

**Exhibit B**

**Health System Agreement**

**Redacted Copy for Public Disclosure**

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**HEALTH SYSTEM AGREEMENT**

**by and among**

**RISANT HEALTH, INC.,**

**GEISINGER HEALTH,**

**and**

**KAISER FOUNDATION HOSPITALS**

**(FOR THE LIMITED PURPOSES SET FORTH HEREIN)**

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**April 26, 2023**

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## HEALTH SYSTEM AGREEMENT

**THIS HEALTH SYSTEM AGREEMENT** (this “**Agreement**”) is made and entered into as of April 26, 2023 (the “**Execution Date**”), by and among **RISANT HEALTH, INC.**, a Delaware nonstock nonprofit corporation (“**RH**”), **GEISINGER HEALTH**, a Pennsylvania nonprofit corporation (“**GH**”), and, for the limited purposes set forth in Articles 8 and 15 herein, **KAISER FOUNDATION HOSPITALS**, a California nonprofit corporation (“**Kaiser**”). Each of RH, GH and, as applicable, Kaiser may be referred to in this Agreement individually as a “**Party**” and collectively, as applicable, as the “**Parties.**”

### RECITALS

**WHEREAS**, for more than 100 years, GH has provided the communities it serves with access to high-quality, affordable care;

**WHEREAS**, GH has established itself as a nationally recognized leader in affordable, value-based care, providing residents of Central and Northeastern Pennsylvania with high-quality clinical services and health plan coverage, while also, through its research and education enterprises, establishing innovative models for disease prevention, value-based care, and rural health;

**WHEREAS**, for more than 75 years, Kaiser has been a pioneer in affordable value-based care, and is the nation’s largest and most successful integrated healthcare delivery and financing organization;

**WHEREAS**, Kaiser’s integrated model is designed to deliver higher quality, affordable, more equitable health outcomes in the communities Kaiser serves through evidence-based care, delivered using differentiated models of population health, community health, and consumer engagement and powered by leading care models, processes, and technology;

**WHEREAS**, in service of its mission, Kaiser desires to make high-quality value-based care available in communities where Kaiser’s traditional integrated care and coverage model is not exclusively viable; and accordingly, Kaiser has established RH;

**WHEREAS**, RH is a newly established nonprofit corporation that has applied for recognition of exemption from federal taxation as a 501(c)(3) charitable/educational organization and that is affiliated with Kaiser;

**WHEREAS**, the purpose of RH is to allow more people to have access to a healthcare delivery and financing model which improves health outcomes and increases access to affordable care in the community through evidence-based care, a commitment to equity, and aligned incentives across both care delivery and financing, all in support of the broader mission of Kaiser;

**WHEREAS**, RH seeks to bring together likeminded nonprofit health systems from across the country, drawing from the best of Kaiser, GH, and others, to provide these health systems with

the capabilities, tools, and technology required to serve their communities through high quality and affordable value-based care;

**WHEREAS**, RH will support and advance the missions of Kaiser, and of any health systems joining RH, by achieving economies of scale and skill, reducing overhead cost, and enabling them to remain financially sustainable for the long term and expand high-quality, affordable, non-profit value-based care to additional consumers and entire communities;

**WHEREAS**, Kaiser is committed to the long-term success of RH, providing RH with access to significant funding, intellectual property, and leadership talent;

**WHEREAS**, GH will be the initial system within RH, and will perform certain specified special roles in developing RH, as further described herein;

**WHEREAS**, other systems across the country can benefit from access to both RH's and GH's innovative approaches to value-based care;

**WHEREAS**, in the future, RH expects to add additional nonprofit healthcare organizations with a demonstrated commitment to value based care;

**WHEREAS**, GH will continue to operate as a leading integrated health system in Central and Northeastern Pennsylvania;

**WHEREAS**, Kaiser and GH both bring complementary capabilities to RH and the Parties anticipate that substantial synergy savings and efficiencies can be achieved through sharing such complementary capabilities, and that these reductions in future costs will help to preserve and enhance the affordability of services to the consumers and communities GH serves;

**WHEREAS**, the Boards (as defined below) of each of RH, GH and Kaiser, in keeping with their duties to further their respective charitable missions and oversee their respective organizations' charitable assets, have engaged in deliberative processes and have concluded that they can best work to achieve their goals through GH joining as a component of RH;

**WHEREAS**, the Parties desire for RH to become the sole corporate member of GH and exercise the powers herein in order for GH to be an effective component of RH on the terms set forth herein.

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

## **1. TRANSACTIONS.**

**1.1 GH to Become a Component of RH.** Upon and subject to the terms and conditions set forth in this Agreement, effective as of the Effective Time and in consideration of the financial, operational and other commitments of RH herein, GH shall become a direct subsidiary of RH. To accomplish this, effective as of the Effective Time: (a) RH shall become the sole corporate member

of GH (the “**Appointment as Member**”) and with the right to appoint the Board of GH (as described in Section 4.2); and (b) RH shall have such reserved and other rights and authorities as are provided under the terms herein. Accordingly, as of the Closing, RH shall have ultimate control of GH and the other GH Entities and, through GH (or through the other GH Entities), ultimate control of all of the GH Entities’ facilities, sites, services, businesses, programs, personnel, real property plant and equipment, joint venture interests, investments, financial assets and other assets or rights.

**1.2 Changes to Organizational Documents of GH and GH Entities.** Subject to the terms and conditions of this Agreement, effective as of the Effective Time, GH shall direct, approve and cause: (i) the Articles of Incorporation of GH to be amended and restated in substantially the form attached hereto as Exhibit A (the “**Amended GH Articles**”) and to be filed with the Pennsylvania Department of State; and (ii) the Bylaws of GH to be amended and restated in substantially the form attached hereto as Exhibit B (the “**Amended GH Bylaws**”), such that the sole corporate member of GH shall be RH and the powers and authorities of the Parties with respect to GH shall be consistent in all respects with the terms hereof. Subject to the terms and conditions of this Agreement, effective as of the Effective Time, GH shall also cause the GH Entities to amend their Organizational Documents and, as appropriate, file such amended Organizational Documents, in a manner reasonably acceptable to RH, to be consistent in all respects with the Appointment as Member and the terms hereof.

