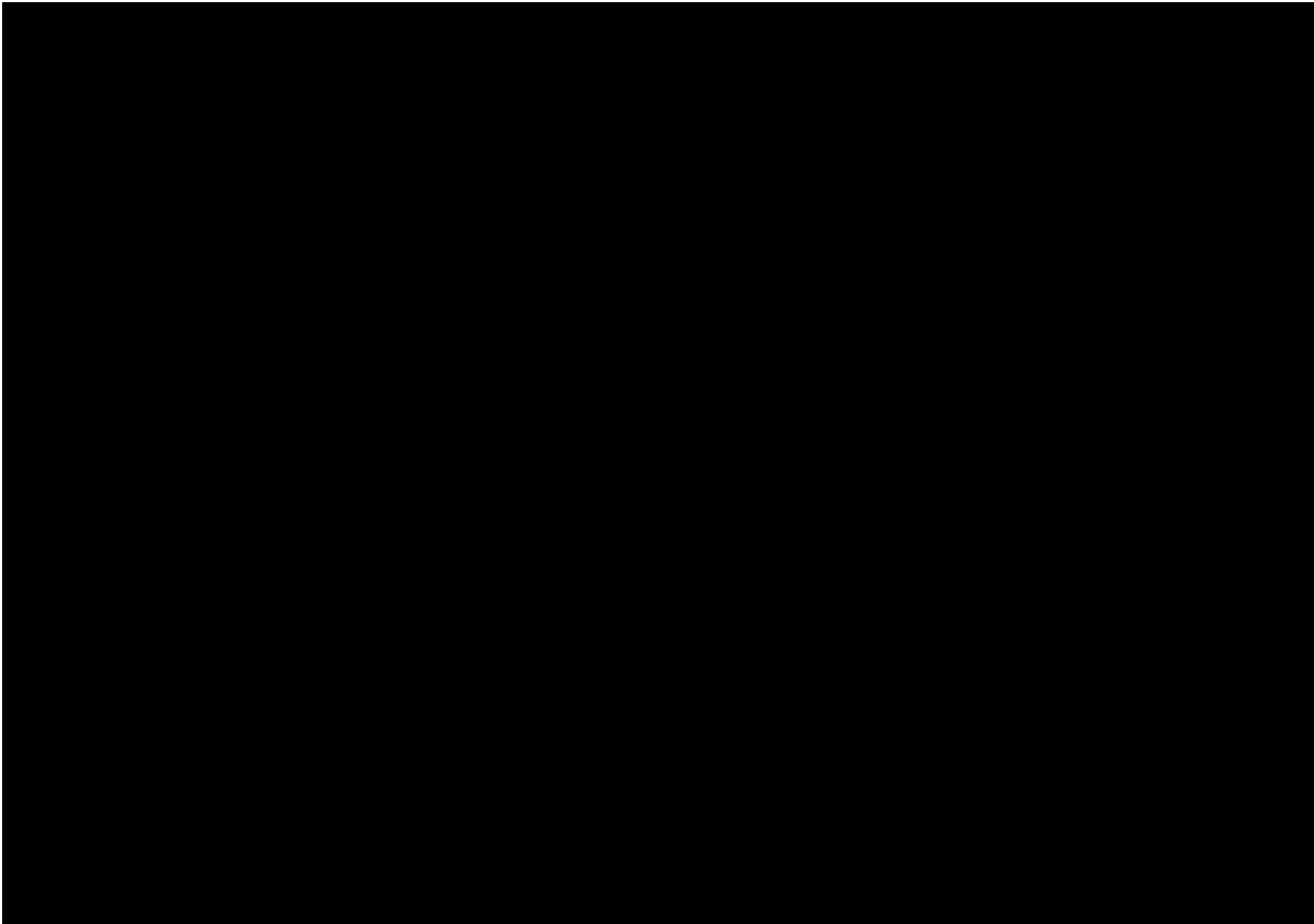


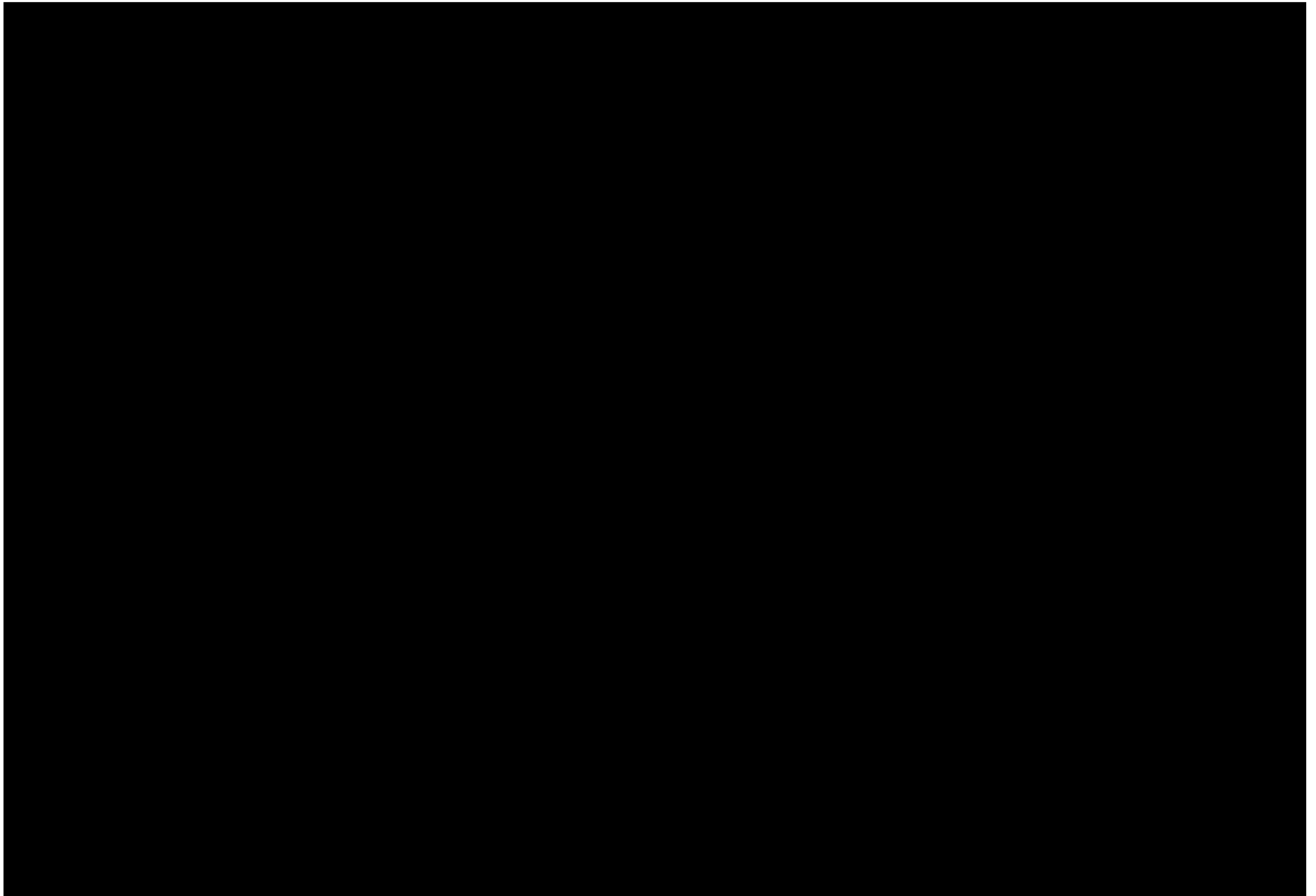


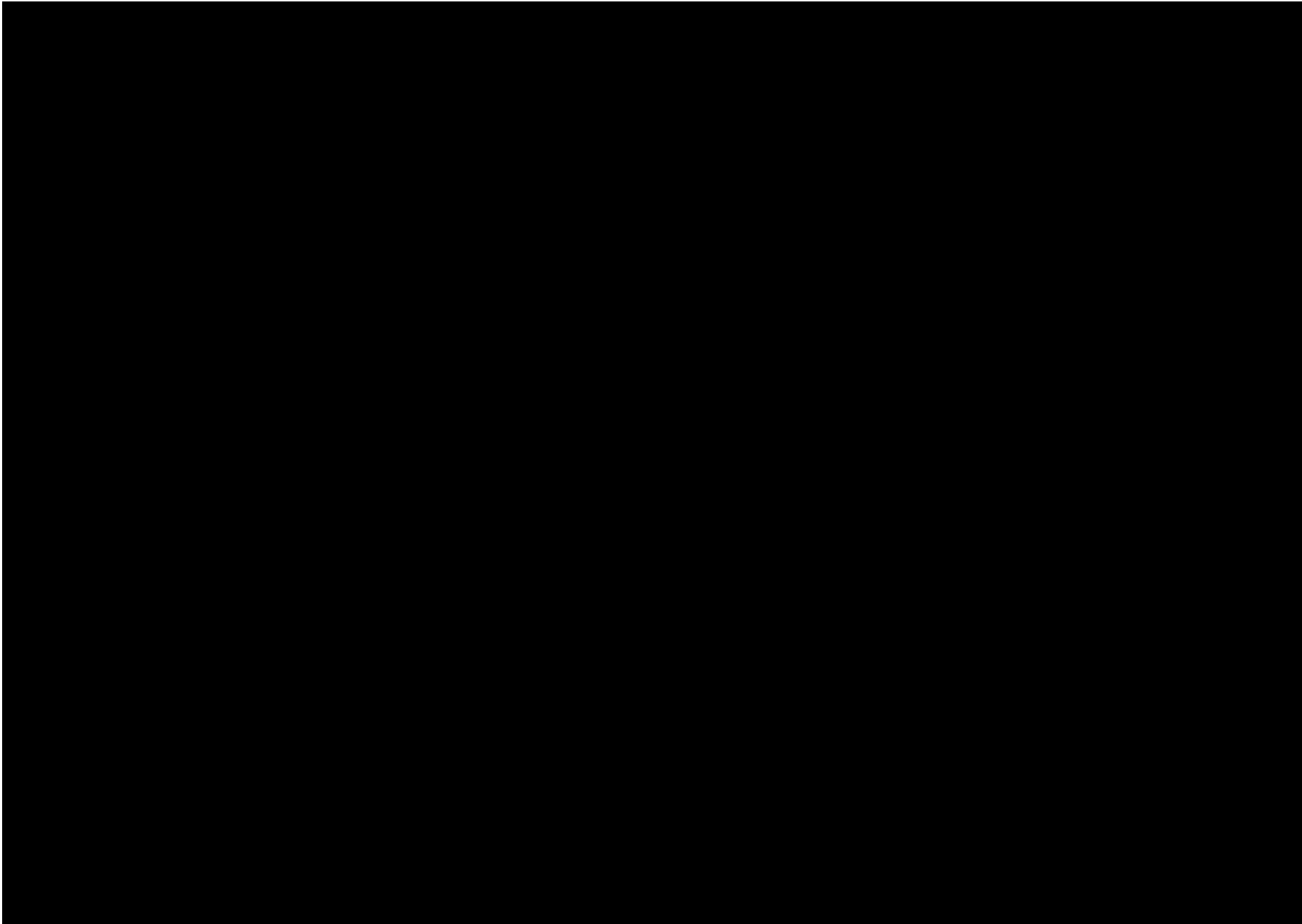


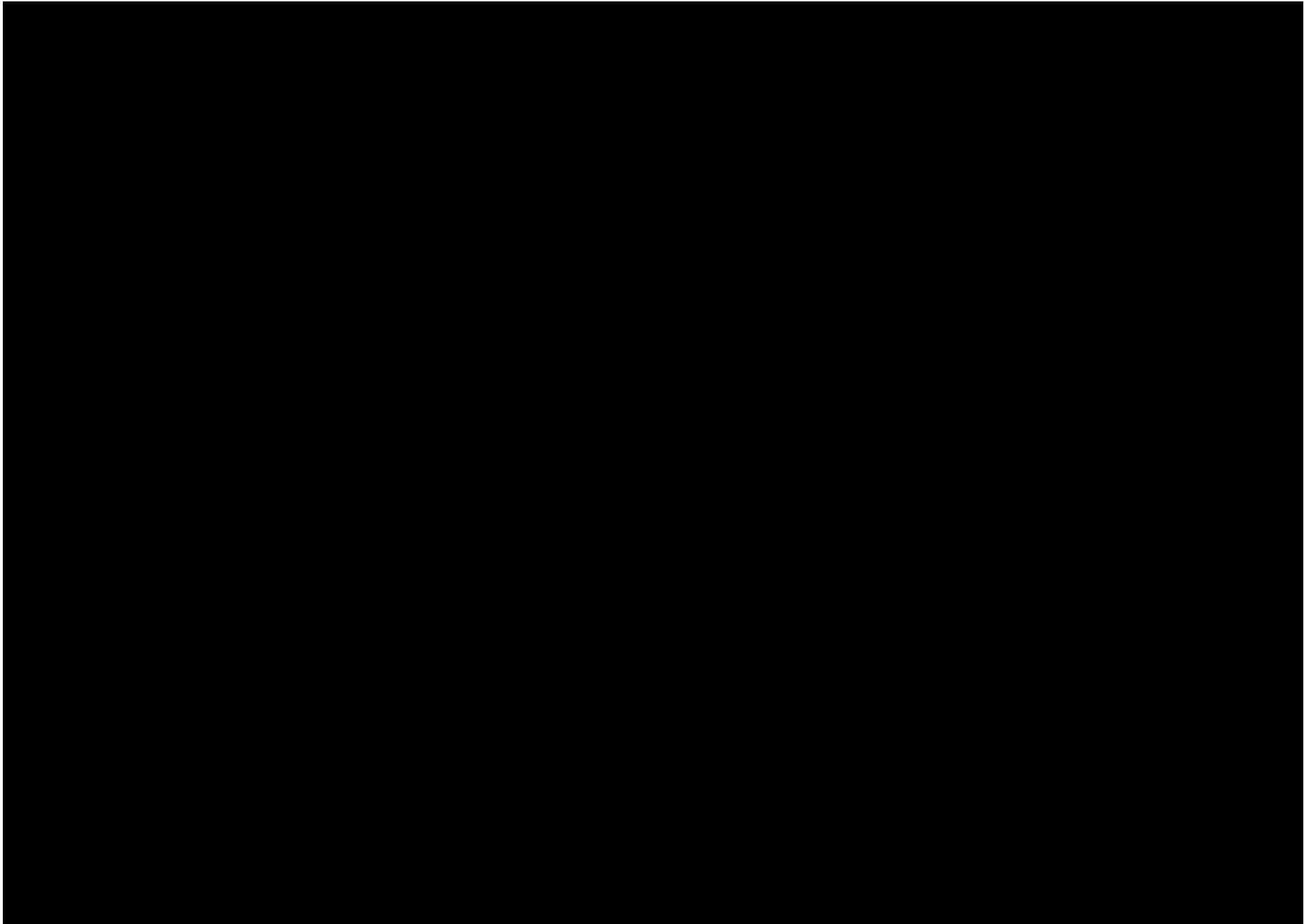


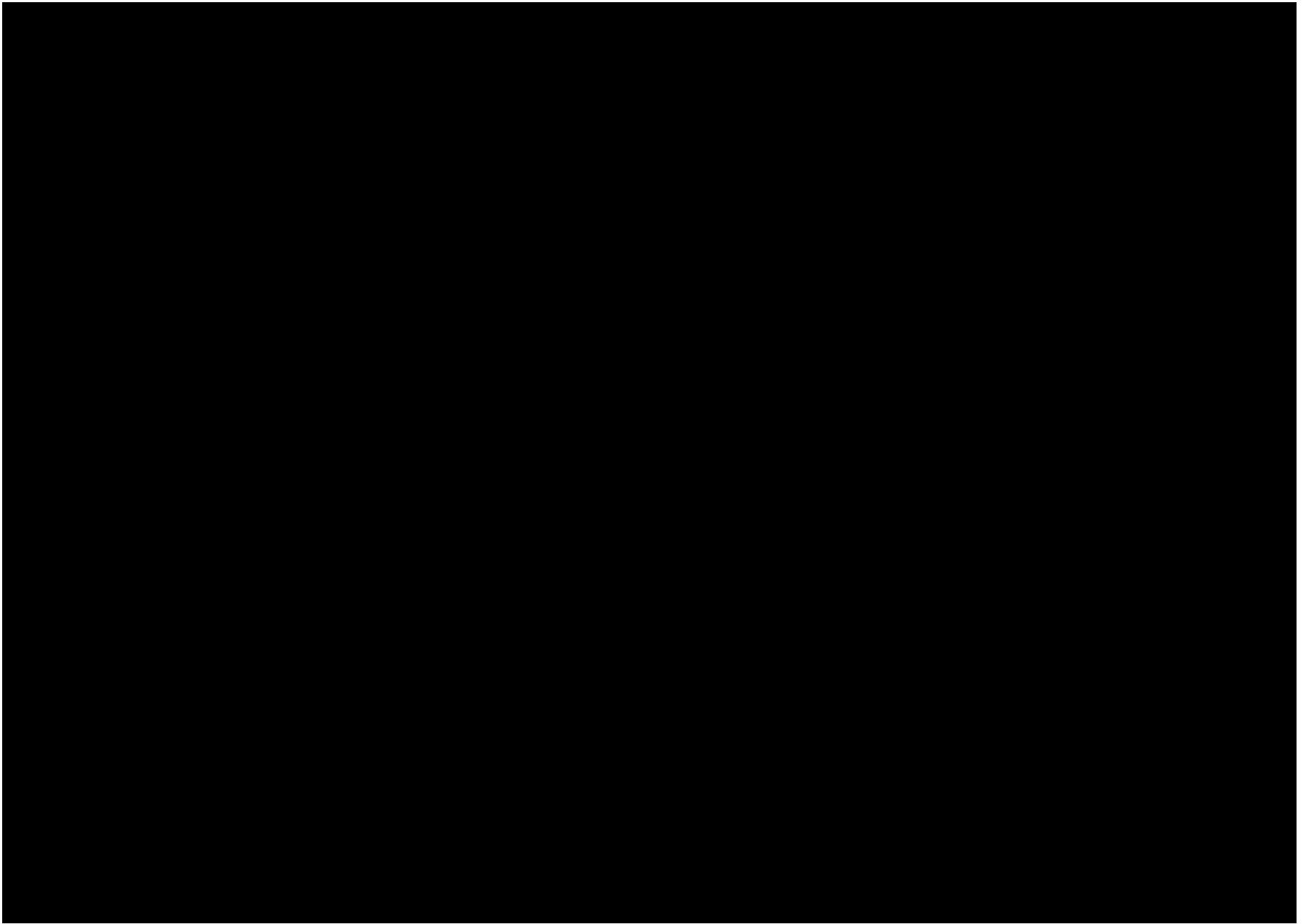


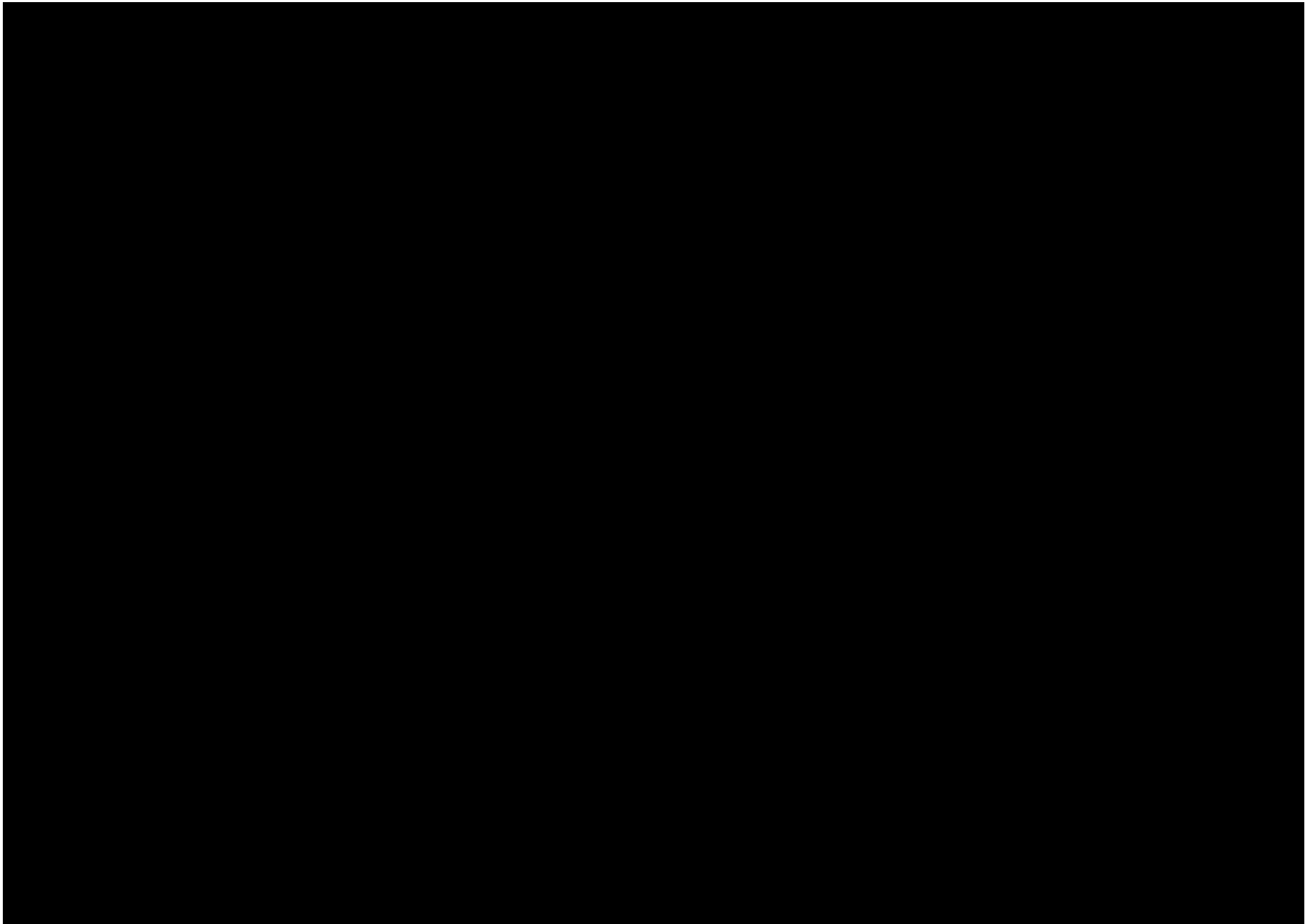


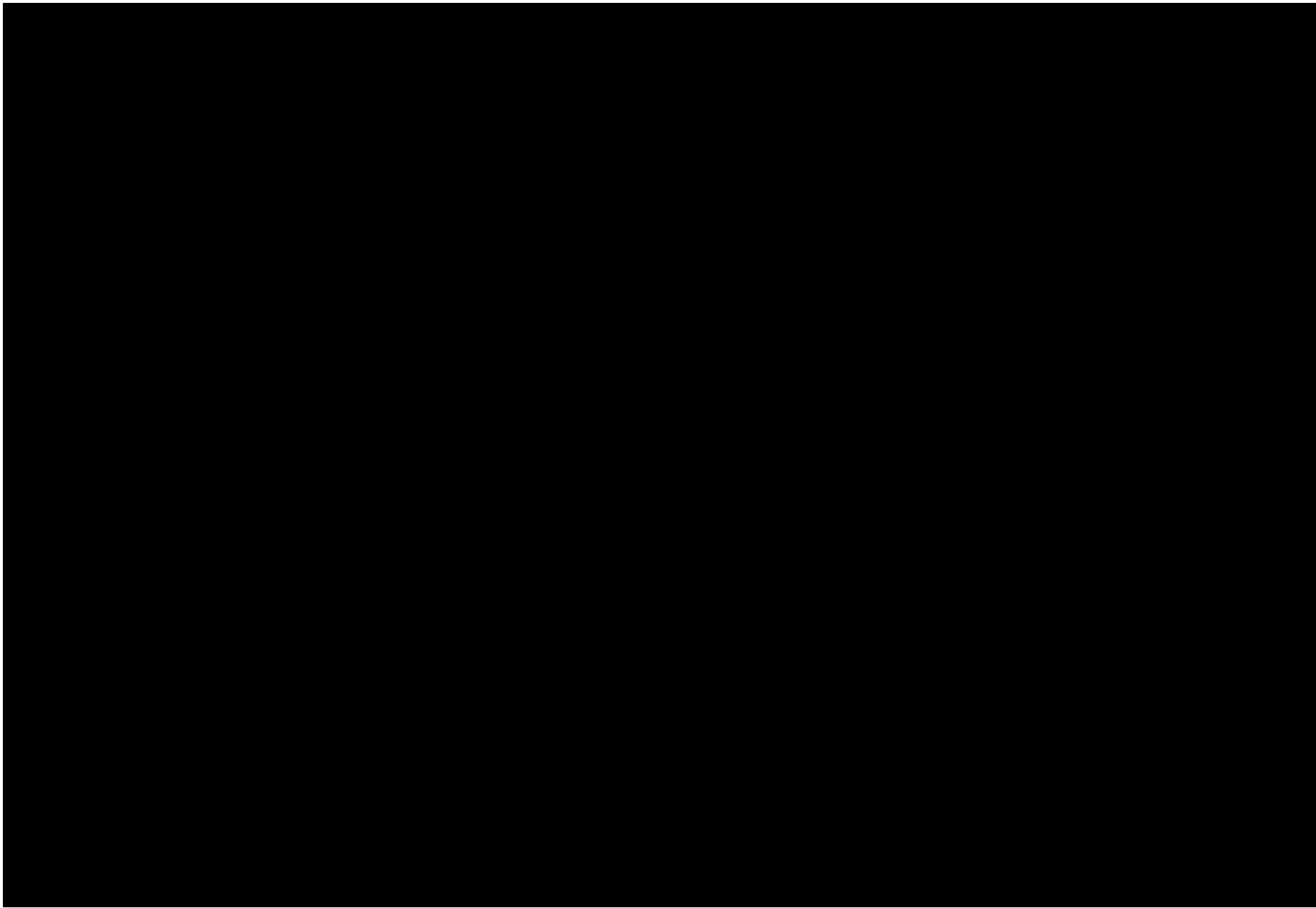


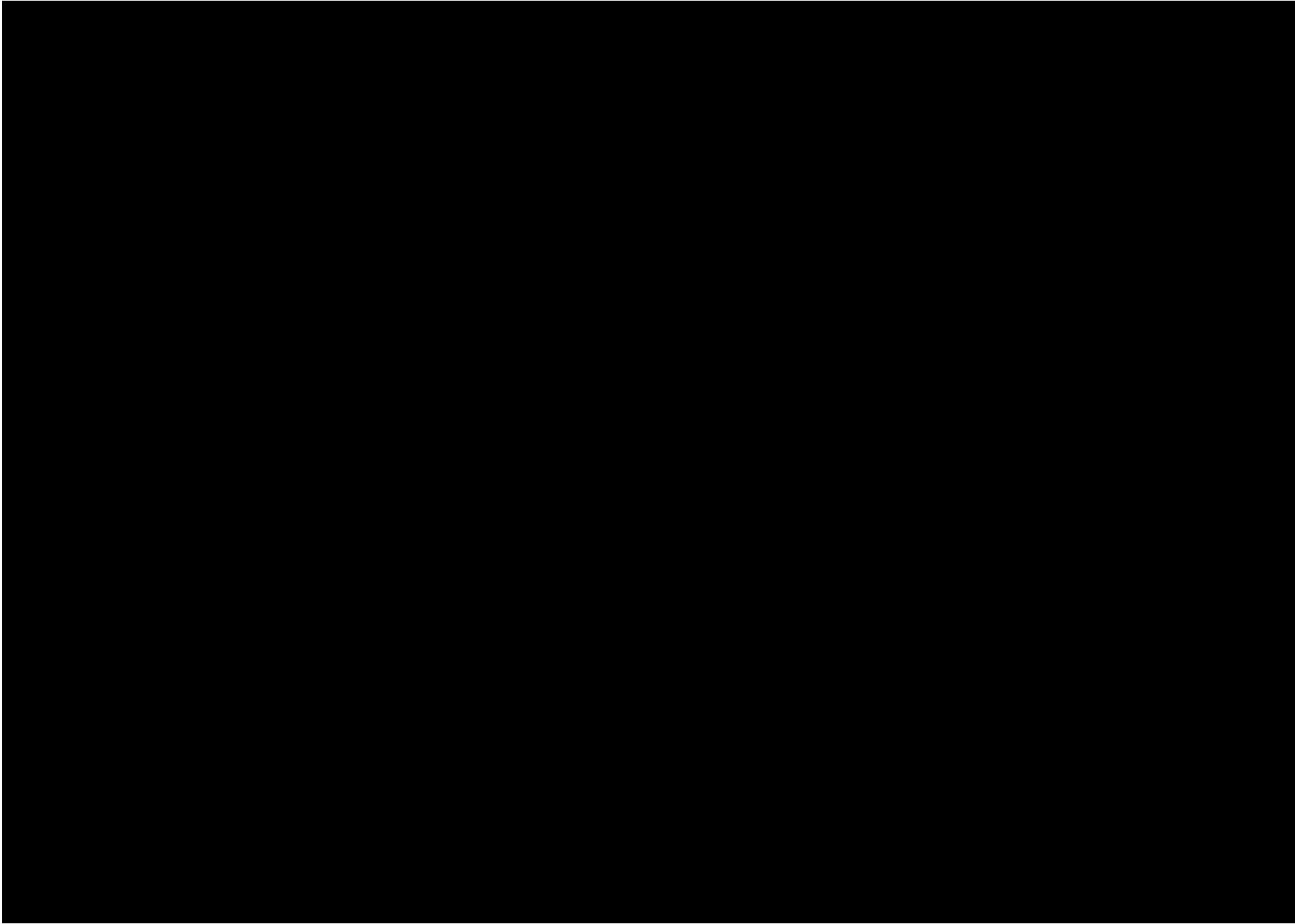


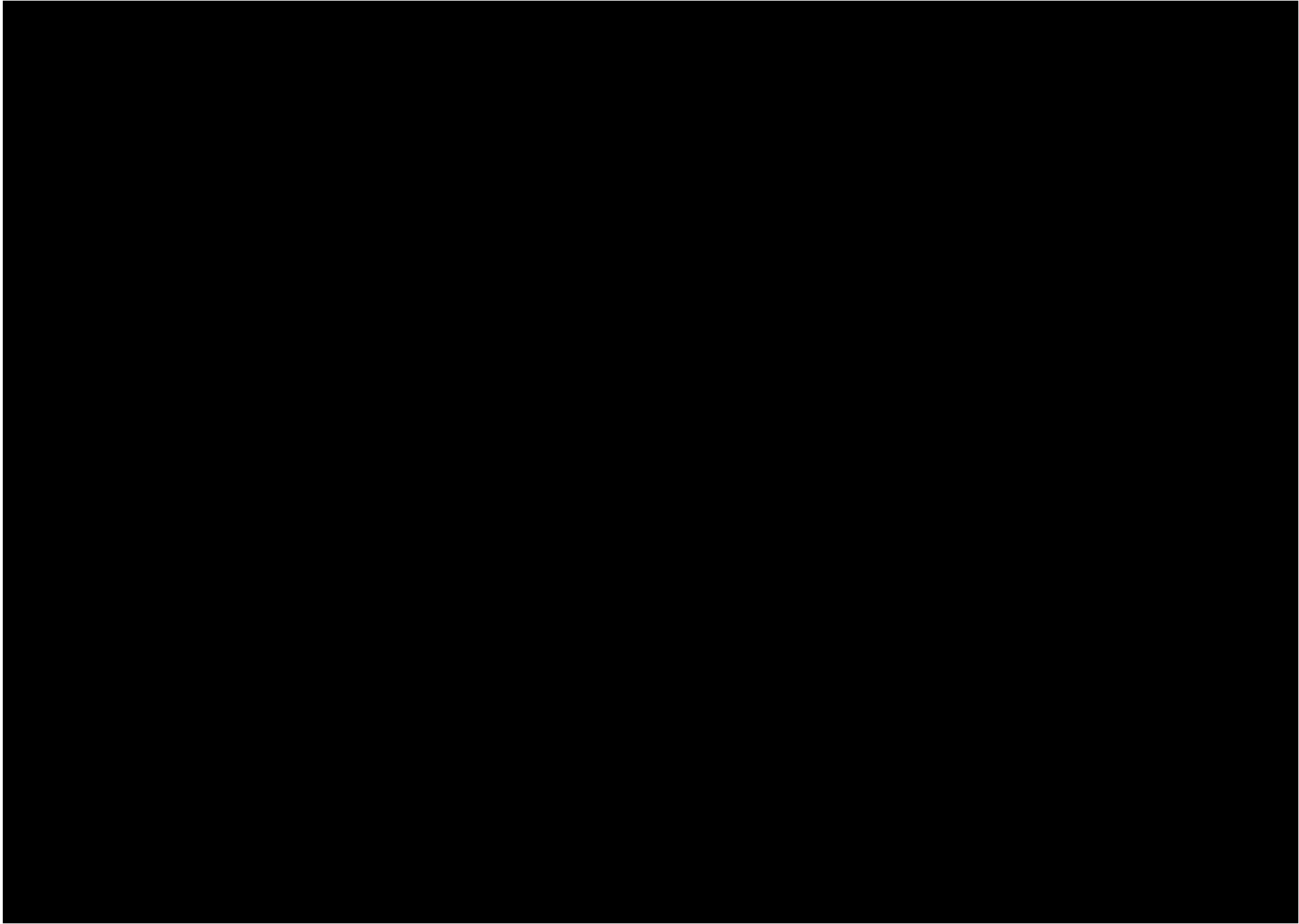


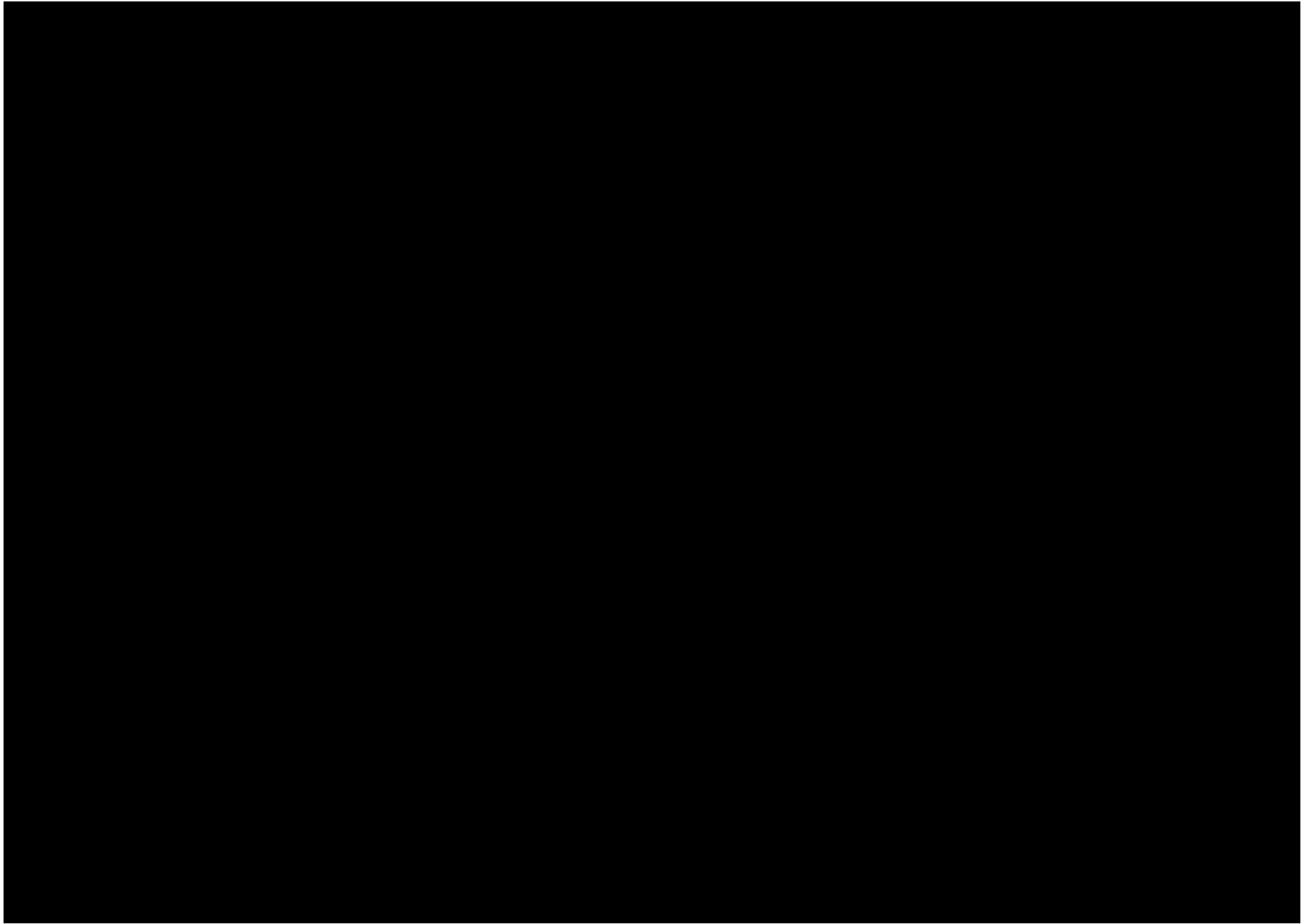


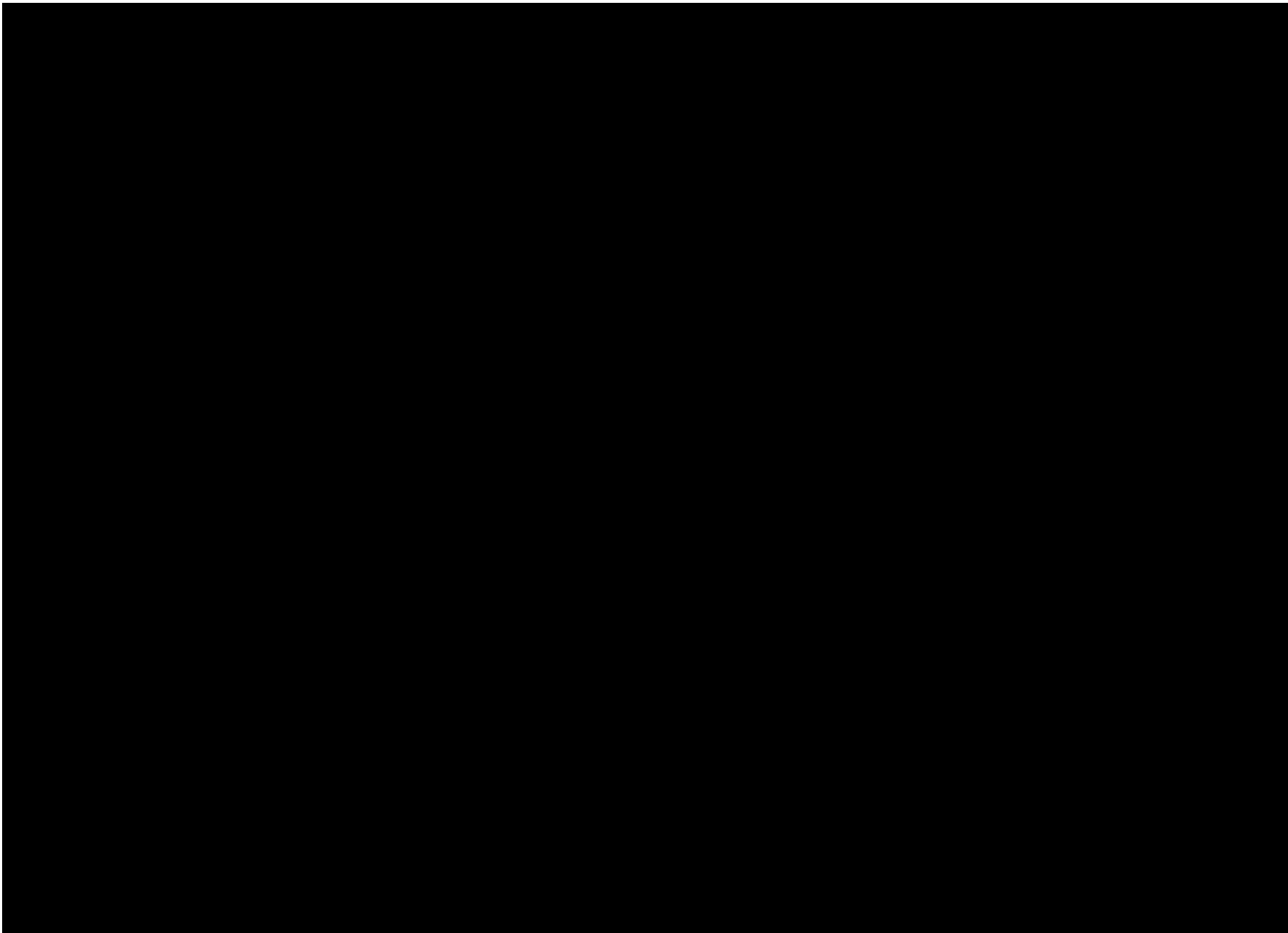


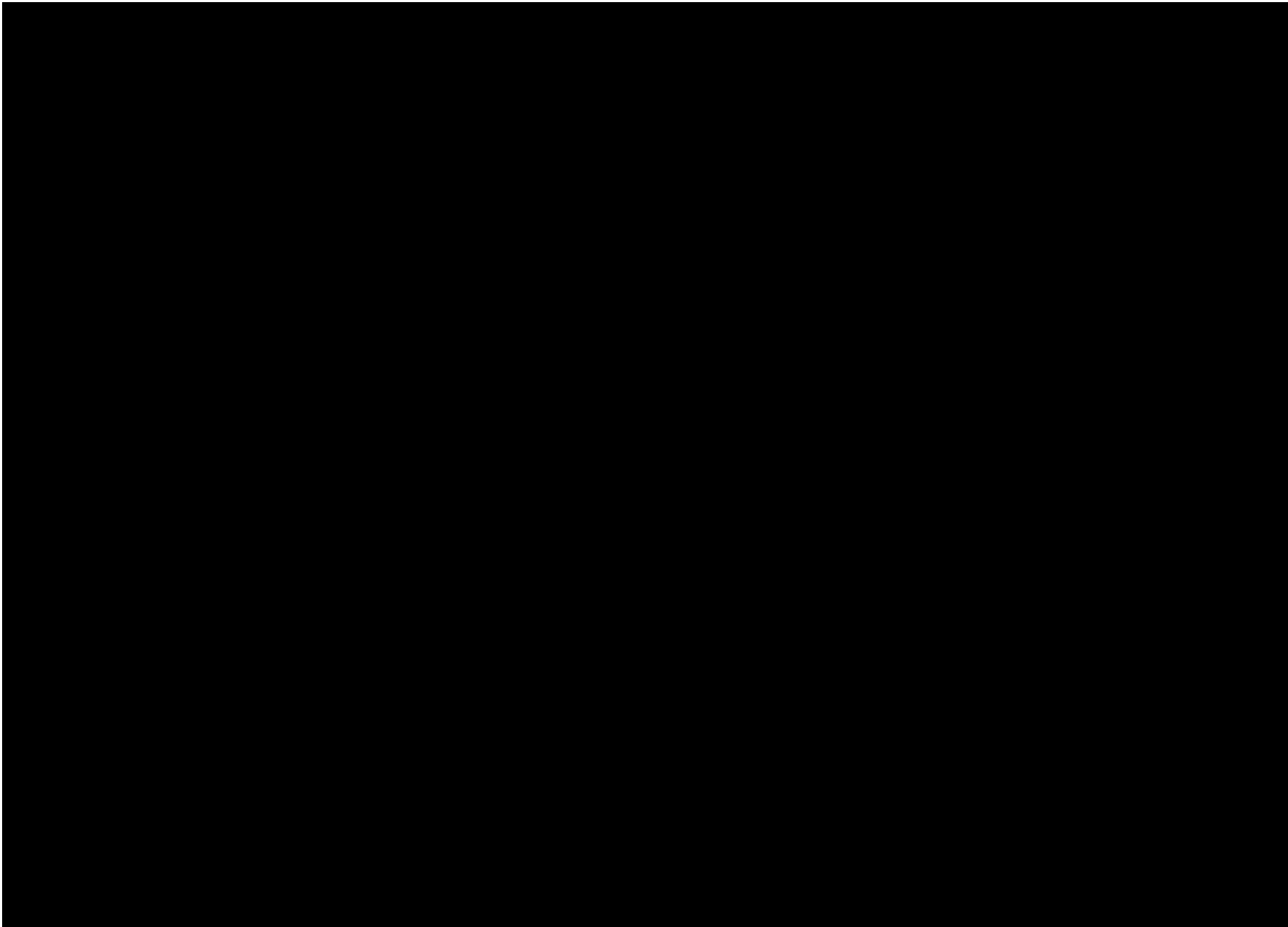


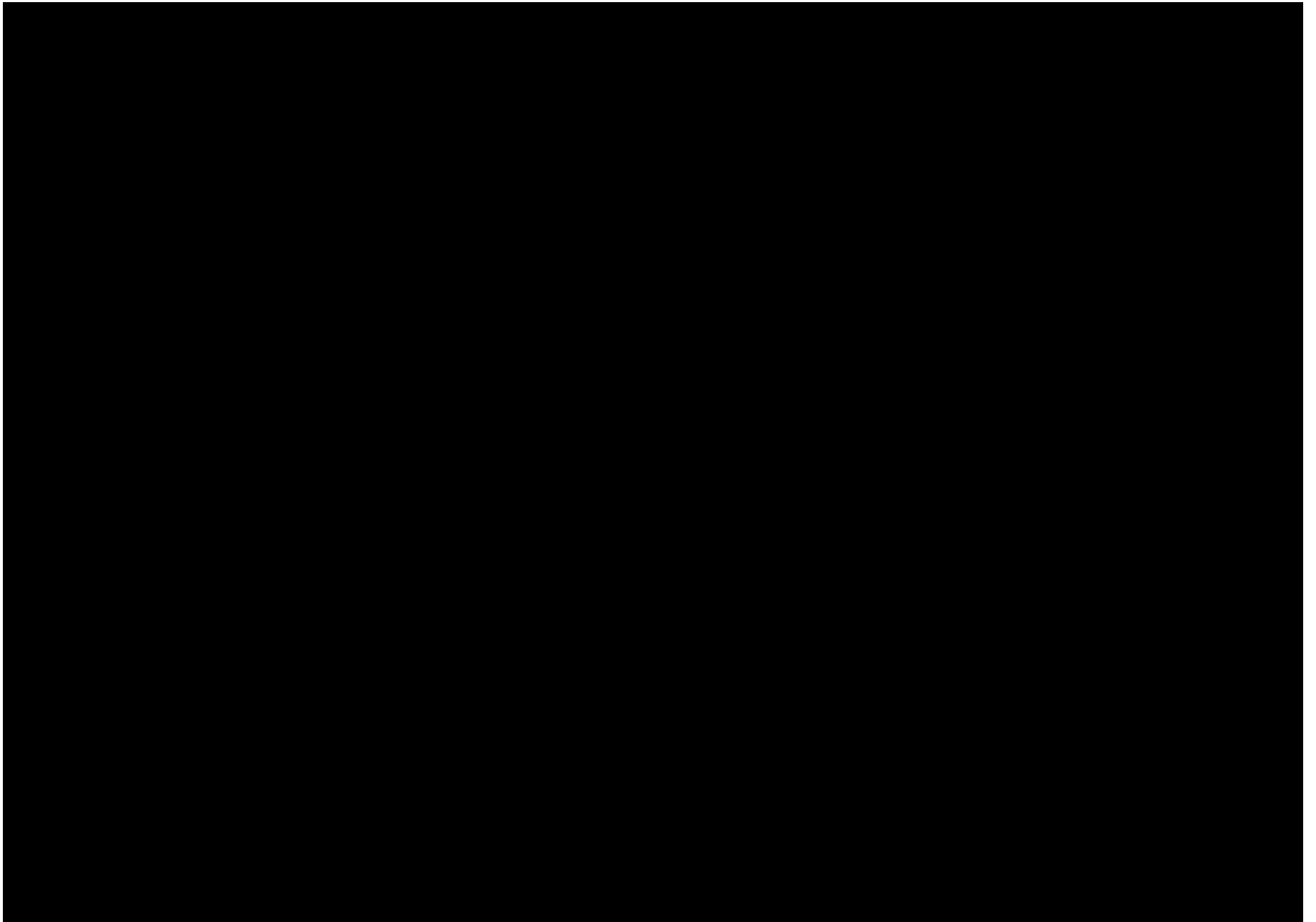


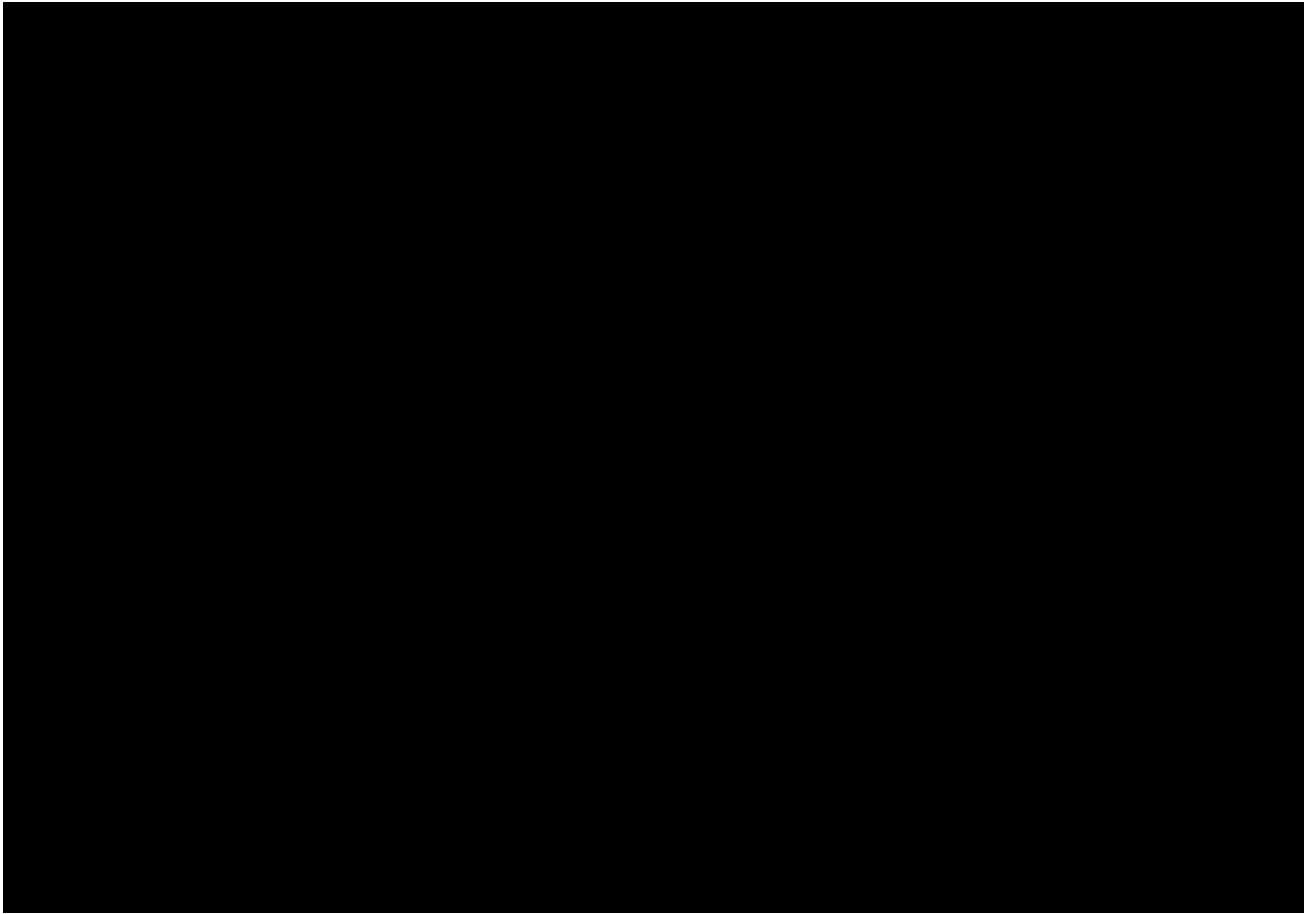


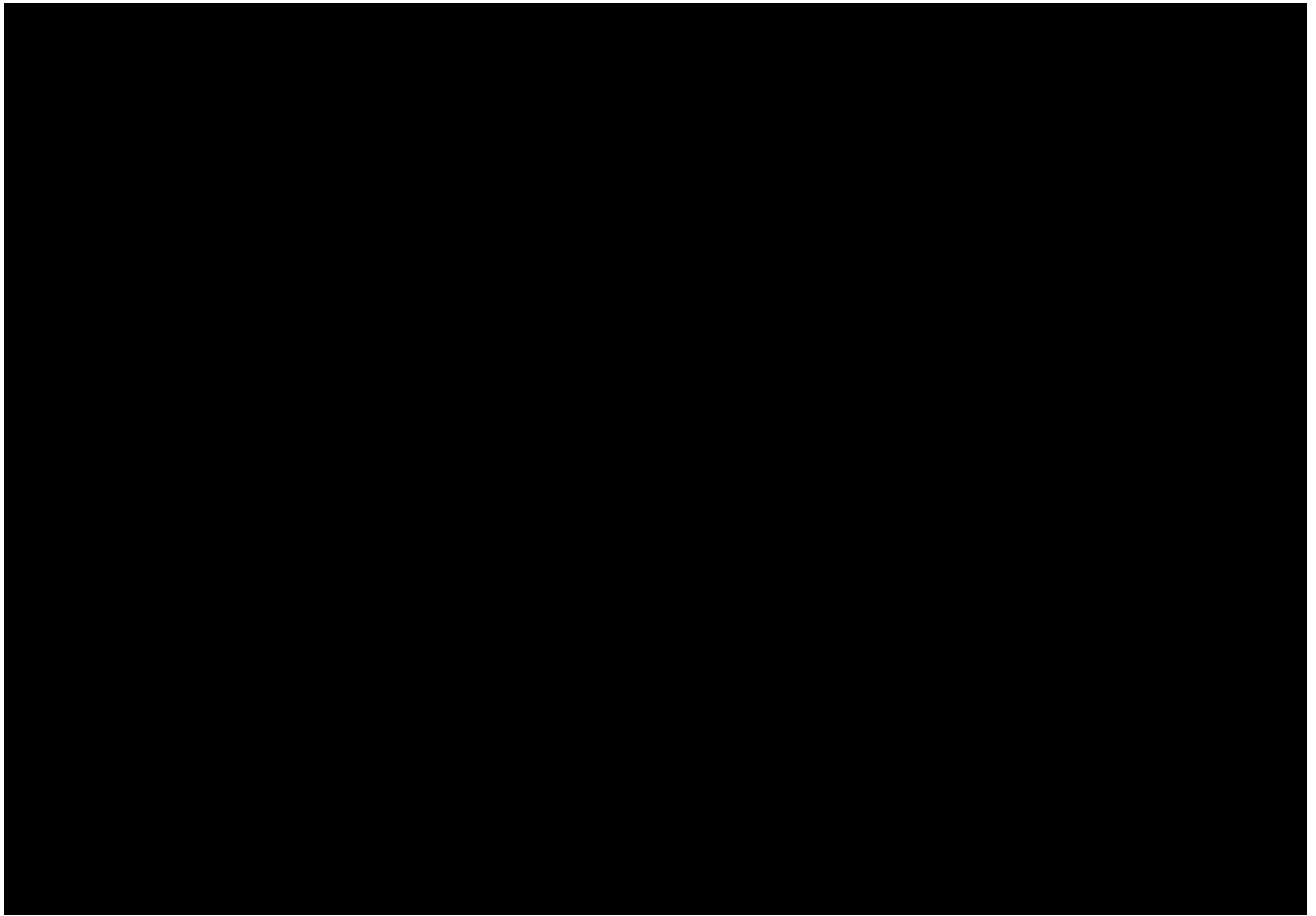


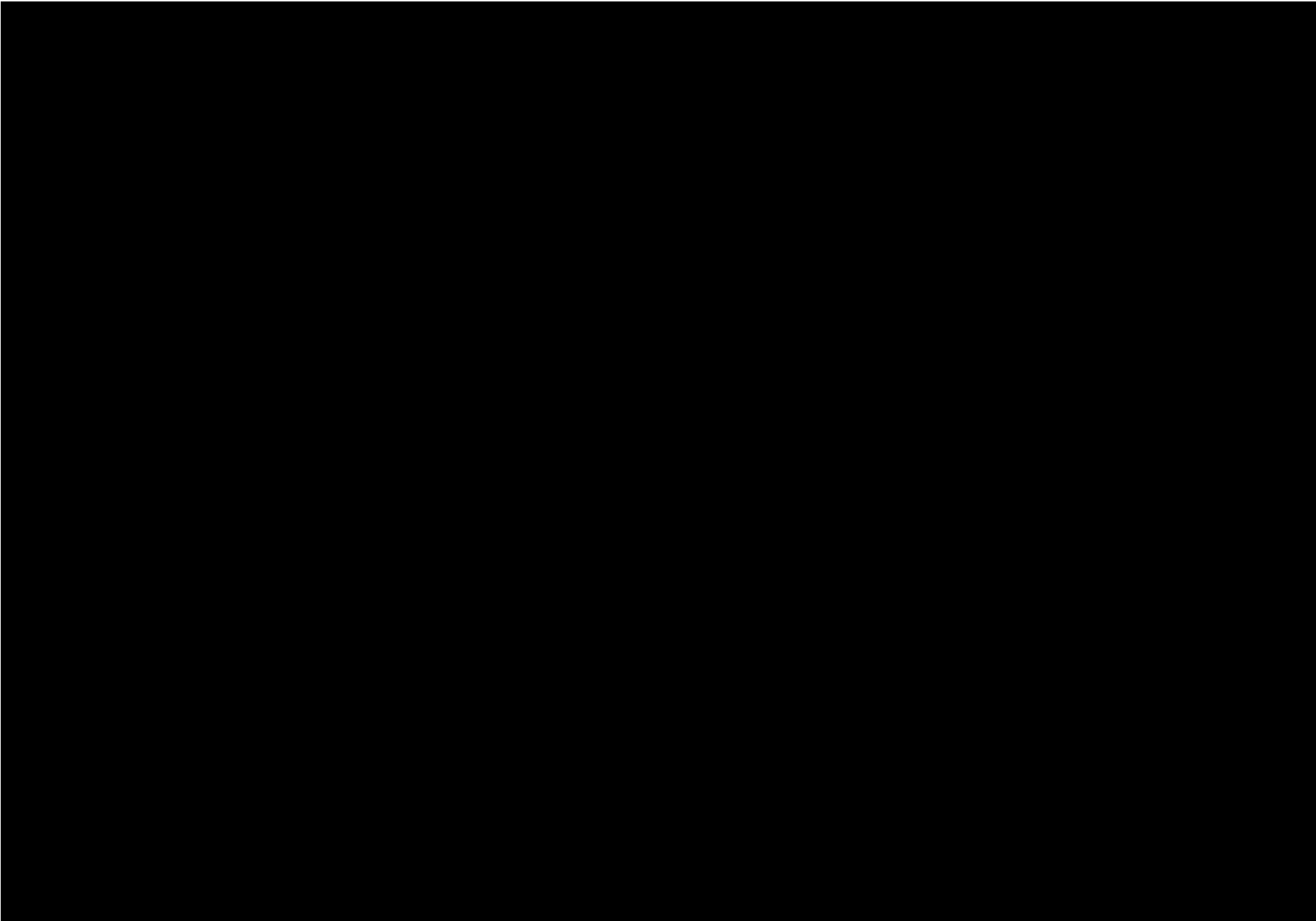


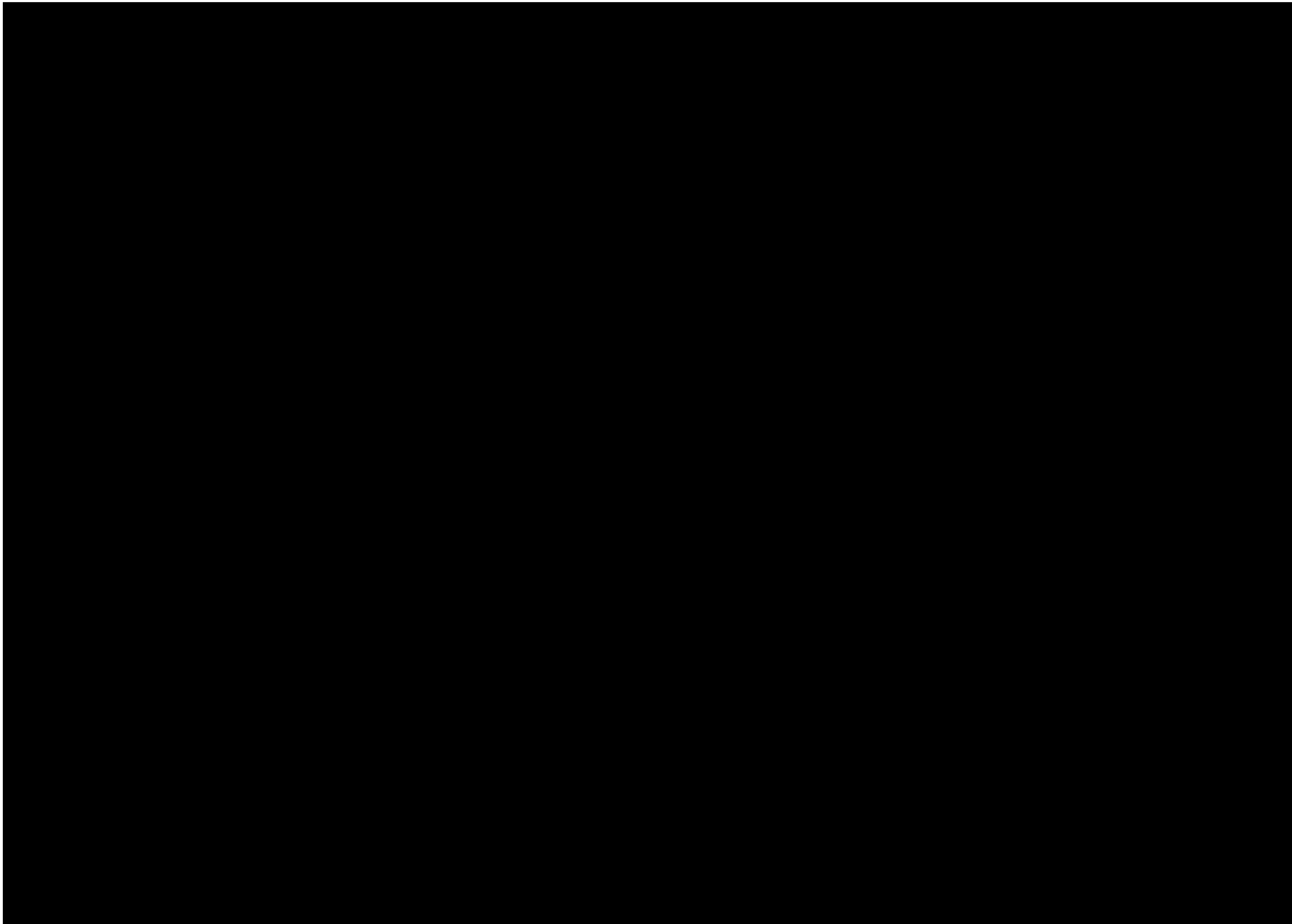


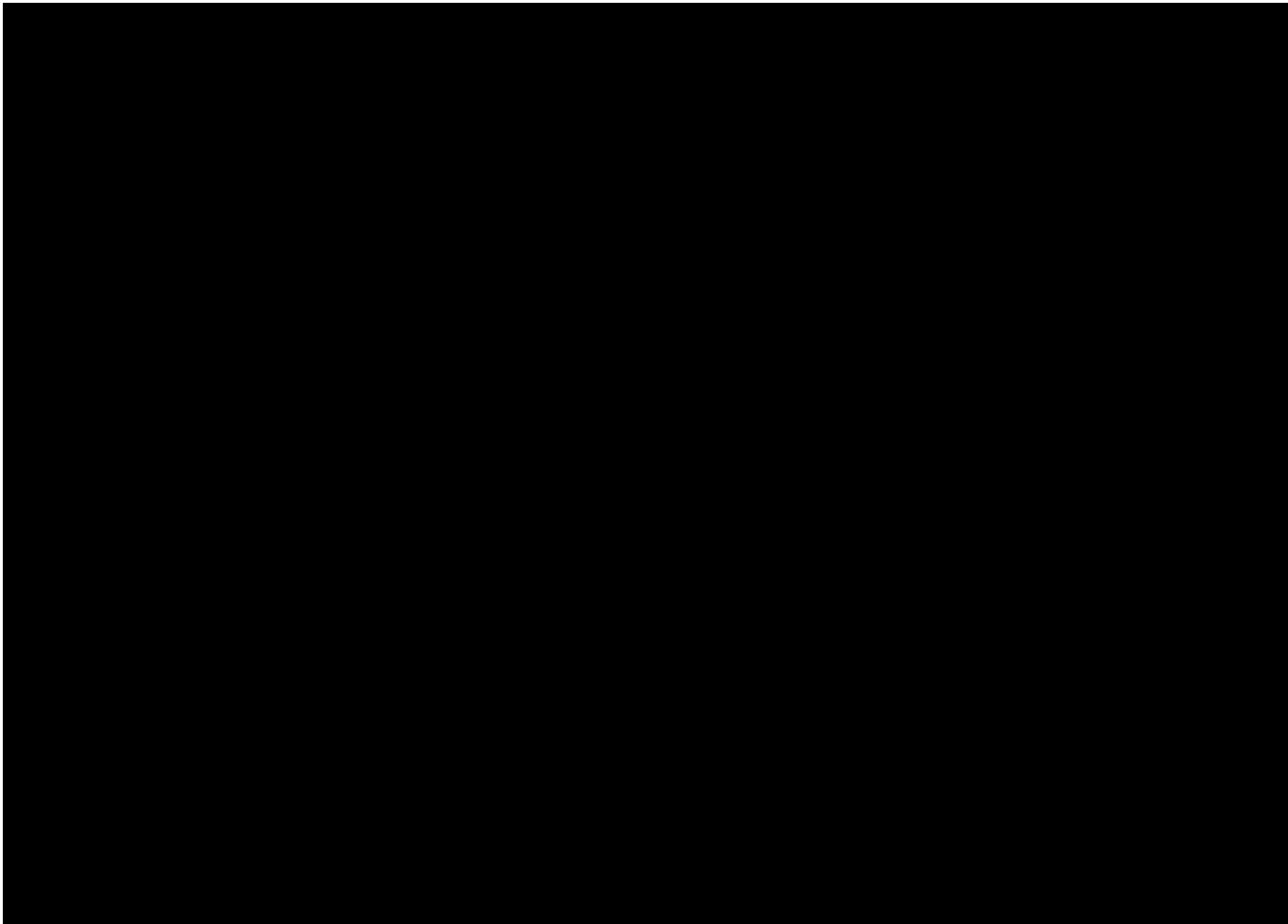




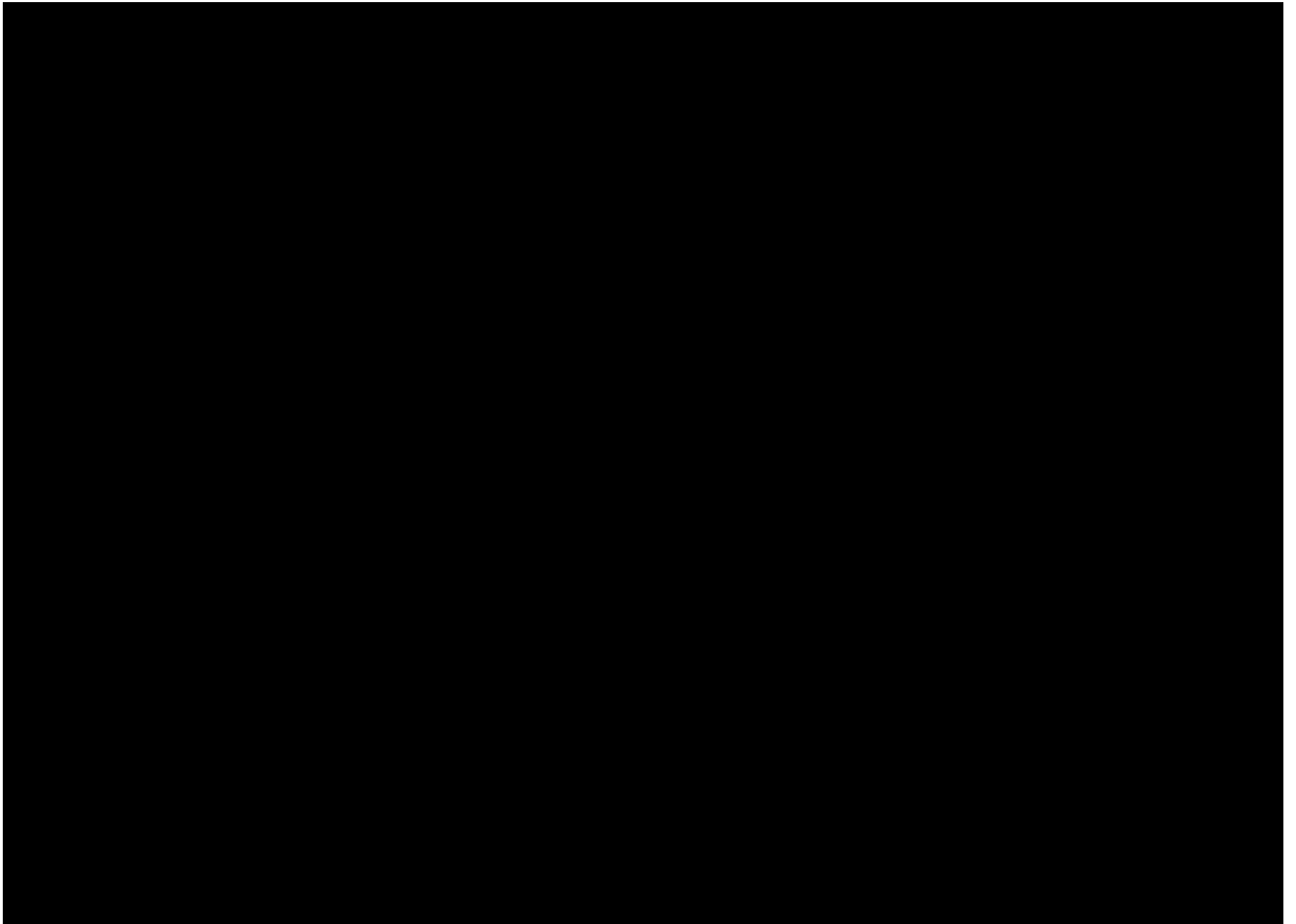


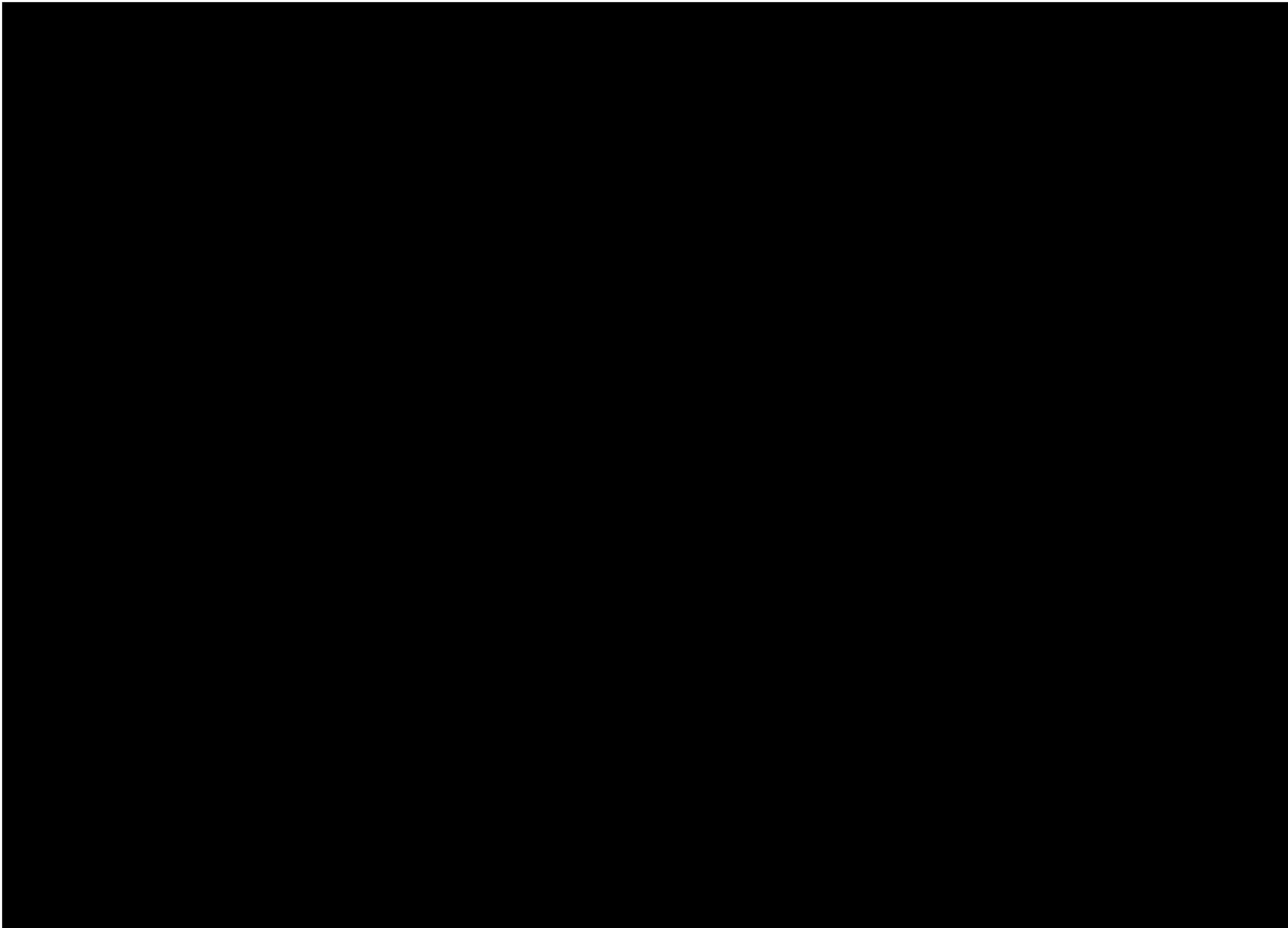


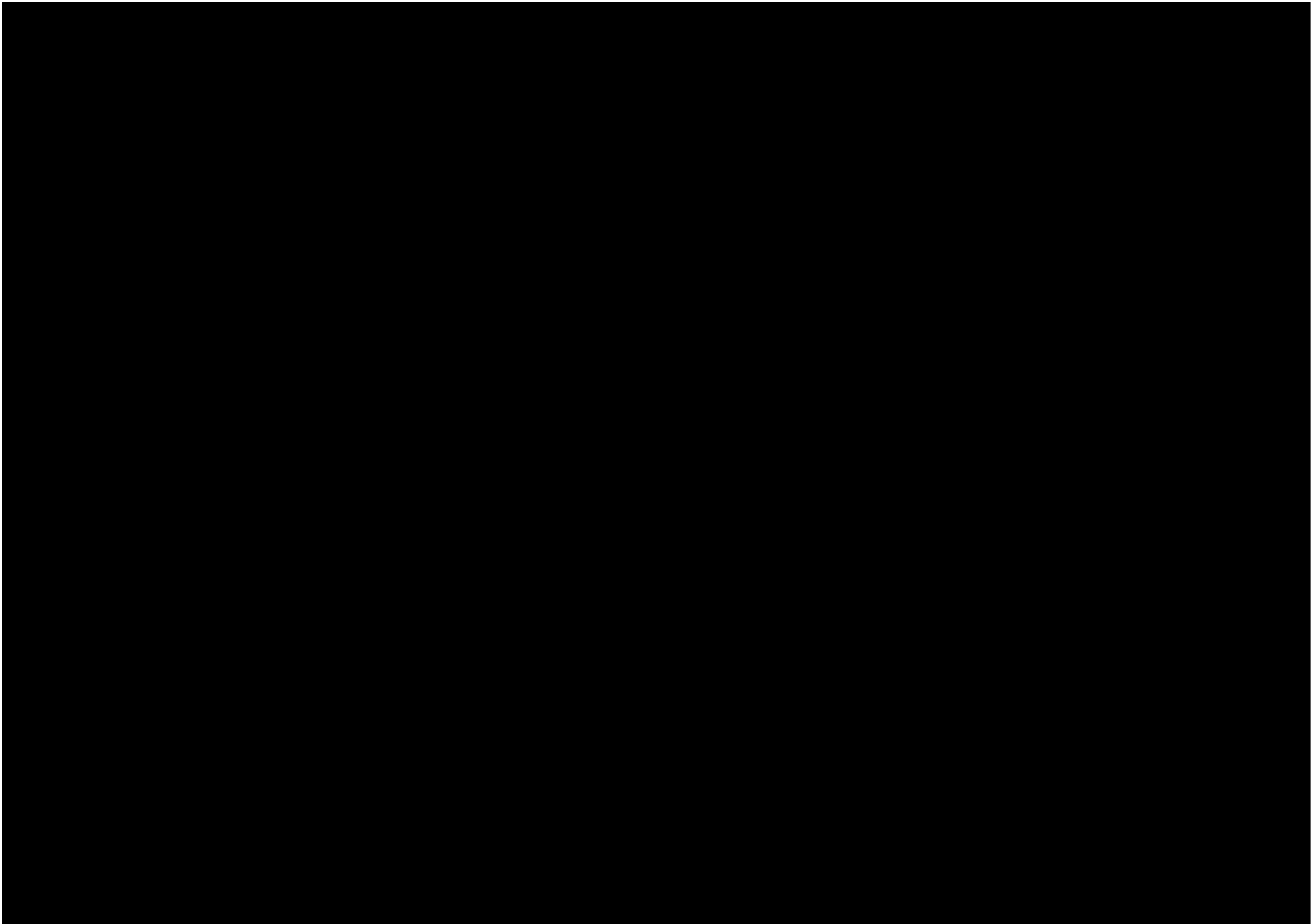


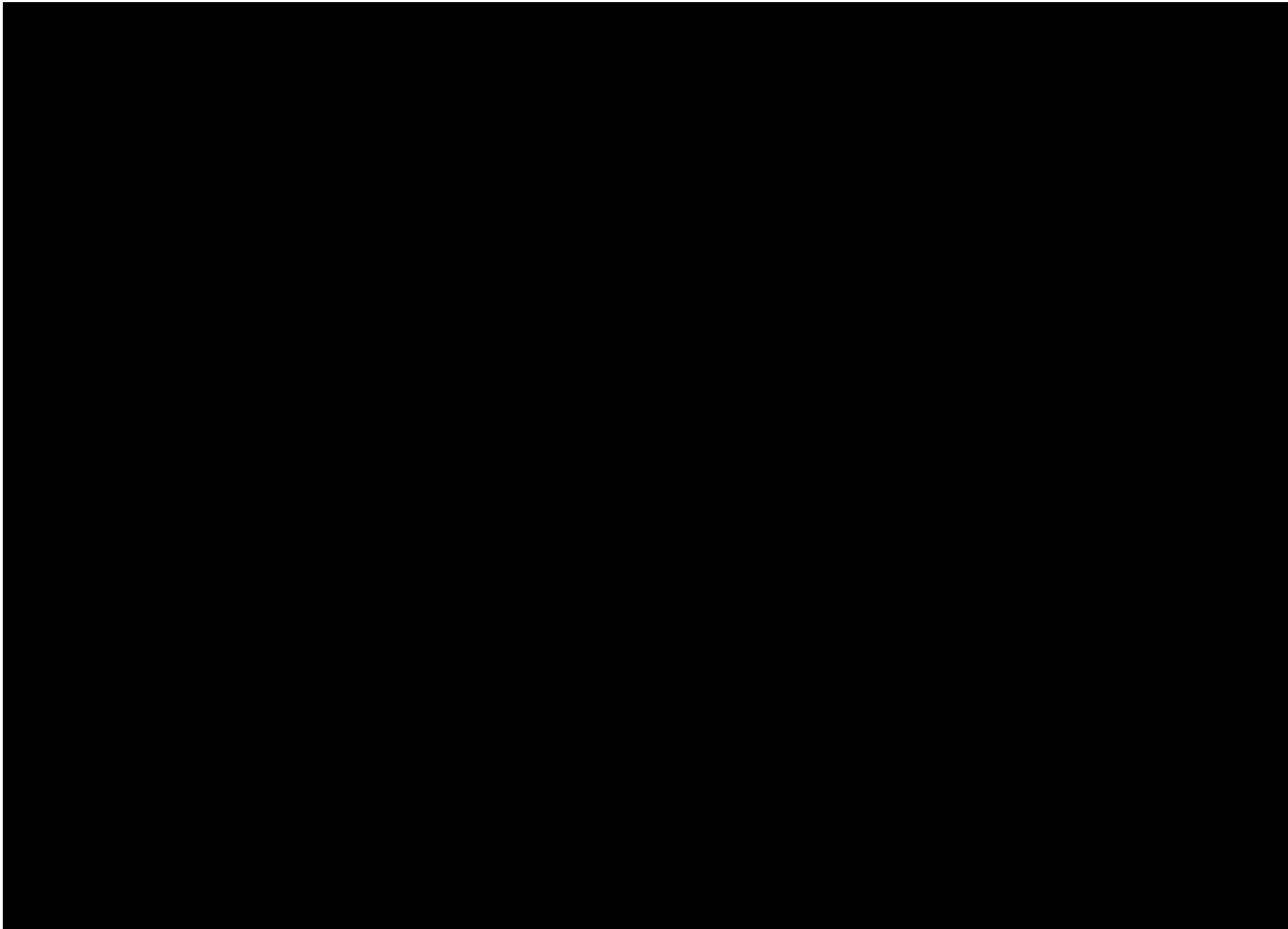


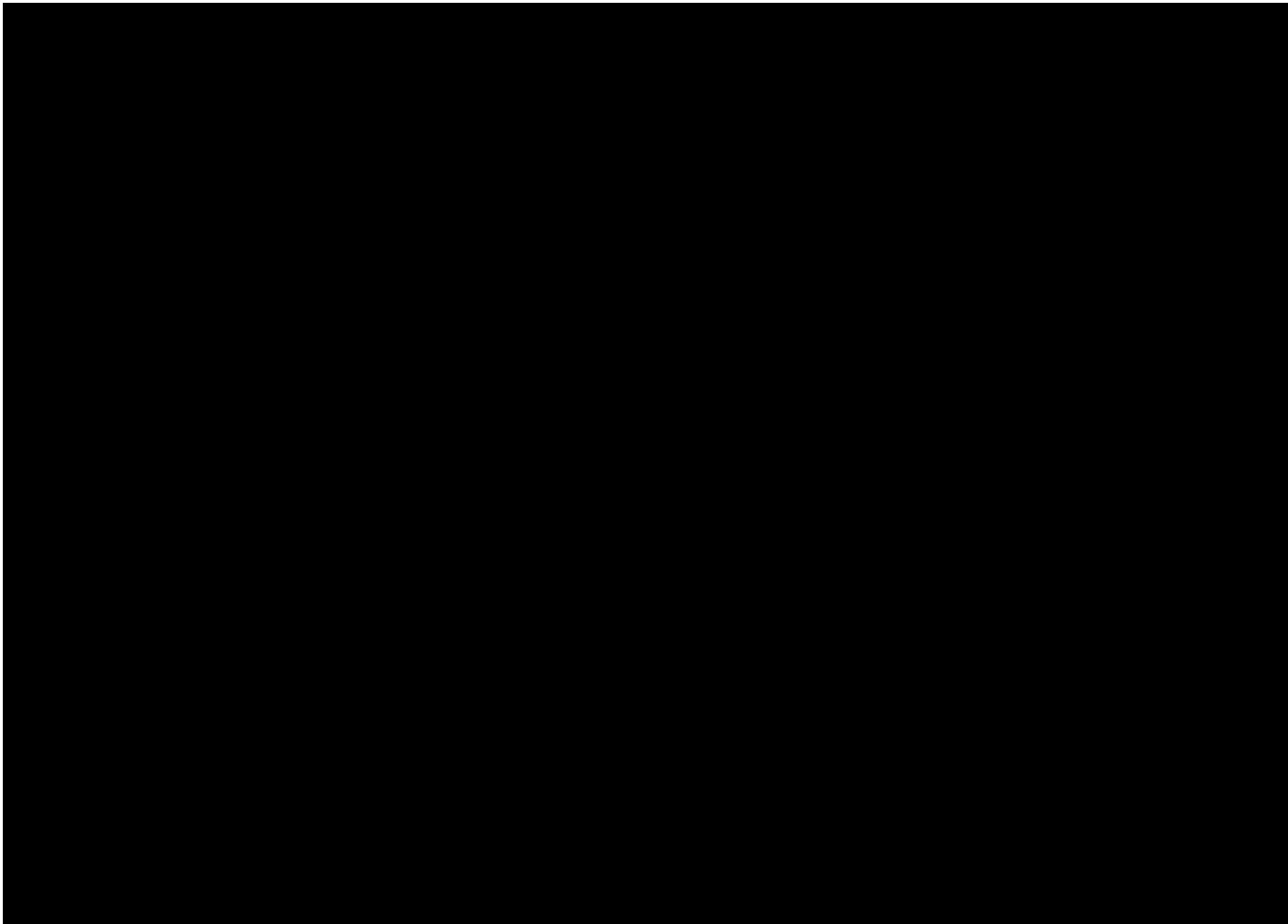


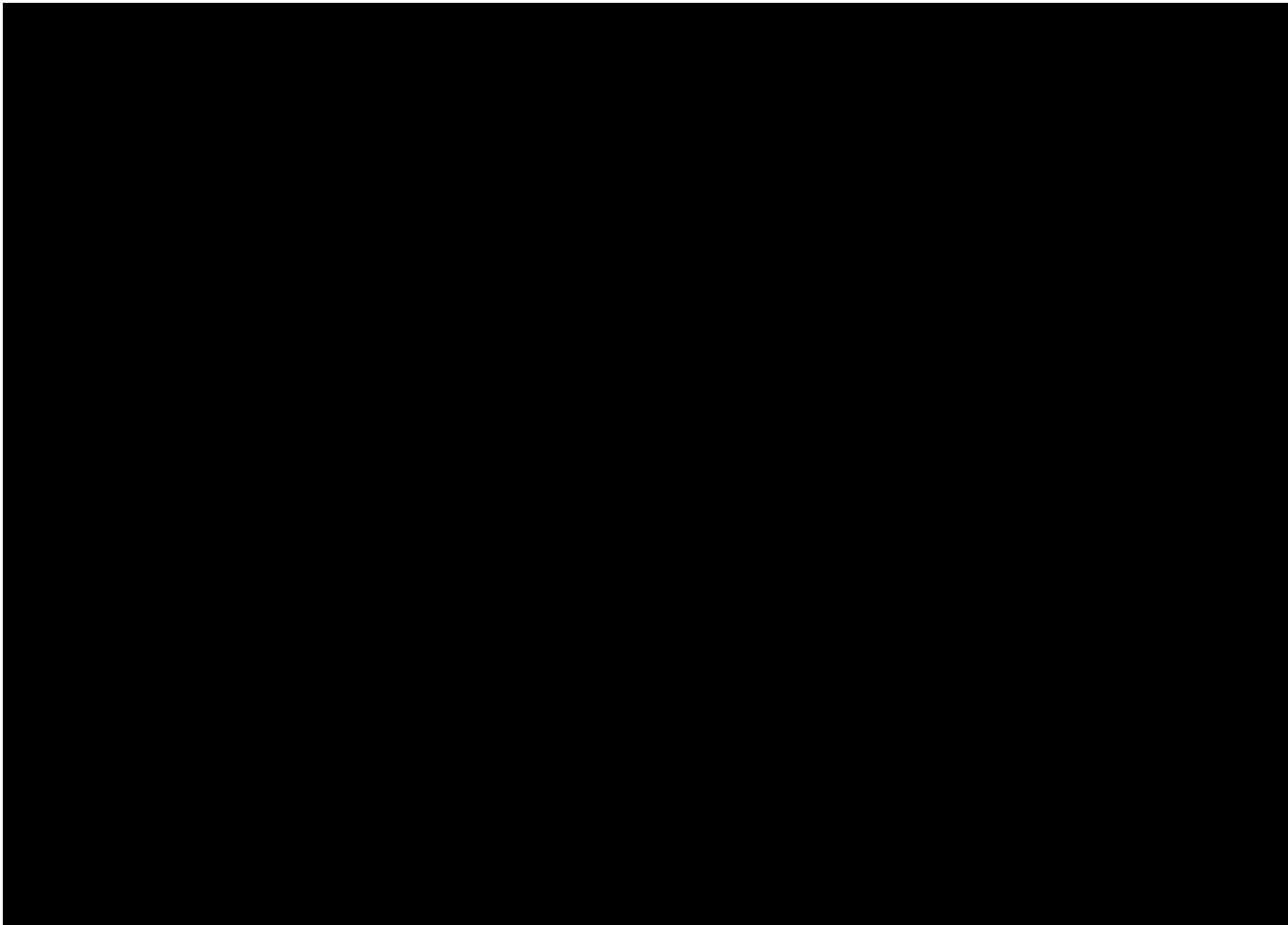


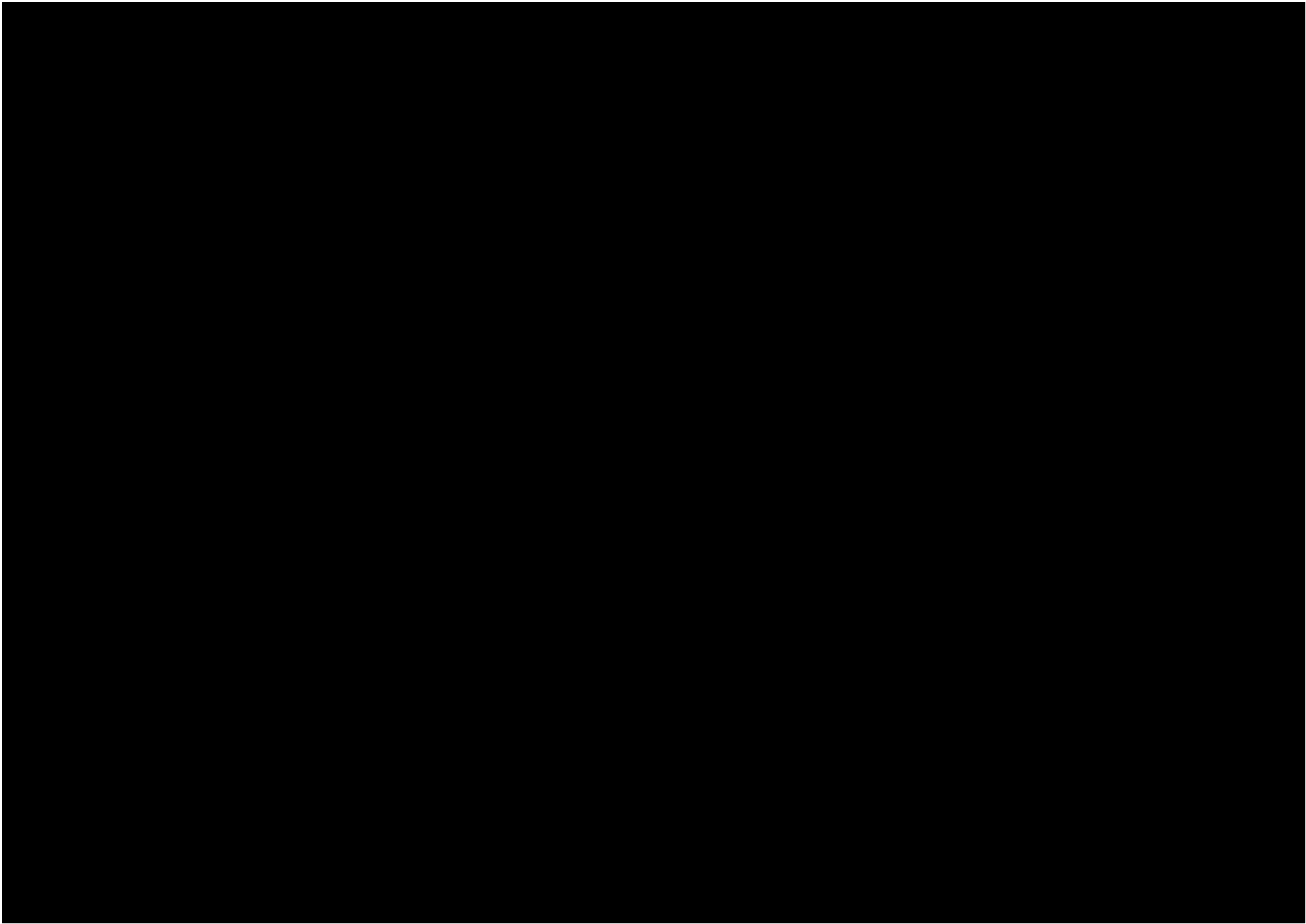


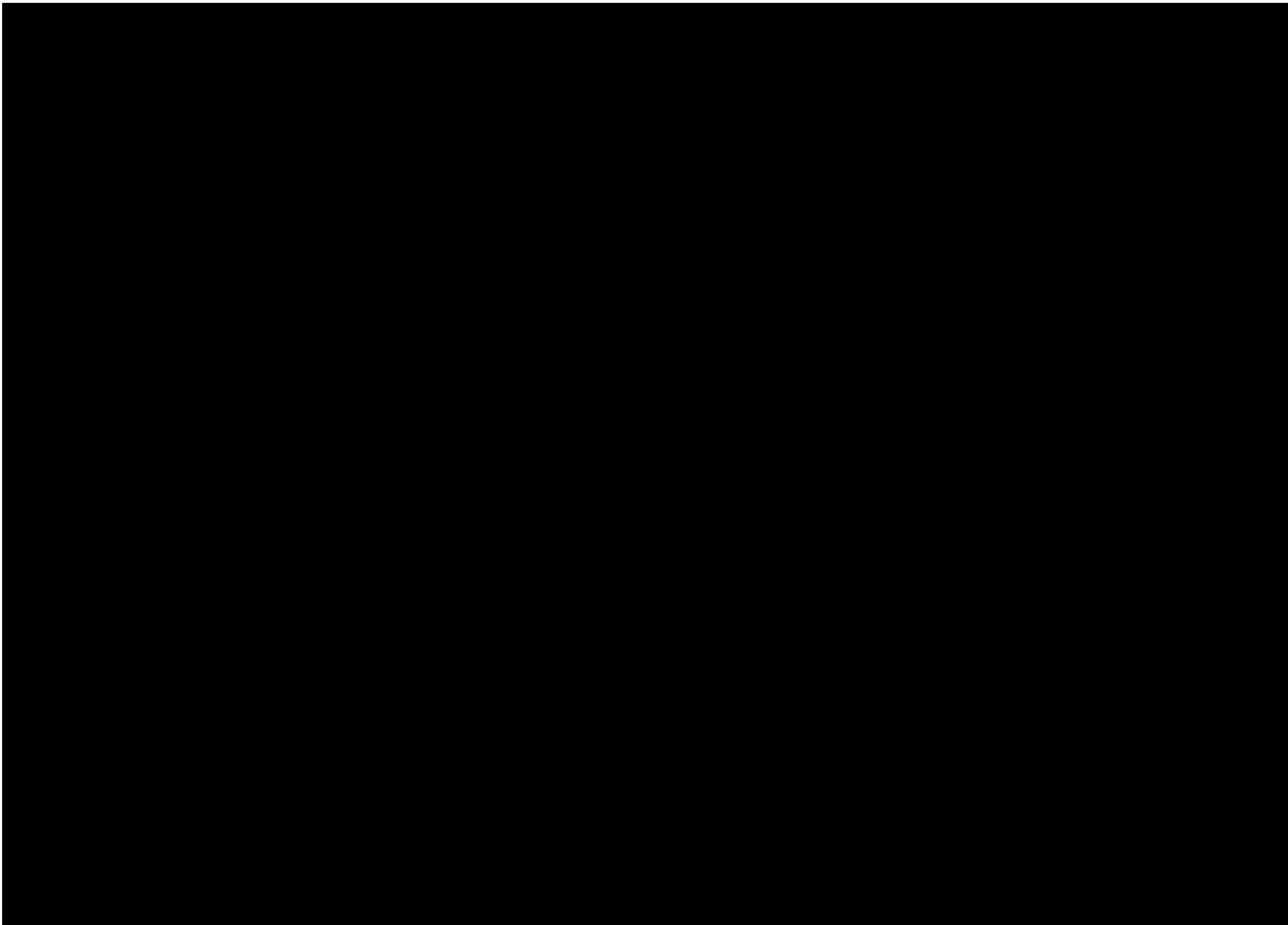


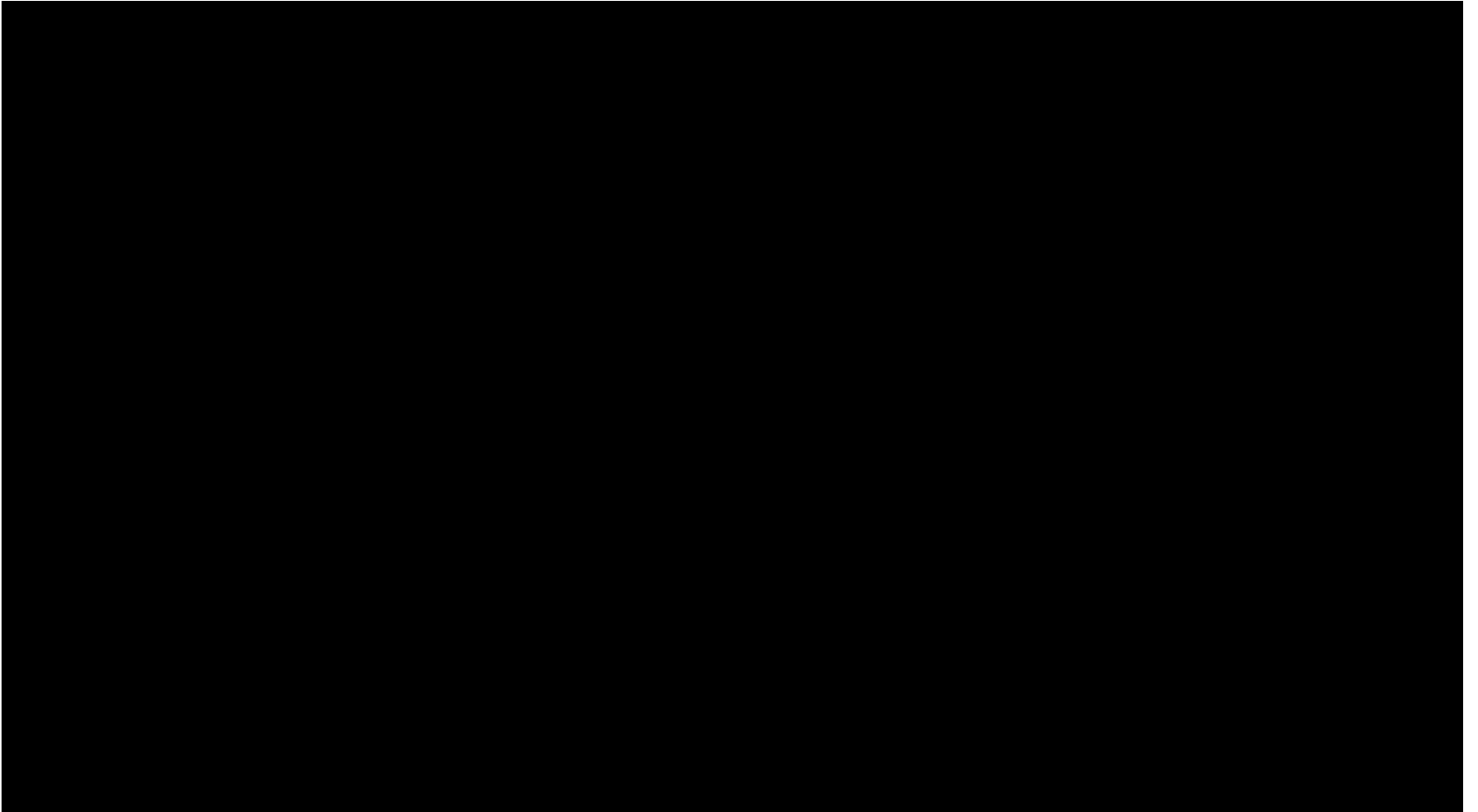












Schedule 4.22(b)
WPAHS Parties' Proceedings Before Governmental Authorities

None.

Schedule 4.23
Tax-Exempt WPAHS Parties

Tax-Exempt Entity
1. Allegheny Medical Practice Network
2. Allegheny-Singer Research Institute
3. Allegheny Specialty Practice Network
4. Alle-Kiski Medical Center
5. Alle-Kiski Medical Center Trust
6. Canonsburg General Hospital
7. Canonsburg General Hospital Ambulance Service
8. Forbes Health Foundation