**1.3 Changes to Bylaws of RH.** Subject to the terms and conditions of this Agreement, effective as of the Effective Time, RH shall direct, approve and cause its Bylaws to be amended (and to take related corporate actions) to provide that the initial post-Closing RH Board shall be comprised as set forth in Section 3.3 below and, subject to the last sentence of Section 3.2, the powers and authorities of the Parties with respect to RH shall be consistent in all respects with the terms hereof.

**1.4 Transactions.** The effectuation of the foregoing actions as of the Closing Date and Effective Time to evidence RH becoming the sole member of GH and the completion of the Parties’ actions, commitments and covenants set forth in this Agreement to effect the Closing, shall be referred to herein as the “**Transaction**” or “**Transactions**.”

## **2. CLOSING.**

**2.1 Closing Date.** Subject to the satisfaction or waiver by the appropriate Party of all of the conditions precedent to Closing specified in Article 10 and Article 11 hereof, the consummation of the Transactions (“**Closing**”) shall take place on the first day of the month immediately following the month in which all conditions precedent required herein to Closing are satisfied or waived or such other date as the Parties may mutually agree (such date upon which Closing occurs, the “**Closing Date**”). The Closing shall take place remotely via electronic exchange of documents or at a location agreed upon by the Parties. The Closing with respect to the Parties shall be deemed to have occurred and be effective as between the Parties as of 12:01 a.m. Eastern Time on the Closing Date, or such other date and time as are established by the Parties (the “**Effective Time**”).

### 3. RH PURPOSES AND GOVERNANCE.

**3.1 Governance and Operating Model.** RH's use of or integration with various Kaiser services will be designed to bring the benefits of scale, and unique technical and operational systems and capabilities in order to drive value-based care benefits to consumers and improve the overall health of communities. The governance and operational model of RH will retain sufficient Kaiser control to (a) allow for combination of RH financials with those of Kaiser for financial reporting purposes, (b) enable the transfer of funds, intellectual property, data, management resources and other assets between Kaiser and RH, (c) ensure the ability of Kaiser to obtain and utilize a reasonable return on its investment in RH and meet its financial and operational goals, (d) preserve and enhance the value of the Kaiser name, and (e) ensure ongoing alignment with Kaiser and its mission. As a result, at all times Kaiser will hold majority Board control of RH and the right to exercise the Kaiser Reserved Powers described in this Article 3.

**3.2 RH Board Role.** RH will be governed by or under the direction of the RH Board, subject to Kaiser's Reserved Powers and other Kaiser rights as set forth herein and in the RH Organizational Documents. The RH Board will be appointed solely by Kaiser, subject to the contractual right of GH to designate a certain number of nominees (as set forth in and subject to the term limits set forth in Section 3.3 below), who shall be appointed as described below. For the avoidance of doubt, (a) in the event of any conflict between the RH Organizational Documents and this Agreement, the RH Organizational Documents shall control, and (b) the RH Organizational Documents may in the future be amended in the manner provided therein; provided, however, that, RH will not amend the RH Organizational Documents so as to reduce the rights of GH set forth in (i) this Section 3.2, (ii) Section 3.3, (iii) solely with respect to the right to nominate GH RH Board Appointees as set forth in such subsections, Section 3.4.1.8 and Section 3.4.2.1, (iv) the first sentence of Section 3.5, (v) Section 4.1, (vi) Section 4.2, (vii) Section 4.3, and (viii) solely with respect to the refinancing or restructuring Kaiser intends to occur at Closing, Section 4.4.2.3 and Section 4.4.2.4.

**3.3 RH Board Requirements.** Effective as of the Effective Time, the Bylaws of RH will be amended to provide that the initial post-Closing RH Board shall be subject to the following requirements:

3.3.1 The initial post-Closing RH Board shall have seven directors, each of whom shall serve for the terms set forth in Section 3.3.6 below. All such directors on the RH Board shall have the right to vote.

3.3.2 The seven (7) directors on the RH Board shall be comprised of the following:

3.3.2.1 The Chief Executive Officer and Board Chair of Kaiser serving as an ex officio director, who shall also serve as the Chair of the RH Board;

3.3.2.2 Three (3) other individuals who are selected by the Kaiser Board from among the members of the Kaiser Board (collectively, with the Kaiser CEO, the "**Kaiser RH Board Appointees**");

3.3.2.3 Two (2) individuals who are nominated by the GH Board from among the members of the GH Board and who, if reasonably acceptable to Kaiser, shall be appointed by Kaiser (each a “**GH RH Board Appointee**”), subject to the time limitations set forth in Section 3.3.6 below for each GH RH Board Appointee; and

3.3.2.4 One (1) independent director who is appointed by Kaiser and is reasonably acceptable to GH.

3.3.3 The GH RH Board Appointees shall be individuals who live or work in GH’s Service Area, or who, by virtue of their personal or professional experience, have a demonstrated commitment to GH’s Service Area.

3.3.4 If a Kaiser RH Board Appointee ceases to be a member of the Kaiser Board, such Kaiser RH Board Appointee automatically shall cease to be a member of the RH Board, and their successor shall be appointed by the Kaiser Board from among the members of the Kaiser Board.

3.3.5 Similarly, if a GH RH Board Appointee ceases to be a member of the GH Board, such GH RH Board Appointee automatically shall cease to be a member of the RH Board, and their successor shall be designated by the GH Board from among the members of the GH Board. Such individual also shall be reasonably acceptable to Kaiser.

3.3.6 The term for each director serving on the RH Board shall be three years; provided, however, that the terms of the initial Directors serving on the RH Board shall be staggered into one (1), two (2) and three (3) year-terms. One GH RH Board Appointee (or their successor) shall serve for a total of nine (9) years and the other GH RH Board Appointee (and their successor) shall serve for a total of eighteen (18) years. Thereafter, such Directors may be reappointed by the Kaiser Board, but there shall be no GH rights of nomination with respect to the RH Board. All directors serving on the RH Board shall have term limits of twelve (12) consecutive years and shall be eligible for reappointment consistent with the RH Bylaws (including applicable term limits).

**3.4 Kaiser Reserved Powers with respect to RH.** In addition to the RH Board appointment rights described above, Kaiser will retain reserved powers with respect to RH as included in the RH Organizational Documents (the “**Kaiser Reserved Powers**”). For the avoidance of doubt, in all events, the exercise of any such Kaiser Reserved Power will not be inconsistent with the specific terms of this Agreement. Consistent with the foregoing, Kaiser’s Reserved Powers include the following:

3.4.1 *Fundamental Reserved Powers.*

3.4.1.1 Approval of any action inconsistent with the mission of either RH (as set forth in RH Organizational Documents) or Kaiser;

3.4.1.2 Approval of any action inconsistent with RH’s 5-Year Strategic and Economic Plan as approved by the Kaiser Board;

3.4.1.3 Approval of the incurrence by RH of debt (other than debt from a Kaiser Affiliate);

3.4.1.4 The creation of any material subsidiary, joint venture, investment interest or new line of business with assets exceeding One Billion Dollars (\$1,000,000,000);

3.4.1.5 Any corporate naming or branding changes of RH;

3.4.1.6 Any amendment to RH mission statement, RH fundamental purpose or RH's Organizational Documents;

3.4.1.7 Any corporate action or activity that could create a risk of loss of tax exemption for RH or Kaiser;

3.4.1.8 Transfer of RH's membership interests to a Controlled Affiliate of Kaiser (including via merger), provided such transfer shall not relieve RH or Kaiser of its obligations under this Agreement or reduce the rights of GH under this Agreement; and provided further that, if GH is transferred during a time period when GH still has the right to nominate GH Board Appointees under Section 3.3, then GH shall have the right to nominate the same number of representative(s) to serve for the remaining terms under Section 3.3.6 on the governing body of the business entity that has the same or greater direct governance rights over GH as RH had prior to the transfer;

3.4.1.9 Acquisitions, transactions, sales or leases of material assets, joint ventures, affiliations, contractual relationships, or any other transaction as to assets of RH that impose material restrictive covenants, rights of first offer, rights of first refusal, options or exclusive dealing covenants on RH or a Kaiser Affiliate; and

3.4.1.10 Approval of RH auditor and legal counsel.

3.4.2 *Limited Reserved Powers.* Kaiser and RH acknowledge the long-term significance of RH and the achievement of its strategic goals, consistent with its mission and Kaiser's mission, and the importance of GH as the initial system to join the newly formed RH enterprise. Accordingly, Kaiser agrees that the following Kaiser Reserved Powers would be limited as set forth below:

3.4.2.1 Dissolution of RH, provided that (a) Kaiser agrees it shall not exercise this right prior to the tenth (10th) anniversary of Closing; and (b) any dissolution of RH shall not relieve RH or Kaiser of their respective obligations under this Agreement or reduce the rights of GH under this Agreement; and (c) if RH is dissolved during a time period when GH still has the right to nominate GH Board Appointees under Section 3.3, then GH shall have the right to nominate the same number of representative(s) to serve for the remaining terms under Section 3.3.6 on the governing body of the business entity that has the same or greater direct governance rights over GH as RH had prior to the dissolution;

3.4.2.2 Acquisitions, transactions, sales or leases of material assets, joint ventures, affiliations, contractual relationships, or any other transaction as to material assets of RH

that either: (a) are inconsistent with the 5-Year Strategic and Economic Plan, or (b) have a Value exceeding One Billion Dollars (\$1,000,000,000) (which Value would not be decreased from One Billion Dollars (\$1,000,000,000) prior to the tenth (10<sup>th</sup>) anniversary of Closing); and

3.4.2.3 Capital expenditures of RH that either: (a) are inconsistent with the 5-Year Strategic and Economic Plan, or (b) exceed One Billion Dollars (\$1,000,000,000) (which amount would not be decreased from One Billion Dollars (\$1,000,000,000) prior to the tenth (10<sup>th</sup>) anniversary of Closing), except to the extent that such approval has been otherwise delegated to RH by Kaiser under the terms of a legally binding agreement with an RH component organization.

3.4.3 *Exercise of Kaiser Reserved Powers.* The Kaiser Board may, in its sole discretion, delegate approval authority of any of its reserved powers over RH to various levels in accordance with Kaiser Board policies.

**3.5 RH Leadership.** The president of RH (“**RH President**”) will be nominated by the chair of the RH Board and will be subject to appointment and removal by the RH Board. The RH President will report to the chief executive officer of Kaiser and to the RH Board.

**3.6 RH Services.** In order for GH and its Controlled Affiliates to benefit from the scale, skills and intellectual property benefits of RH, RH shall provide, and GH and its Controlled Affiliates shall be required to obtain from RH, a suite of services and licensed rights (such as branding) as determined by RH. Charges will be made for (a) such goods and services provided to GH and its Controlled Affiliates, which shall be on commercially reasonable terms in the aggregate and pursuant to RH’s charging methodology, and (b) general overhead pursuant to RH’s overhead allocation methodology, which shall include a reasonable allocation of overhead charged by Kaiser to RH only for services which are either directly or indirectly utilized by RH, all in a manner compliant with all relevant statutory and GAAP accounting standards for services. The following is a non-exhaustive list of examples of what would be included and excluded in indirect allocations: (a) indirect allocations would include appropriate executive compensation and external auditing costs, and (b) indirect allocations would exclude corporate affairs unrelated to RH or national Kaiser advertising costs (in both cases unless required by relevant statutory and GAAP accounting standards). For the avoidance of doubt, Kaiser shall not overload RH with undue costs or burdens as part of the overhead allocation. RH charging methodologies, which shall be developed by Kaiser and RH and may be adjusted over time, will be visible to GH and are anticipated to be generally consistent across all RH organizations. RH’s overhead allocation methodology will be fair and reasonable, systematic and rational, transparent, and compliant with financial reporting requirements and regulatory requirements.

#### **4. GH GOVERNANCE.**

**4.1 RH as Sole Member of GH; Reserved Powers.** Effective as of the Effective Time, RH shall be the sole corporate member/parent of GH, and among its powers shall be the power to approve all members of the GH Board. RH will also have all powers with respect to GH (and its Controlled Affiliates) other than the specific GH Board Responsibilities (as defined in Section 4.3) (the “**RH Reserved Powers**”). For the avoidance of doubt, any power not explicitly set forth as one of the GH Board Responsibilities is and shall be reserved exclusively to the RH Board (which may exercise as it determines appropriate). In addition, GH Board Responsibilities



are not intended to, and shall not be exercised so as to, impede the financial consolidation of GH with RH.