9. Suburban Health Foundation
10. The Western Pennsylvania Hospital Foundation
11. West Penn Allegheny Health System, Inc.
12. West Penn Allegheny Oncology Network
13. West Penn Physician Practice Network

Schedule 4.24
WPAHS Parties' Environmental Matters

(a)

It has been determined that a 10,000 gallon underground storage tank ("UST") at Forbes Regional Hospital, which is used to store ultra-low sulfur diesel fuel, is not registered as required with the Pennsylvania Department of Environmental Protection ("PA DEP"). WPAHS has been in communication with a PA DEP representative and has engaged the services of a Certified UST inspector to inspect and register the tank with the PA DEP. On September 21, 2011, WPAHS received proof of temporary registration from the PA DEP, which expires on December 21, 2011.

(c)

See Schedule 4.24(a) above.

(d)

PA DEP Facility ID	UST Location	Tank Capacity (gallons)	Tank Use	PA DEP Sequence Number
02-36199	The Western Pennsylvania Hospital Foundation – Gross St.	1,000	Diesel emergency generator	587240-001
02-80757	The Western Pennsylvania Hospital	6,000	Diesel emergency generator	589210-005
N/A	The Western Pennsylvania Hospital	15,000	Fuel Oil-boilers	No registry - heating oil exemption
02-15833	Allegheny General Hospital	10,000	Diesel emergency generator	583581-001
02-15833	Allegheny General Hospital	10,000	Diesel emergency generator	583583-002
02-15833	Allegheny General Hospital	12,000	AVGAS (Jet A)	583585-003
N/A	Allegheny General Hospital – Suburban	10,000	Fuel Oil-boilers	No registry - heating oil exemption