**4.2 GH Board Composition.** The GH Board members serving immediately prior to Closing will continue to serve following Closing and the recruitment process and cycle for the election of GH Board members will be as it exists immediately before Closing. Vacancies shall be filled by appointments made by RH. In addition, RH will directly appoint two new members to the GH Board. The GH Board members and successors will have the right to nominate GH directors (other than the two direct RH appointees), but all shall be subject to RH approval. Individuals who live in, work in, or are otherwise involved with the communities served by GH shall continue to have some representation on the GH Board at all times.

**4.3 GH Board Functions and Powers.** Effective as of the Effective Time, the GH Board shall have the responsibilities listed below in this Section 4.3 (the “**GH Board Responsibilities**”). All other powers and responsibilities with respect to GH and the other GH Entities shall be reserved to RH consistent with Section 4.1 above, provided that this sentence shall not require any changes be made to the Organizational Documents of Geisinger Commonwealth School of Medicine (“**GCSOM**”) (or the powers of GCSOM or its member thereunder) at or prior to Closing. As used in the list below, “**Recommendations**” of the GH Board means the right to make proposals to and provide input to RH management (and through them, to the RH Board); provided, however, that RH management and the RH Board may initiate and take their own actions without GH recommendations and/or modify and/or not accept proposals recommended by GH.

4.3.1 Oversight of GH’s credentialing, quality assurance, community relations, assessment of community needs and community benefits, philanthropy, and other matters as may be delegated by the RH Board, as well as governance oversight of the medical staff and related matters as may be mandated to be performed by the GH Board by Legal Requirements and/or the Medicare Conditions of Participation (which governance oversight may be delegated to other governing bodies of the other GH Entities consistent with Legal Requirements and accreditation requirements);

4.3.2 The right to participate in the development of the RH strategy and operating model as they are being established;

4.3.3 The right to make Recommendations to the RH Board with respect to GH’s strategic plans and capital projects (including capital projects on which the capital commitments for GH described in this Agreement, other than the Baseline Capital Commitment, will be expended);

4.3.4 The right to make Recommendations to the RH Board with respect to GH’s capital and operating budgets and annual forecasts of expected financial performance;

4.3.5 The right, in perpetuity, to approve transactions or actions that would cause GH, and/or its Controlled Affiliates, to become controlled by, or subject to, a faith-based religious organization;

4.3.6 The right, in perpetuity, to approve transactions or actions that would cause GH or the tax-exempt GH Entities to cease operating as tax-exempt entities;

4.3.7 The right, in perpetuity, to approve a decision to cause GH and/or substantially all of GH's Controlled Affiliates to file for bankruptcy or to bring a receivership proceeding;

4.3.8 The right, in perpetuity, to approve a decision to cause GH and/or substantially all of its Controlled Affiliates to be dissolved;

4.3.9 Subject to Section 3.4.1.8, the right to approve a sale or Change of Control of GH, Geisinger Health Plan and/or substantially all of their respective Controlled Affiliates to a not-for-profit, secular entity, for a period of ten (10) years following the Closing. For an additional five (5) years thereafter, in the event that RH proposes to seek a Change of Control of GH, the RH Board will form a special committee, with equal RH Board and GH Board representation, to define desired terms, to evaluate potential acquirers or merger partners, and to make a Recommendation to the RH Board as to the preferred acquirer or merger partner, with the final decision resting in the discretion and business judgment of the RH Board.

4.3.9.1 Transfer to a Non-Kaiser Entity. If, at any time after ten (10) years following the Closing Date, RH, subject to the process set forth in Section 4.3.9 until fifteen (15) years following the Closing Date, and at its discretion thereafter elects to transfer control of GH and its Controlled Affiliates, RH will use commercially reasonable efforts to consummate a transaction in which GH, its Controlled Affiliates, and all facilities operated by GH and its Controlled Affiliates at the time of such transaction (the "**GH Business**") are conveyed to a nonprofit, secular health system with an Acceptable Credit Rating or which otherwise has the substantiated resources, capabilities and scale to achieve what a system with an Acceptable Credit Rating could, unless otherwise agreed to by RH and the GH Board of Directors, which agreement will not be unreasonably withheld, conditioned or delayed.

4.3.9.2 Transition Plan.

(a) If, despite exercising commercially reasonable efforts, RH is unable to achieve a Change of Control transaction for the GH Business on terms satisfactory to RH, RH will, with the input of the GH Board of Directors and the GH leadership team then in place and, with the assistance of a third party consultant acceptable to both RH and GH (the "**Consultant**"), develop a transition plan to separate the GH Business on a standalone basis independent from RH (the "**Transition Plan**").

(b) From the date the Consultant is engaged, which would be no less than six (6) months prior to signing of any transition agreement, until a transition agreement is executed, and unless otherwise mutually agreed to by the Parties, each of GH and RH agree to make no material changes to the facilities, systems and other assets then in service in the Service Area and operated by a GH Entity (the "**GH Assets at Transition**") and each of RH and GH agree that it will continue to manage the balance sheet and the operating performance of the GH Business in a manner consistent with the one-year period leading up to such date.

(c) Consistent with the charitable missions of RH and GH as well as with RH's commitment to provide for the health care needs of the Service Area as set forth in Section 6.2 below, such Transition Plan would:

(i) include the creation of a proposed operating plan post-transition that would include the transfer of the GH Assets at Transition;

(ii) provide that GH would have a balance sheet that RH and the GH Board of Directors agree is reasonably adequate to support the continued operation of the GH Assets at Transition consistent with the Transition Plan;

(iii) ensure continued provision of health plan coverage in the Service Area (as further detailed below);

(iv) provide that, if the amount of any intercompany loan made by Kaiser or RH to GH is permitted to remain outstanding after the Transition as part of the Transition Plan, Kaiser would charge GH commercially reasonable rates for any outstanding amounts and would be on commercially reasonable regulatorily compliant terms, with GH having the ability to repay the intercompany loan at any time without any prepayment penalty and the obligation to repay the intercompany loan to Kaiser or RH, as appropriate, in full at the end of the fifth (5<sup>th</sup>) year unless otherwise agreed to in the Transition Plan; and

(v) require each of GH and RH to bear a share of other outstanding liabilities and transaction costs on terms that are fair and reasonable to both RH and GH in light of all the circumstances.

(d) Consistent with Section 4.3.9.2(c)(iii) above, the Parties agree that, if at the time of the development of the Transition Plan, Geisinger Health Plan is operated in a way that would, post-transition, make it reasonably feasible for it to be operated independently of RH, Kaiser and/or any of its Controlled Affiliates, without significant capital (excluding required statutory capital as defined in the Transition Plan) from Kaiser or RH, then the operations of Geisinger Health Plan shall be included in the Transition Plan and the spinout transaction. If, however, at the time of the Transition Plan, Geisinger Health Plan cannot reasonably be operated independently of RH, Kaiser and/or any of its Controlled Affiliates without significant capital (excluding required statutory capital as defined in the Transition Plan) from RH and/or Kaiser, RH shall cause an appropriately licensed health plan affiliate who is able to provide value-based coverage in the Service Area to, at the time of the transition, enter into a commercially reasonable full risk contract with GH (and/or its Controlled Affiliates) for all insured lives in the Service Area and any other counties within Pennsylvania where GH has one or more sites that provide clinical care, as a contracted provider with a term of no less than ten (10) years, subject to regulatory approvals, provided, however, that such contract would terminate if the licensed health plan affiliate exits the Service Area.

4.3.10 The right to approve the changes to the branding of any entity, facility or health plan that, subject to due diligence, would cause GH or one of its direct or indirect subsidiaries to violate the terms of that certain Restatement of Agreement by and among PNC

Bank, National Association, Geisinger Health System Foundation, Geisinger Medical Center and Geisinger Clinic, dated October 22, 2012 (related to (i) the Abigail A. Geisinger Will, dated June 19, 1915, (ii) the Indenture between Abigail A. Geisinger and The Scranton Trust Company, dated September 27, 1917, (iii) Codicil to Will of Abigail A. Geisinger #1, dated November 3, 1917, (iv) Codicil to Will of Abigail A. Geisinger #2, dated March 2, 1918, and (v) Codicil to Will of Abigail A. Geisinger #3, dated September 24, 1919) (the “**Trust Agreement**”), or, the contracts of GH or its subsidiaries with existing branding commitments as set forth on Schedule 4.3.10;

4.3.11 The right to approve any amendments to the articles of incorporation, bylaws or analogous governing documents of GH or any other GH Entity that would violate the terms of this Agreement;

4.3.12 For each GH chief executive officer hired after the Closing Date, together GH and RH will identify a slate of final candidates. The GH Board shall interview such candidates and make a recommendation to the RH President; and

4.3.13 The right to initiate the dispute resolution process set forth in Article 12.

**4.4 GH Commitments.** Following the Closing or, with respect to Section 4.4.2.1, earlier, GH agrees to the following:

4.4.1 In order to advance the overall mission of RH and achieve the efficiencies that benefit all RH component organizations, GH agrees to cooperate reasonably with RH and other RH component organizations, to participate upon request of RH in joint services and initiatives, and to share best practices and programs.

4.4.2

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4.4.3 After Closing, GH shall continue to implement a comprehensive philanthropic fundraising program, as is customary for comparable organizations.

## **5. FINANCIAL AND OPERATIONAL COMMITMENTS TO RH.**

**5.1 Kaiser Funding to RH.** Subject to ongoing business needs assessments as RH develops, Kaiser commits to invest funds (inclusive of funds generated through RH and its components) in RH's technologies and capabilities over the 5-year period following the Closing as follows. Kaiser will make this investment in anticipation and support of GH and other entities which become part of RH. Kaiser will invest between Four Hundred Million Dollars (\$400,000,000) and One Billion One Hundred Million Dollars (\$1,100,000,000), as determined by Kaiser in its discretion, in the core RH capabilities, technologies, and tools to be shared across RH organizations, inclusive of the cost of GH's migration to the platform and the process transformation that is necessary to allow GH to take advantage of these capabilities, technologies, and tools. The exact level of investment required for GH's migration and process transformation will depend on further assessment of GH's current technology and operations both prior to Closing and following Closing. Kaiser also intends to earmark for investment capital (via equity, loans and/or other vehicles) to support the needs (including transition costs) of additional organizations that join RH in the future, at levels, for purposes, and subject to such conditions as are set forth in agreements with each such respective organization. Such funding may take multiple forms as deemed appropriate by Kaiser. Consistent with the capital commitments described above, the Kaiser Board will initially, and periodically thereafter as necessary, determine and approve a pool of available capital for RH operations and growth. Specific deployment of capital will be determined in accordance with the capital approval policy adopted by the RH Board and if above specified levels, then also approved by the Kaiser Board. Below such level, the RH Board (or to the extent delegated, RH management) will have the authority to determine the allocation of available capital to particular RH organizations, programs and uses.

**5.2 RH To Be Self-Funding.** In the long term, the capital needs of RH are intended to be largely or entirely self-funding, and over time RH is expected to be a self-sustaining enterprise that can operate at a positive margin and fund its own operations and growth.

**5.3 Debt and Other Financing Structures.** Capital commitments described in this Agreement may be supported by RH debt instruments, grants, guaranties or other credit supports and/or debt of a given RH organization on a basis subordinate to such RH organization's existing debt and consistent with covenants set forth in its financing instruments, provided that the integrity and strength of any such RH organization's balance sheet will at all times be maintained consistent with reasonable credit rating and statutory standards where applicable.

## **6. FINANCIAL AND OPERATIONAL COMMITMENTS TO GH.**

**6.1 GH's Capital Plan.** Following Closing, RH will support necessary hospital, ambulatory facility, technology and other strategic and routine capital for GH (and its Controlled Affiliates), consistent with the amounts described below. GH's capital plan will be developed in a manner that ensures maintaining high-quality GH facilities and infrastructure, as part of RH's overall capital planning process, and all capital plan amounts will be inclusive of both routine and strategic capital projects.