PA DEP Facility ID	UST Location	Tank Capacity (gallons)	Tank Use	PA DEP Sequence Number
	Campus			
N/A	Allegheny General Hospital – Suburban Campus	10,000	Fuel Oil-boilers	No registry - heating oil exemption
02-33305	Forbes Regional Hospital	10,000	Diesel emergency generators	In process of filing registration
N/A	Forbes Regional Hospital	3,000	Fuel Oil – boilers	No registry -heating oil exemption
02-24787	Allegheny Valley Hospital	5,000	Diesel emergency generator	585289-002

(g)

Many of the structures and buildings located on the Real Property were constructed prior to the early 1980's. These buildings and structures are therefore presumed, like many commercial or institutional buildings of similar vintage, to contain building materials that contain PCBs, lead paint, or asbestos-containing materials ("suspect building materials"). WPAHS is not aware of any suspect building materials that are present in forms, quantities or conditions that violate Environmental Laws, as such laws are administered in practice by relevant Governmental Authorities. When capital or maintenance projects are undertaken that might involve the handling or disturbance of suspect building materials, WPAHS complies with the laws applicable to such activities. Without limiting the generality of the foregoing, prior to undertaking any capital or maintenance project that might disturb suspect asbestos-containing materials ("ACM"), WPAHS has the relevant area surveyed for the presence of ACM, and typically will abate such ACM (usually through removal) during the project.

Schedule 4.26
WPAHS Parties' Tax-Exempt Bond Matters