6.1.1 For the period January 1, 2024 through December 31, 2028 (the "**Capital Commitment Period**"), RH will make available capital of no less than Two Billion Six Hundred Million Dollars (\$2,600,000,000) (inclusive of funds generated locally through GH or its Controlled Affiliates and through RH) (the "**Baseline Capital Commitment**") or such higher amount as RH may determine to be prudent in its discretion, subject to the terms set forth in this Section 6.1.

6.1.2 If GH does not meet the annual Cash Flow expectations (with "**Cash Flow**" defined as operating earnings before interest, depreciation, and amortization, less capital expenditures) attached hereto at Schedule 6.1.2 (the "**Cash Flow Expectations**") during any year of the Capital Commitment Period, then the Baseline Capital Commitment may, subject to the RH Board's reasonable discretion, be reduced by the RH Board in an amount up to the amount of such shortfall; provided, however, that, should GH exceed the annual Cash Flow Expectations in a subsequent year, the Baseline Capital Commitment may, subject to the RH Board's reasonable discretion, once again be increased by the RH Board in an amount equal to or greater than such excess; provided further that in no event will the Baseline Capital Commitment be reduced below Two Billion Dollars (\$2,000,000,000) or above Two Billion Six Hundred Million Dollars (\$2,600,000,000), provided, however, that the amount could be higher as provided in Section 6.1.1 above.

6.1.3 Should Closing occur after January 1, 2024, the Baseline Capital Commitment shall be reduced by the amount of capital actually expended by GH between January 1, 2024 and Closing.

6.1.4 For the avoidance of doubt, the Cash Flow Expectations shall be based upon the operating Cash Flow of GH and its Controlled Affiliates and shall exclude agreed upon service area expansion investments and associated Cash Flow in accordance with Section 6.3 below in an

amount no greater than One Hundred Twenty Million Dollars (\$120,000,000), costs incurred as a result of the transaction contemplated by this Agreement (purchase accounting, transition costs, integration costs, etc.), allocations of indirect overhead costs for the first three (3) years of the Capital Commitment Period, increased costs of capital resulting from the refinancing or restructuring contemplated by Section 4.4.2, and other non-cash charges (e.g., closure of a facility, impairment charges, etc.).

6.1.5 Funding of capital projects shall be subject to the following capital project approval processes:

6.1.5.1 The capital projects listed on Exhibit C hereto (which Exhibit shall include total approved spending and an expected expenditure schedule and which shall also include GH's annual routine maintenance and equipment budget consistent with GH's standard practice as of the Execution Date) have been approved by the GH Board prior to the Execution Date and shall be funded within the Capital Commitment Period as part of the Baseline Capital Commitment without further approvals from the Kaiser Board or the RH Board, unless the project or budget is materially modified.

6.1.5.2 Any capital projects approved by the GH Board following the Execution Date but prior to the Closing, with approved project funding of less than One Hundred Million Dollars (\$100,000,000), shall be deemed approved without further approvals from Kaiser or the RH Board and shall be funded within the Capital Commitment Period as part of the Baseline Capital Commitment, unless the project or budget is materially modified.

6.1.5.3 Any capital projects approved by the GH Board following the Execution Date but prior to the Closing which (a) have approved project funding of more than One Hundred Million Dollars (\$100,000,000) and (b) which GH expects to be funded within the Capital Commitment Period as part of the Baseline Capital Commitment, shall not be funded until after the Closing, and will be subject to approval by the RH Board post-Closing according to the GH Board approval requirements existing as of the Execution Date (the "**Existing GH Board Approval Requirements**"), a copy of which is attached hereto as Exhibit D, which approval shall not be unreasonably withheld, in all cases subject to Section 6.1.2, in aggregate, not exceeding the Baseline Capital Commitment (which amount could be increased as provided in Section 6.1.1 above). Notwithstanding the foregoing, if the Closing Date extends beyond twelve (12) months after the Execution Date, GH may fund any capital projects approved under this Section 6.1.5.3, consistent with Section 9.1.2, as applicable.

6.1.5.4 Capital projects not addressed in Sections 6.1.5.1-6.1.5.3 above that are proposed within the Capital Commitment Period to be funded as part of the Baseline Capital Commitment require approval of the RH Board, based on the Existing GH Board Approval Requirements, in all cases subject to Section 6.1.2, and, in aggregate, not exceeding the Baseline Capital Commitment (which amount could be increased as provided in Section 6.1.1 above).

6.1.6 For the five (5) years after the Capital Commitment Period, RH will make available capital, inclusive of funds generated locally through GH or its Controlled Affiliates and through RH, in an amount anticipated to be (a) Two Billion Three Hundred Million Dollars (\$2,300,000,000), plus (b) such potentially greater amount as RH reasonably determines to be



warranted (collectively, (a) and (b) referred to herein as the “**Additional Capital**”). All Additional Capital shall be as warranted based upon the following criteria: (w) GH’s needs in serving its communities; (x) reasonable and prudent business plans approved by RH; (y) GH implementing and achieving an effective, sustainable financial plan for such period which requires and can well utilize the targeted level of Additional Capital; and (z) approval of individual projects by the RH Board based on RH’s approval criteria. Deployment of any Additional Capital would also be dependent upon GH’s financial performance during such period including GH’s and RH’s ability to obtain synergies, all as reasonably determined by RH. For purposes of this Section 6.1.6, Additional Capital shall include funds made available by RH to GH for purposes of capital investment in facilities, service delivery program expansion, health plan improvements, and technology/systems.

**6.2 Continued Access to High-Quality, Affordable, Value-Based Care for GH’s Communities.** Following Closing, RH will use reasonable commercial efforts to support, through further investments, skills and services, the continued access to the range (in existence or under development and disclosed to RH at Closing) of high-quality, affordable, value-based care for those who live in GH’s thirteen (13) county primary service area (Centre, Clinton, Columbia, Lackawanna, Luzerne, Lycoming, Juniata, Mifflin, Montour, Northumberland, Snyder, Union, and Wyoming), as well as in the seven (7) adjacent counties (Carbon, Huntingdon, Monroe, Schuylkill, Sullivan, Tioga, and Wayne) (collectively, the “**Service Area**”), through GH and other high-quality provider partners of GH (and subject to RH Reserved Powers).