(a)

- Allegheny County Hospital Development Authority Health System Revenue Bonds (West Penn Allegheny Health System), Series 2007A.
- Loan Agreement, dated as of May 1, 2007, by and between West Penn Allegheny Health System, Inc. and Allegheny County Hospital Development Authority.
- Master Indenture of Trust, dated as of May 1, 2007, by and between the Bank of New York Trust Company, N.A., West Penn Allegheny Health System, Inc. and certain corporations named therein, as supplemented by the Supplemental Master Indenture for Obligation No. 1, dated as of May 1, 2007, by and between West Penn Allegheny Health System, Inc. and The Bank of New York Trust Company, N.A.
- West Penn Allegheny Health System, Inc. Master Indenture Obligation No. 1.
- Tax Certificate and Agreement, dated as of June 19, 2007, by and between West Penn Allegheny Health System, Inc. and Allegheny County Hospital Development Authority.
- Continuing Disclosure Agreement, dated as of June 1, 2007, by and between West Penn Allegheny Health System, Inc. and The Bank of New York Trust Company, N.A.
- Open-end Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of May 1, 2007, by and between Allegheny General Hospital and The Bank of New York Trust Company, N.A.
- Open-End Mortgage, Assignment of Leases, and Rents, Security Agreement and Fixture Filing, dated as of May 1, 2007, by and between The Western Pennsylvania Hospital and The Bank of New York Trust Company, N.A.
- Open-End Mortgage, Assignment of Leases, and Rents, Security Agreement and Fixture Filing, dated as of May 1, 2007, by and between the Canonsburg General Hospital and The Bank of New York Trust Company, N.A.
- Open-End Mortgage, Assignment of Leases, and Rents, Security Agreement and Fixture Filing, dated as of May 1, 2007, by and between the Alle-Kiski Medical Center and The Bank of New York Trust Company, N.A.
- Allegheny County Hospital Development Authority Hospital Revenue Note, Series A of 2006
- Financing and Security Agreement, dated as of December 22, 2006, by and between West Penn Allegheny Foundation, LLC, National City Commercial Capital Corporation and Allegheny County Hospital Development Authority.
- Lease Agreement, dated as of December 22, 2006, by and between West Penn Allegheny Foundation, LLC and Allegheny General Hospital.

- Assignment of Leases and Rents, dated as of December 22, 2006, by and between West Penn Allegheny Foundation, LLC and National City Commercial Capital Corporation.
- Tax Regulatory Agreement and No Arbitrage Certificate, dated as of December 22, 2006, by and between West Penn Allegheny Foundation, LLC and Allegheny County Hospital Development Authority.
- Allegheny County Hospital Development Authority Hospital Revenue Notes B-1 to B-4, Series B of 2006.
- Master Financing Agreement, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Banc of America Public Capital Corp and Allegheny County Hospital Development Authority, and Schedules No. 1 – 4.
- Master Helicopter Lease Agreement, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Allegheny General Hospital and West Penn Allegheny Health System, Inc.