**6.3 Service Area Expansion.** Following Closing, RH will support GH and its Controlled Affiliates in bringing its value to more communities, through the expansion of its health plan and care delivery services in contiguous communities. RH and GH will collaborate in developing, before or after Closing, reasonable, prudent and agreed business plans for such expansion that are supported by assured funding (inclusive of funds generated locally through GH or its Controlled Affiliates and through RH) that is no less than One Hundred Million Dollars (\$100,000,000) (the “**Service Area Expansion Commitment**”) to be expended within the Capital Commitment Period. Notwithstanding the foregoing, should Closing occur after January 1, 2024, the Service Area Expansion Commitment shall be reduced by the amount of capital actually expended by GH in connection with Service Area expansion between January 1, 2024 and Closing.

**6.4 Potential Job Growth.** Utilizing GH’s knowledge of the area, RH and Kaiser will create a joint work group that will meaningfully explore utilizing Central and Northeastern Pennsylvania as a potential location from which to provide services for their broader operations, potentially creating new job opportunities for those who live in the region, and such work group will present its findings to the RH Board and the GH Board within twenty-four (24) months after Closing.

**6.5 Community Health.** RH and GH will provide ongoing support of community health programs (such as initiatives in food security, environmental stewardship, economic opportunity, and affordable housing) that will provide resources to the Central and Northeastern Pennsylvania communities and utilize experience from some of the national programs Kaiser has in place to implement community health programs. Within twenty-four (24) months after Closing, Kaiser and RH will use reasonable commercial efforts to: (i) develop, building upon existing GH community health programs, a robust community health program that utilizes experience from the



community health programs Kaiser has in place and is aligned with both the resources available within RH and the particular needs of the communities served, and (ii) implement all aspects of such community health program in Central and Northeastern Pennsylvania that are aligned with the needs of such communities. Kaiser will make available to RH, GH and GH's Controlled Affiliates Kaiser's know-how and programmatic capabilities for community health programs as appropriate.

**6.6 GH Headquarters.** Following the Closing, RH shall maintain GH's corporate headquarters in GH's Service Area.

**6.7 Research and Education.** RH will support GH's research and education enterprises in the three following ways:

6.7.1 *Opportunities for Collaboration.* Within two (2) years after Closing, RH will identify opportunities for coordination, collaboration, and shared infrastructure among the Kaiser and GH research and education enterprises (trainee rotations, multi-site research projects, dual faculty appointments, joint events, etc.).

6.7.2 *Research and Education Funding.* As part of the overall GH and RH financial planning, for a minimum period of ten (10) years following the Closing, RH will ensure that funds are available to GH (inclusive of funds generated or received locally through GH or its Controlled Affiliates and through RH) to the extent necessary to fund GH's research and education enterprises at an annual level no lower than One Hundred and Fifteen Million Dollars (\$115,000,000), which amount shall be adjusted for inflation, the number of training (resident and fellow) slots GH is able to fill, changes to federal or state graduate medical education (both indirect and direct reimbursement) or allied health program reimbursement, and other factors customarily deemed relevant to the other components of the research and education budget.

6.7.3 *Geisinger Commonwealth School of Medicine.* For a minimum period of ten (10) years following the Closing, RH agrees that Geisinger Commonwealth School of Medicine will operate as a distinct and separately accredited institution of higher education (that will not be merged or operated as part of any other institutions of higher education directly or indirectly owned or controlled in whole or in part by Kaiser, RH, or an RH Affiliate) and that any changes to GCSOM's governance structure shall comply with all applicable Education Laws, including all applicable Accrediting Body standards and all applicable Education Laws requiring the approval of the changes by an Education Agency.

**6.8 Branding.** The Parties will work together to develop branding, marketing and communication plans that, among other things: (a) preserve and enhance the GH legacy brand for both care and coverage in its home service area and adjacent areas; (b) utilize the value of the Kaiser brand in ways that may be beneficial; and (c) honor GH's branding commitments under the Trust Agreement, and the other existing branding commitments to which Geisinger and its direct and indirect subsidiaries are subject and that are set forth on Schedule 4.3.10.

## **7. REPRESENTATIONS AND WARRANTIES OF GH.**

As of the Execution Date and as of the Closing Date, GH represents and warrants on behalf of itself and the other GH Entities the following, except as disclosed in the GH Disclosure Schedules (all such exceptions noted in the GH Disclosure Schedules being numbered to correspond to the applicable Section of this Article 7):

### **7.1 Organization and Good Standing of the GH Entities.**

7.1.1 Each GH Entity is duly organized, validly existing and in good standing under the laws of its state of incorporation or formation (as applicable), and has all requisite power and authority to own, lease and operate its properties and to carry on its businesses as now being conducted. GH has delivered to RH true, correct, current and complete copies of the Organizational Documents of each GH Entity. No GH Entity is in material default under or in material violation of its Organizational Documents. Each GH Entity is duly qualified, licensed or registered to do business in each of the jurisdictions in which the nature of the business being presently conducted by it or its assets and properties makes such qualification, licensing or registration legally required.

7.1.2 Section 7.1.2 of the GH Disclosure Schedules sets forth a true, correct and complete list of each GH Entity and Partial Subsidiary, including for each: (a) its ownership, (b) its jurisdiction of organization, (c) each jurisdiction where it is qualified to do business, (d) its tax-exempt status (IRS exempt category or non-exempt), and (e) if recognized as tax-exempt under Section 501(c)(3) of the Code (as opposed to Section 501(c)(4) of the Code), its public charity (or private foundation) status.

7.1.3 GH has Control over and is the sole owner or member of record of all equity and membership interests, including shares of capital stock or other ownership or participating interests, as applicable, directly or indirectly, of the GH Entities (other than GH). There are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, to purchase or acquire from any GH Entity, any equity, membership interest or other ownership or participating interest, or any securities convertible into or exchangeable for equity, membership interests or other ownership or participating interests, of any GH Entity under any circumstances, including a Change of Control. Upon the Closing, RH will acquire valid marketable title to all of the membership interests of GH, free and clear of any and all Liens.