- Lease Agreement No. 1, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Allegheny General Hospital and West Penn Allegheny Health System, Inc.
- Lease Agreement No. 2, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Allegheny General Hospital and West Penn Allegheny Health System, Inc.
- Lease Agreement No. 3, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Allegheny General Hospital and West Penn Allegheny Health System, Inc.
- Lease Agreement No. 4, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC, Allegheny General Hospital and West Penn Allegheny Health System, Inc.
- Assignment of Leases and Rents (Respecting Lease Agreement No. 1), dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC and Banc of America Public Capital Corp.
- Assignment of Leases and Rents (Respecting Lease Agreement No. 2), dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC and Banc of America Public Capital Corp.
- Assignment of Leases and Rents (Respecting Lease Agreement No. 3), dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC and Banc of America Public Capital Corp.
- Assignment of Leases and Rents (Respecting Lease Agreement No. 4), dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC and Banc of America Public Capital Corp.
- Tax Regulatory Agreement and No Arbitrage Certificate, dated as of December 29, 2006, by and between West Penn Allegheny Foundation, LLC and Allegheny County Hospital Development Authority.

- Tax-exempt refinancing of Tranche 1 pursuant to that certain Loan Agreement, dated as of November 7, 2005, by and between West Penn Allegheny Foundation, LLC and Laurel Capital Corporation.

(b)

None.

Schedule 4.27
WPAHS Parties' Taxable Debt Matters

(a)

- Term Note, dated as of December 30, 2008, by and between Alle-Kiski Medical Center and Allegheny Valley Bank of Pittsburgh.
- Loan Agreement, dated as of December 30, 2008, by and between Alle-Kiski Medical Center and Allegheny Valley Bank.
- Security Agreement, dated as of December 30, 2008, by and between Alle-Kiski Medical Center and Allegheny Valley Bank of Pittsburgh.
- Guaranty and Suretyship Agreement, dated as of December 30, 2008, by West Penn Allegheny Health System.
- Tranche 2 of that certain Loan Agreement, dated as of November 7, 2005, by and between West Penn Allegheny Foundation, LLC and Laurel Capital Corporation.
- Indenture, dated as of July 1, 2000, by and between Allfirst Bank and West Penn Allegheny Health System, Inc. and the other parties listed therein.
- Amended and Restated Transaction Agreement, dated as of January 26, 2001, by and between West Penn Allegheny Health System, Inc., Alle-Kiski Medical Center, Citizens General Hospital Group, Citizens General Hospital and Citizens General Enterprises, Inc., as amended by Amendment No. 1 thereto, dated as of April 11, 2001, as further amended by Amendment No. 2 thereto, dated as of March 26, 2002.
- Closing Agreement, dated as of May 13, 2002, by and between West Penn Allegheny Health System, Inc., Alle-Kiski Medical Center, Citizens General Hospital Group, Citizens General Hospital and Citizens General Enterprises, Inc.
- Master Loan and Security Agreement, dated as of March 8, 2011, by and between West Penn Allegheny Health System, Inc. and Siemens Financial Services, Inc, and Schedule #405-0001049-801 and any amendment thereto.
- Master Loan and Security Agreement, dated as of March 8, 2011, by and between West Penn Allegheny Health System, Inc. and Siemens Financial Services, Inc, and Schedule #405-0001050-801 and any amendment thereto.
- Master Loan and Security Agreement, dated as of March 8, 2011, by and between West Penn Allegheny Health System, Inc. and Siemens Financial Services, Inc., and Schedule #405-0000116-000 and any amendment thereto.
- ValuePlan Lease Agreement, dated as of April 28, 2009, by and between West Penn Allegheny Health System, Inc. and IBM Credit LLC.
- Loan and Working Capital Line Agreement, dated as of May 27, 2011, by and between Olympus America, Inc. and Peters Township Surgery Center, LLC.

- Working Capital Line Note, dated as of May 27, 2011, by and between Olympus America, Inc. and Peters Township Surgery Center, LLC.
- Loan Note, dated as of May 27, 2011, by and between Olympus America, Inc. and Peters Township Surgery Center, LLC.
- Security Agreement, dated as of May 27, 2011, by and between Olympus America, Inc. and Peters Township Surgery Center, LLC.
- Guaranty, dated as of June 30, 2011, by West Penn Allegheny Health System, Inc.
- Term Loan Agreement, dated as of April 21, 2008, by and between McCandless Endoscopy Center, LLC and Laurel Capital Corporation.
- Revolving Line of Credit Note, dated as of April 21, 2008, by and between McCandless Endoscopy Center, LLC and Laurel Capital Corporation.
- Revolving Loan Agreement, dated as of April 21, 2008, by and between McCandless Endoscopy Center, LLC and Laurel Capital Corporation, as amended by Amendment to Revolving Line of Credit, dated as of April 21, 2009, as further amended by Second Amendment to Revolving Line of Credit, dated December 14, 2009, and Third Amendment to Revolving Line of Credit, dated as of December 21, 2010.
- Security Agreement, dated April 21, 2008, by and between McCandless Endoscopy Center, LLC and Laurel Capital Corporation.
- Promissory Note, dated as of November 15, 2005, by and between Allegheny Imaging of McCandless, LLC and PNC Bank, National Association.
- Working Cash®, Line of Credit, Investment Sweep Rider, dated as of December 11, 2007, by and between Allegheny Imaging of McCandless, LLC and PNC Bank, National Association.
- Business Loan Agreement, dated as of November 15, 2005, by and between Allegheny Imaging of McCandless, LLC and PNC Bank, National Association, as amended by First Amendment to Loan Documents, dated as of November 28, 2007, as further amended by Second Amendment to Loan Documents, dated as of February 4, 2011.
- Commercial Security Agreement, dated as of November 15, 2005, by and between Allegheny Imaging of McCandless, LLC and PNC Bank, National Association.
- Note, dated as of September 21, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Loan Agreement, dated as of September 21, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Purchase Money Security Agreement, dated as of September 21, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Note, dated as of February 16, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.

- Loan Agreement, dated as of February 16, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Purchase Money Security Agreement, dated as of February 16, 2011, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Note, dated as of July 15, 2009, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Loan Agreement, dated as of July 15, 2009, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.
- Security Agreement, dated as of July 15, 2009, by and between Allegheny Imaging of McCandless, LLC and Dollar Bank, Federal Savings Bank.

(b)

None.

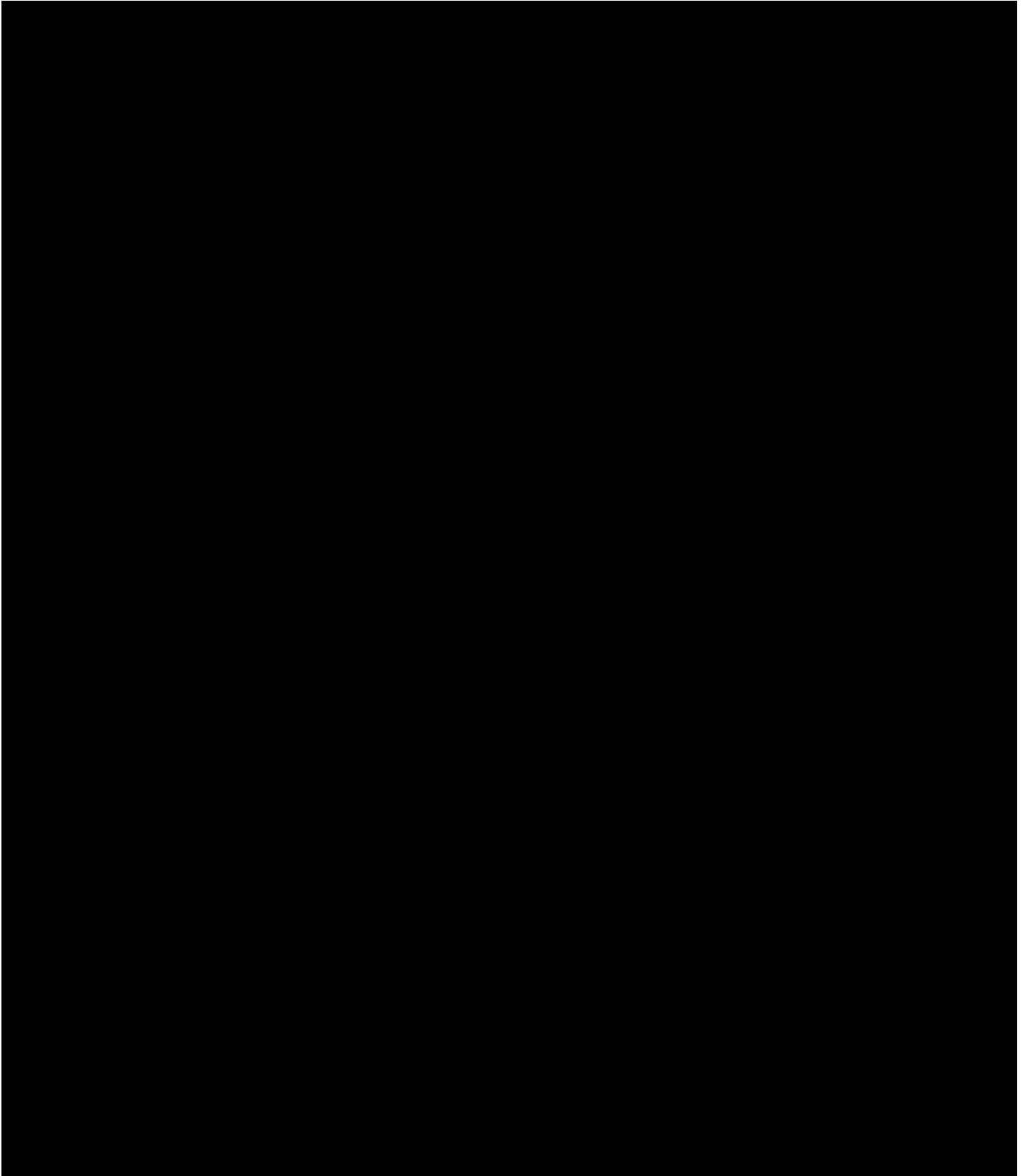
Note: To the Knowledge of WPAHS, West Penn/5148 Liberty Avenue Associates has mortgaged certain real property.

Note: The WPAHS Parties are party to certain equipment leases which involve financing arrangements.

Schedule 4.28
WPAHS Parties' Absence of Material Adverse Effect

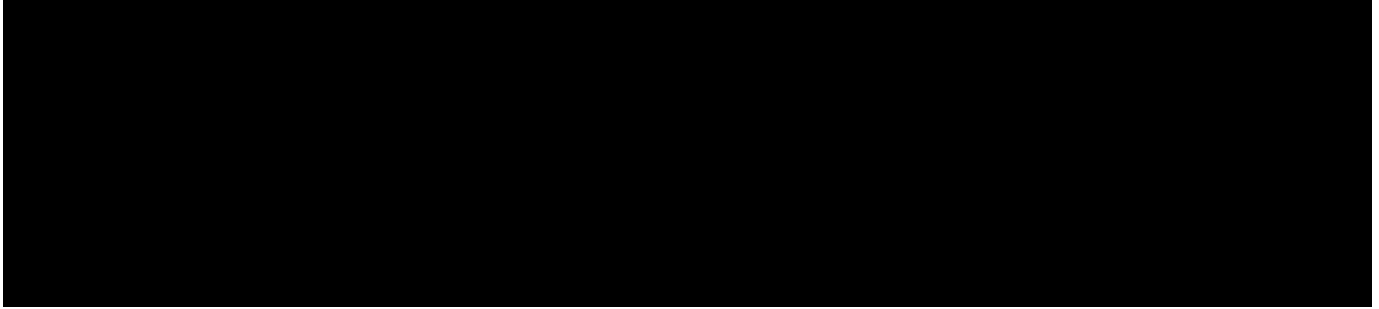
None.

Schedule 5.2(b)
Highmark and UPE Parties' Approvals and Notices to Governmental Authorities





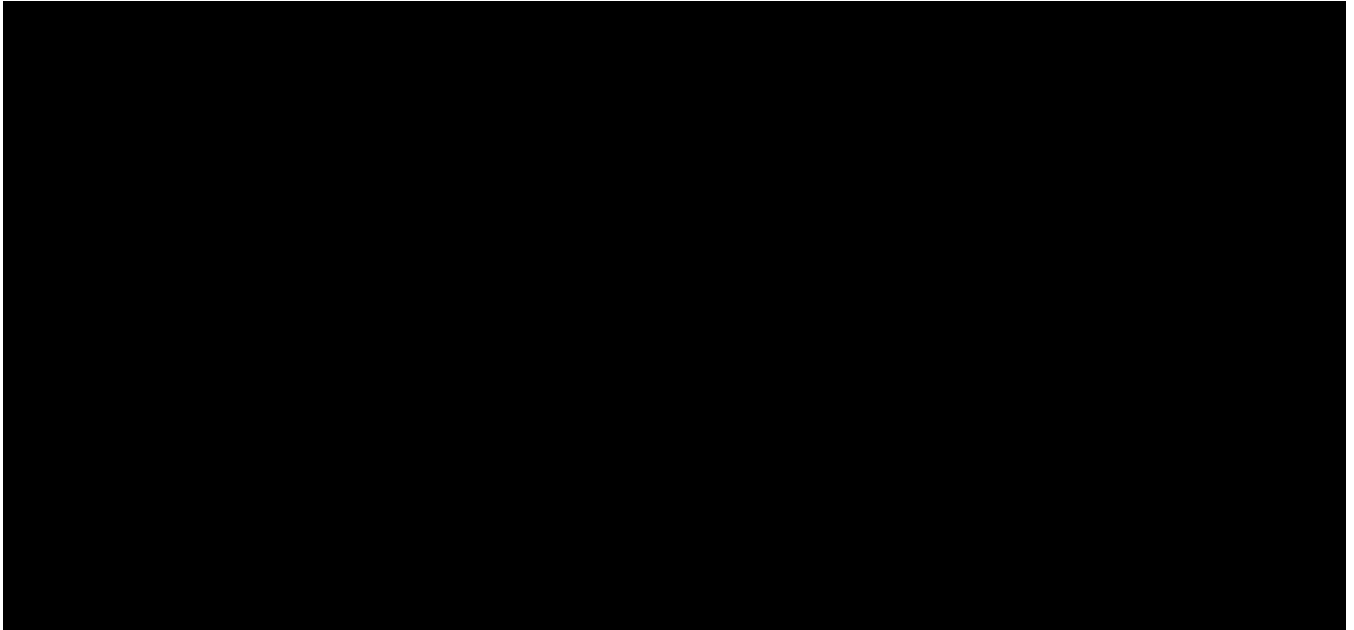
Schedule 5.2(c)
Highmark and UPE Parties' Contractual Consents



Schedule 5.4(b)
Highmark Changes in Accounting Policy or Methodology

None.

Schedule 5.5
Highmark and UPE Parties' Regulatory Compliance



Schedule 5.6

Highmark and UPE Parties' Litigation

A class action lawsuit was filed in December 2010 in the United States District Court for the Western District of Pennsylvania by Royal Mile Company, Royal Asset Management and Pamela Lang on behalf of individuals and companies which have obtained health insurance coverage from the Corporation alleging that the Corporation conspired with the University of Pittsburgh Medical Center ("UPMC") to harm purchasers of health insurance coverage in violation of federal anti-trust laws by entering into an illegal agreement to restrain trade as well as alleging that Highmark has a monopoly on the Western Pennsylvania health insurance market. The United States District Court for the Western District of Pennsylvania has stayed any further proceedings as to this lawsuit until resolution of the petitions for writs of certiorari that the Corporation and UPMC intend to file with the United States Supreme Court as to similar issues raised in a lawsuit filed against the Corporation and UPMC by the West Penn Allegheny Health System ("WPAHS"). The Corporation believes, based on consultation with legal counsel, that it has meritorious defenses to the claims in this matter, but it is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

A class action lawsuit was filed in February 2010 in the United States District Court for the Western District of Pennsylvania by a statewide ambulance association and a number of local ambulance service providers on behalf of all non-participating ambulance service providers against the Corporation, the three other Pennsylvania Blue plans, KHPW and Keystone Health Plan Central, Inc., a subsidiary of Capital Blue Cross. The suit alleges that defendants' practice of making benefit payments to enrollees, rather than making payments directly to plaintiffs, violates Pennsylvania law. The suit also accuses defendants of using threats of making direct payments to enrollees to coerce plaintiffs into entering into contracts with defendants and alleges that such practice is a violation of the Racketeer Influenced and Corrupt Organizations ("RICO") Act. Plaintiffs are seeking treble damages for unpaid services, interest and attorney fees. The Court granted defendants' Motion to Dismiss finding that non-participating providers do not have a right to direct payment under Act 68. On June 27, 2011, plaintiffs filed a Notice of Appeal to the United States Court of Appeals for the Third Circuit. The Corporation believes, based on consultation with legal counsel, that it has meritorious defenses to the claims in this matter, but it is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

A class action lawsuit was filed in September 2009 in the United States District Court for the Northern District of Illinois against BCBSA and twenty-three Blue Cross Blue Shield plans, including the Corporation. The complaint alleges that the defendants have violated and are continuing to violate the Employee Retirement Income Security Act ("ERISA") and the RICO Act by conducting retrospective provider payment reviews and audits and demanding immediate recoupment of amounts determined to be overpayments. In October 2010, the court dismissed RICO counts which had been asserted by the plaintiffs. The Plaintiffs filed a motion for Class Certification in March 2011. The Corporation believes, based on consultation with legal counsel, that it has meritorious defenses to the claims in this matter, but it is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

A lawsuit was filed in April 2009 in the United States District Court for the Western District of Pennsylvania by WPAHS, alleging that the Corporation and UPMC violated federal anti-trust laws by entering into an illegal agreement to restrain trade and by conspiring to create monopolies in the market for acute inpatient services and/or high-end tertiary and quaternary acute care inpatient services in Allegheny County, Pennsylvania and in the market for health care financing and administration for private employers and individuals in Allegheny County, Pennsylvania. In October 2009, the District Court dismissed the case with prejudice. On appeal by the plaintiff, the United States Third Circuit Court of Appeals overturned the ruling of the District Court and remanded the case back to the District Court. The Corporation and UPMC intend to file petitions for writs of certiorari with the United States Supreme Court seeking review of the decision of the United States Third Circuit Court of Appeals and, until resolution of the petitions for writs of certiorari, the United States District Court for the Western District of Pennsylvania has stayed all proceedings in this lawsuit. The Corporation believes, based on consultation with legal counsel, that it has meritorious defenses to the claims in this matter, but is unable to predict the outcome of the matter or to reasonably estimate a range of possible loss.

The Corporation is a defendant in a class action lawsuit in the Court of Common Pleas of York County, Pennsylvania alleging violation of the Pennsylvania Nonprofit Corporation Law and breach of subscriber contracts by reason of its maintenance of allegedly “excessive” surplus. In January 2010, the Court of Common Pleas dismissed the suit, which the Commonwealth Court of Pennsylvania affirmed and which plaintiffs have now appealed to the Pennsylvania Supreme Court. In July of 2011, the Pennsylvania Supreme Court ruled in favor of Blue Cross of Northeastern Pennsylvania in another “excessive” surplus case that is very similar to the suit challenging Highmark’s surplus.

The Corporation is subject to various other contingencies, including legal and compliance actions and proceedings that arise in the ordinary course of its business. Due to the complex nature of these actions and proceedings, the timing of the ultimate resolution of these matters is uncertain. In the opinion of management, based on consultation with legal counsel, adequate provision has been made in the financial statements for any potential liability related to these matters, and the amount of ultimate liability is not expected to materially affect the financial position or results from operations of the Corporation.

Schedule 6.1(a)(1)
WPAHS Parties' Due Diligence Update Timeline

Updates (since information responsive to a particular request was last provided in the SharePoint dataroom in response to the June 28, 2011 Due Diligence Production Request) related to the following documents, materials and information are to be provided by the WPAHS Parties to Highmark and the UPE Parties as soon as practicable but in no event later than on November 30, 2011 (except that the information in Financial Matters below is to be provided starting on October 31, 2011) and the first business day every thirty (30) days thereafter, until the Closing:

General.

Any amendments or revisions to any documents uploaded to the SharePoint dataroom (e.g., policies and procedures, rules and regulations, material contracts).

Accreditation Matters.

Any correspondence from accrediting agencies, accreditation survey reports and/or responses to deficiencies, if any.

Employee Benefits Matters.

Any government filings prepared in respect of employee benefit plans.

For any employee or future employee, (i) vice president or above or (ii) with base pay of \$100,000 or more:

- A. Notification and copy of any offer of employment before the offer is made to the candidate;
- B. Notification regarding any adjustment of pay (except as part of the regular annual review/merit process) before the adjustment is communicated to the employee;
- C. Notification regarding any pay actions to be taken with respect to the employee – retention bonus, severance, etc. – before such action is taken and communicated to the employee; and
- D. Notification regarding any proposed changes to the employment agreements, letters, contracts, etc. before such changes are communicated to the employee.

Notification of the resignation or termination of any employee (i) vice president or above or (ii) with base pay of \$100,000 or more.

Notification of the resignation or termination of any employee in Human Resources (system, facility, etc.).

Notification of any audits of the compensation and benefit programs.

Notification, prior to the announcement to employees, of the re-institution of the matching contribution.

Notification of any new benefit or compensation program or discontinuance of any benefit or compensation program.

Prior to release, any communications to the employees (or any sub-group of employees) of any information about or changes to the benefit and compensation programs.

Any additions, deletions, changes, etc. to the Excel spreadsheet showing the participants eligible for and the awards under the Change in Control Plan, Retention Bonus Plan and Transaction Bonus Plan.

Written summary of any negotiation strategy with regard to any Collectively Bargained Agreement (for example, negotiations for the contract between Allegheny Valley Hospital and the IOUE; contract expires February 2012).

Any material actuarial communications pertaining to the defined benefit plans. For example, any new financial figures/cost estimates, compliance oriented reports/issues that emerge, any regulatory filings/issues, etc.

Notification of any changes being considered for any broad based benefit, retirement or compensation program, including design, vendor, etc.

Any and all reports regarding the investments in the WPAHS defined benefit plans.

Pension funded status reports from Merrill Lynch and/or Buck Consultants going back to 2009 and going forward.

Employment and Labor Matters.

Any information regarding new or ongoing labor/employee grievances, arbitrations and other union and labor-related disputes, pending or threatened labor strikes, slow downs, union organizing drives and/or labor contract negotiations, including drafts of any collective bargaining agreements.

Any new employment contracts entered into by the System, the Hospitals and/or the Affiliates.

Information regarding any additional pending or threatened legal actions, claims or charges (including state charges, EEOC charges, and NLRB charges) filed by employees, or on behalf of employees, against the System, the Hospitals or the Affiliates, of which the appropriate individual within WPAHS responsible for tracking such information has knowledge.

Information regarding any new COBRA/OBRA claims or investigations of which the appropriate individual within WPAHS responsible for tracking such information within the System, the Hospitals or the Affiliates has knowledge.

Monthly employee turnover report by location and job code/title, including all raw data.

Environmental Compliance Matters.

To the extent not otherwise provided in response to Licensure Matters, copies of new material permits and licenses issued under federal, state or local laws or regulations relating to health, safety or the environment (i.e., storage tank permits, licenses from the U.S. Nuclear Regulatory Commission, U.S. or Pennsylvania Departments of Environmental Protection, Publicly Owned Treatment Works (POTW) permits).

Information regarding all governmental investigations, proceedings, orders, inspections, sanctions and pending or threatened actions of which the System, the Hospitals or the Affiliates become aware, regarding compliance with federal, state or local laws or regulations relating to health, safety or the environment.

Any additional environmental reports, registrations and notices filed by the System, the Hospitals and the Affiliates in compliance with federal, state or local laws or regulations relating to health, safety or the environment.

Financial Matters.

Monthly unaudited financial statements.

Monthly management reporting packages for the month prior.

Any new internal audit reports prepared.

Access to KPMG's audit workpapers for the 6/30/11 audit once KPMG permits such access to WPAHS.

Third Party roll-forward schedules that reconcile to the financial statements each month.

Compliance and Third Party Accounts Receivable reports, as developed in the ordinary course of business.

Policies and Procedures.

Copies of any new policies and procedures approved by the System, the Hospitals or the Affiliates, and/or any approved amendments to same.

Insurance and Risk Management Matters.

Updated open loss-run/listing, including pending or threatened claims, indemnity and expense reserve information and payment history.

Copies of any new insurance policies, and/or amendments or renewals of existing insurance policies.

Copies of any correspondence related to the cancellation or amendment of any insurance coverages.

Quarterly financial statements for the RRG and Friendship captive.

Quarterly reports of any large claims (\$200,000 and above) for all lines of insurance coverage.

Quarterly Property/Casualty Insurance Summary.

Licensure Matters.

Copies of new, material health care licenses, permits or certifications issued by a Governmental Authority related to the ownership and/or operation of the Hospitals and the Affiliates.

Copies of any new licensure survey reports, all correspondence pertaining to same and any plans of correction related to same.

Litigation Matters.

Information and description of any pending or threatened litigation, administrative proceedings, governmental investigations or inquiries, arbitration or claims affecting the System, the Hospitals or the Affiliates, or their officers, trustees, directors, employees or agents, of which the appropriate individual within WPAHS responsible for tracking such information within the System, the Hospitals or the Affiliates has knowledge.

Operational and Information Technology Matters.

Copies of any newly developed strategic, business and/or marketing plans for the System, the Hospitals or the Affiliates.

Copies of any new material contract, or amendment to an existing material contract, entered into by the System, the Hospitals or the Affiliates, including without limitation contracts that (i) are entered into with a physician or doctor of osteopathic medicine or any other party which to the Knowledge of WPAHS is owned in whole or in part by a physician or doctor of osteopathic medicine, and involve the payment or receipt of a base salary or fee of more than \$500,000 annually (including, for purposes of this paragraph only, employment or independent contracts which may otherwise constitute Benefit Program and Agreements and therefore be otherwise exempt from the definition of Contract), (ii) contain any restrictive covenant, change of control or other Contract provision that would trigger any modification or termination of the Contract or that require consent from or notice to any third party to the Contract as a result of the Transaction

and involve the payment or receipt of more than \$900,000 annually, (iii) involve the payment or receipt of more than \$900,000 annually and have a remaining term of three (3) years or more, and/or (iv) create rights or obligations between or among any of the WPAHS Parties or between or among any of the WPAHS Parties and WPAHS Affiliates that involve the payment or receipt of more than \$900,000 annually.

Organizational Matters.

Copies of minutes, as adopted, of all meetings of shareholders, members, Boards of Directors, and Executive Committees of the System, the Hospitals and the Affiliates, unless (i) such disclosure is not permitted by applicable Law; (ii) the discussions address payor agreements and payor strategy; (iii) the discussions relate to the Transaction; or (iv) required to preserve the privilege of attorney-client communications.

Copies of any conflict disclosure statements provided to the System, the Hospitals or the Affiliates.

Professional Staff Matters.

Any additional documents pertaining to offers by the System, the Hospitals or the Affiliates currently to recruit, retain or relocate physicians.

Information regarding any new medical staff grievance proceedings.

Copies of minutes, as adopted, for meetings of standing and/or ad hoc medical staff committees of each of the Hospitals and the Affiliates, unless (i) such disclosure is not permitted by applicable Law; (ii) the discussions address payor agreements and payor strategy; (iii) the discussions relate to the Transaction; or (iv) required to preserve the privilege of attorney-client communications.

Information regarding any offers to purchase or discussions regarding the potential purchase of, or affiliation with, any physician practice or physician group practice and copies of any valuations or fair market value appraisals related to same.

Real Estate Matters.

Information regarding the exercise by the System, the Hospitals or the Affiliates of an option to purchase or lease real property.

Copies of any completed surveys or appraisals of real property.

Copies of any new lease of real property entered into by the System, the Hospitals or the Affiliates as either lessor or lessee.

Reimbursement Matters.

Copies of Medicare/Medicaid Audit Adjustment Reports, Notice of Provider Reimbursement Reports and/or any Medicare/Medicaid/CHAMPUS cost reports.

Regulatory and Compliance Matters.

Copies of any requests or demands for information, documents, or records received by the System, the Hospitals or the Affiliates from a federal or state agency or department.

Copies of any lawsuits, proceedings, or legal actions pending or threatened against any Hospital or any Affiliate pursuant to or under the federal False Claims Act.

Copies of any claims or assertions made against any Hospital or an Affiliate alleging or asserting violation of the Medicare and Medicaid Fraud and Abuse Law and/or the Stark Law.

Copies of any corporate integrity agreements with the OIG to which any Hospital or any Affiliate is a party or is otherwise subject.

With respect to outlier payments under Medicare's inpatient prospective payment system, copies of any changes to the Hospitals' policies and procedures regarding, copies of any written requests, demands or correspondence from any governmental agency or agent thereof, and copies of any internal audit, review or investigation.

Copies of all correspondence, claims, complaints, and allegations pertaining to any pending or threatened investigations, audits or similar reviews or any prior such investigations, audits, reviews or settlements thereof relative to any billing or reimbursement matter.

Copies of any allegations, complaints, investigations, audits or reviews regarding the provision of medically unnecessary care.

Copies of any notices from CMS alleging a violation of EMTALA or threatening termination of Medicare status in connection therewith.

Copies of any disclosure by any Hospital or any Affiliate relating to any actual or potential violation of any federal, state or local law or regulation to any federal, state or local agency, as well as copies of all correspondence and documentation relating to such disclosures.

Copies of all investigations or audits of any Hospital or any Affiliate by any private or commercial third party payor.

Copies of documentation relating to any individual employees or contractors employed or engaged by the System, the Hospitals or the Affiliates known to have been convicted of a criminal offense related to health care.

Restricted Assets and Endowment Matters.

None.

Tax Matters.

Copies of any tax returns and any correspondence sent to or received from the Internal Revenue Service or any state or local tax authorities.

HIPAA.

Copies of compliance logs and HIPAA compliance audits summarizing all incidents related to HIPAA compliance.

Any breach notification reports filed by the System, the Hospitals or the Affiliates.

Any correspondence received by the Office for Civil Rights related to an investigation of possible HIPAA violations, and any response promulgated by the System, the Hospitals or the Affiliates.

Compliance Program Assessment.

Copies of the minutes of meetings of the WPAHS Audit and Compliance Committee and WPAHS Executive Compliance Council.

Copies of updated compliance logs, including updated WPAHS System Compliance/ Internal Audit Summary of Audits, WPAHS Compliance Hotline & Other Disclosure Issues/ Corrective Actions and WPAHS Audit & Compliance Committee System Compliance and Internal Audit Updates.

Copies of audit plans and audit plan status updates.

Certificate of Need Matters.

None.

Schedule 6.1(a)(2)
WPAHS Parties' Interim Reports to Highmark

Please see attached.

Schedule 6.1(b)
Highmark and UPE Parties' Due Diligence Timeline

Updates (since information responsive to a particular request was last provided in the Highmark SharePoint dataroom in response to WPAHS due diligence requests) related to the following documents, materials and information are to be provided by Highmark and the UPE Parties to the WPAHS Parties as soon as practicable but in no event later than on November 30, 2011 (except that the information in Financial Statements below is to be provided starting on October 31, 2011) and the first business day every thirty (30) days thereafter, until the Closing:

General

Any amendments or revisions to any documents uploaded to the dataroom.

Ongoing Investigations

List of all pending or, to the Knowledge of Highmark, threatened investigations related to Highmark, the UPE Parties or any of their respective Affiliates by or before any Governmental Authority and any written notices from Governmental Authorities of non-compliance, including but not limited to notices and significant correspondence related to Highmark.

Copies of Form B filings with the Pennsylvania Department of Insurance.

Audit Reports

Copies of any audit (e.g., insurance audits, compliance-related audits, HIPAA audits) of Highmark performed by outside parties.

Insurance Filings

Form D filings with the Pennsylvania Department of Insurance.

Financial Statements

Copies of financial statements (income statements and budget vs. actual reports, balance sheets and statements of cash flow) for Highmark.

Budgets

Copies of annual budgets for Highmark.

Independent Auditor Reports

Copies of reports of independent auditors as well as management letters and letters from counsel.

Tax Returns

Copies of federal, state and local tax returns.

Material Debt Outstanding

Schedule of all outstanding material debt.

Other Liabilities

Schedule of any other material commitments or contingent liabilities; contracts available upon request.

Off Balance Sheet Liabilities

Listing of material off balance sheet liabilities.

Schedule 6.2
WPAHS Parties' Exceptions to Conduct of Business

None.

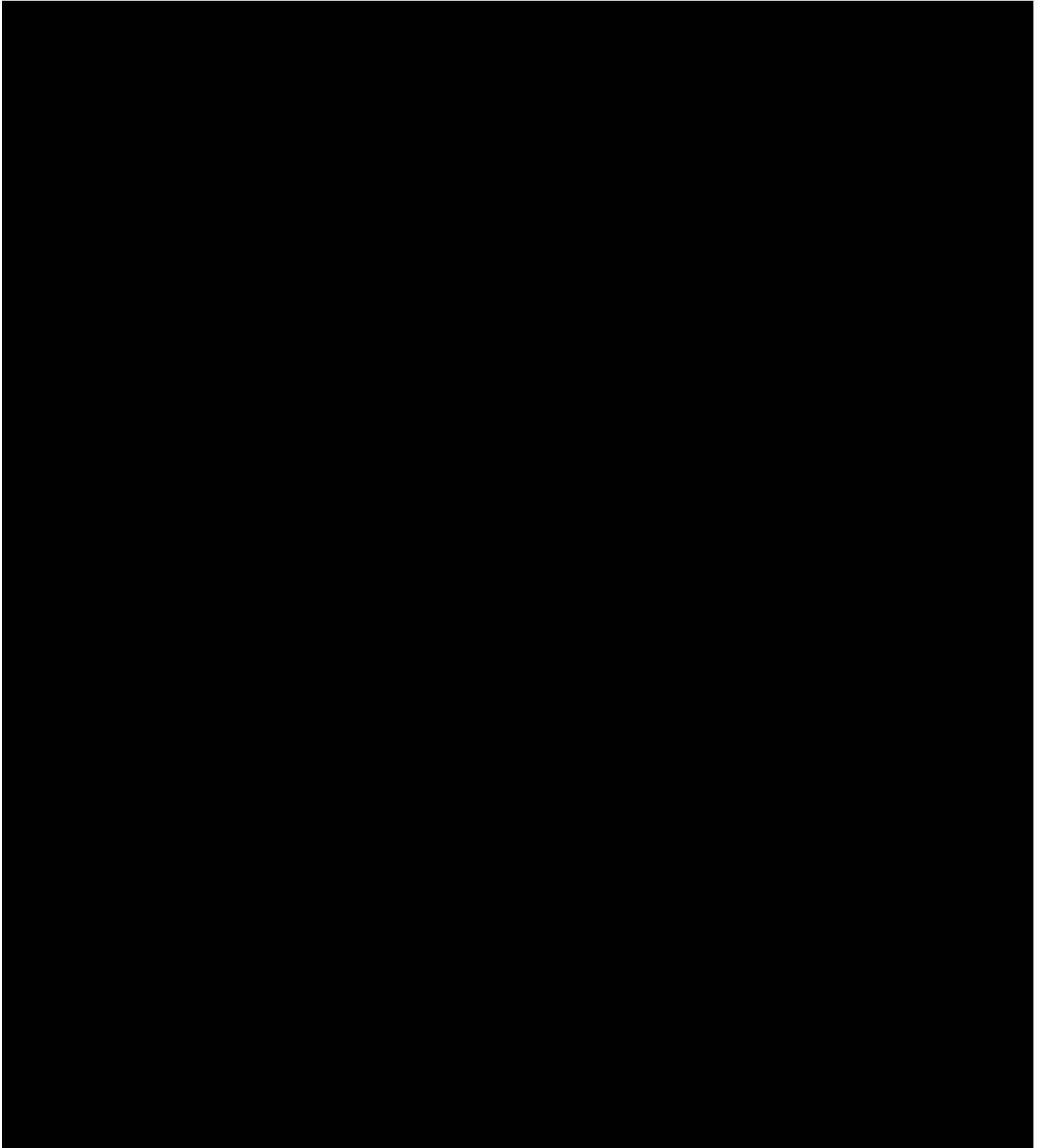
Schedule 6.3
WPAHS Parties' Exceptions to Negative Covenants

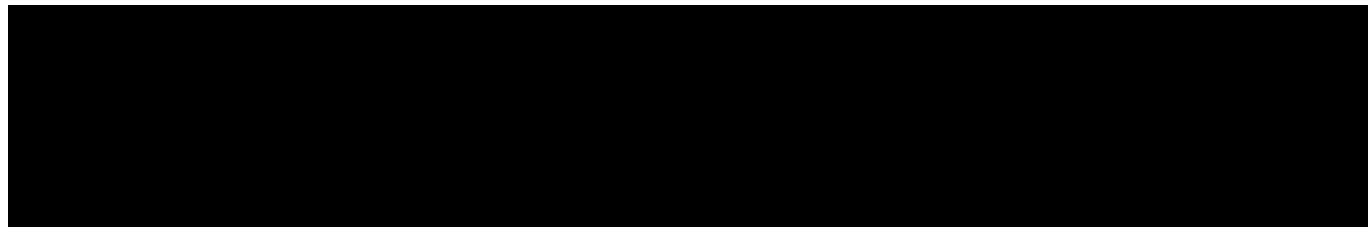


Schedule 6.3(g)
WPAHS Parties' Agreed Capital Expenditures

None.

Schedule 8.4
Highmark and UPE Parties' Pre-Closing Confirmations from Governmental Authorities





Schedule 9.4

WPAHS Parties' Pre-Closing Confirmations from Governmental Authorities

- Orphans' Court Approval, with review and participation by the Office of the Attorney General for the Transaction.
- Prior Approval of the Orphans' Court for certain amendments (if applicable) of Articles of Incorporation and Bylaws of Allegheny Medical Practice Network, Allegheny Specialty Practice Network, Allegheny-Singer Research Institute, Canonsburg General Hospital Ambulance Service, Canonsburg General Hospital, Forbes Health Foundation, and The Western Pennsylvania Hospital Foundation.³⁹

Note: All of the above stated requirements are subject to further guidance and direction from the applicable Governmental Authorities with which the WPAHS Parties hold Licenses and Approvals after affirmative discussions disclosing the nature of the Transaction take place with such Governmental Authorities following the execution of the Affiliation Agreement. If WPAHS receives guidance and direction that would indicate a change in the above-stated requirements, it shall notify the UPE Parties and Highmark within five (5) business days of receipt of such guidance and direction and provide any related correspondence with the applicable Governmental Authority. Thereafter, this Schedule shall be deemed amended to reflect such change.

³⁹ Approval requirements are applicable to amendments to the following provisions in the Articles of Incorporation and Bylaws: (i) provisions setting forth the purposes of the corporation; (ii) provisions setting forth the powers reserved exclusively to the member of the corporation; (iii) provisions describing the manner in which the assets of the Corporation are to be distributed upon termination, dissolution or winding up of the Corporation; and (iv) provisions requiring notice to the Attorney General or approval of the Orphans' Court prior to the taking of certain action by the corporation.