7.1.4 Except for any interests held through publicly traded markets or except as set forth on Section 7.1.4 of the GH Disclosure Schedules, no GH Entity owns or holds any common stock, partnership interests, membership interests of or other ownership or participating interests, in or with respect to, any Partial Subsidiary, and no GH Entity Controls any Entity other than the GH Entities.

**7.2 Powers; Consents; Absence of Conflicts with Other Agreements.** GH has the requisite corporate power and authority to execute, deliver, and perform this Agreement and all other agreements referenced herein, or ancillary hereto, to which GH is a party and to conduct its

businesses as are now being conducted. The consummation of the Transactions, and the entry into this Agreement and the other Transaction Documents, by the GH Entities, as applicable:

7.2.1 Are within the corporate powers and authority of GH to perform on its behalf and on behalf of the GH Entities, are not in contravention of the terms of the Organizational Documents of any GH Entity, and have been duly authorized by all necessary or appropriate corporate actions of the GH Entities, which actions remain in full force and effect;

7.2.2 Except as provided in Section 9.5.1, 9.5.2 or 9.5.3, or Schedule 11.5, do not require any approval or consent of, or filing with, any Government Entity, including with respect to GH Entity licenses, registrations, certifications, permits and approvals;

7.2.3 Will not result in any material breach or contravention of, or give rise to a right of termination, cancellation, acceleration or to the loss of a benefit thereunder, or the creation of any claim, liability or Lien under, any Material Contract to which any GH Entity is a party or by which any GH Entity is bound; and

7.2.4 Will not violate any federal, state or local laws to which GH or any GH Entity is subject.

**7.3 Binding Agreement.** This Agreement and all agreements to which any GH Entity will become a party pursuant hereto are and will constitute the valid and legally binding obligations of such GH Entity, and are and will, upon receipt of the approvals set forth in Schedule 11.5 and Schedule 11.8, be enforceable against it or them in accordance with the respective terms hereof or thereof, except as enforceability may be limited by: (i) general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws or Legal Requirements of general application now or hereafter in effect, relating to or affecting the enforcement of creditors' rights generally.

**7.4 Legal and Regulatory Compliance.** Except as set forth on Section 7.4 of the GH Disclosure Schedules:

7.4.1 Compliance. The operations of each GH Entity are, and for the past four (4) years have been, in compliance in all material respects with all applicable Legal Requirements, including all Health Care Laws and relevant Legal Requirements of any Government Entity having jurisdiction over such GH Entity and the operations of its health plans, facilities and related ancillary services, including provisions relating to access to services, documentation of services, financial assistance policies, and the billing to, and collection from, patients and third party payors for health care services. To the extent that any GH Entity internal audit was initiated or conducted in the past four (4) years and remains open, or any audit finding remains un-remediated, no such audit or un-remediated finding shall result in a material detrimental impact on any GH Entity.

7.4.2 Violations and Exclusions. No GH Entity (nor to the Knowledge of GH, any of its officers, directors, trustees, independent contractors or employees, acting in such roles) has engaged at any time in the past four (4) years in any activities with respect to the GH Entities in violation of any Health Care Laws in any material respect. No GH Entity, nor any of its officers, directors, trustees, employees or, to the Knowledge of GH, independent contractors: (i) has in the

past four (4) years been convicted of, formally charged with, or, to the Knowledge of GH, investigated for any crime or violation of any Legal Requirement (including any Health Care Law) with respect to the GH Entities or engaged in any conduct for which such Person would reasonably be expected to be excluded, suspended, or debarred from participating, or would be otherwise ineligible to participate, in any Government Programs or have their billing privileges revoked or suspended; (ii) to the Knowledge of GH, has engaged in any conduct that would reasonably be expected to subject such Person or Entity to a civil monetary penalty or criminal penalty under Sections 1128A or 1128B of the Social Security Act or any similar law; (iii) has been convicted of or formally charged with, or to the Knowledge of GH, has been investigated for, any violation of laws related to fraud, theft, embezzlement, breach of fiduciary responsibility, financial misconduct, or obstruction of an investigation; or (iv) is or has been excluded, debarred, or otherwise been deemed ineligible to participate in any Government Programs including, but not limited to, being listed on the General Services Administration's System for Award Management's list of parties excluded from federal procurement programs and non-procurement programs, or on the Office of Inspector General of the Department of Health and Human Services' List of Excluded Individuals and Entities, or has been subject to a contract termination by any insurance company, health maintenance organization, managed care organization, or other private or governmental third-party payor. The GH Entities have duly paid any required civil monetary penalties.

7.4.3 *Proceeding or Investigation.* For the past four (4) years, no written notice has been received by any GH Entity, and no actions are pending against any GH Entity, or, to the Knowledge of GH, threatened against any GH Entity, alleging any breach or violation of, non-compliance with, or default under, any Legal Requirement (including any Health Care Law) to any material degree or extent by any GH Entity. None of the GH Entities, nor to GH's Knowledge, any independent contractor acting on their behalf, respectively, has during the past four (4) years, knowingly made an untrue statement of material fact in violation of any Legal Requirement or a fraudulent statement to any Government Entity or failed to disclose a material fact required to be disclosed to any Government Entity under applicable Legal Requirements.

7.4.4 *Arrangements with Pharmaceutical Companies.* Each GH Entity's agreements with pharmaceutical manufacturers, group purchasing organizations, pharmacy benefit managers, rebate aggregators, or any other entities involved in the negotiation, exchange, aggregation, or administration of rebates, administrative fees, or other price concessions on the basis of utilization of a pharmaceutical manufacturer's prescription drug products comply, in all material respects, with applicable regulatory safe harbors to the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b) (the "AKS"), or otherwise do not violate the AKS.

7.4.5 *GH Entity Leases.* All leases entered into by any GH Entity, in each case where the lessor is directly or indirectly a physician employee of any GH Entity, or otherwise in a position to refer patients or business to any GH Entity comply in all material respects with, as applicable: (x) the AKS space rental safe harbor at 42 C.F.R. § 1001.952(b) (or otherwise comply with the AKS); and (y) the space rental exception at 42 C.F.R § 411.257(a) of the Ethics in Patient Referrals Act, 42 U.S.C. § 1395nn (the "**Stark Law**").

**7.5 Financial Statements.** GH has delivered to RH true and correct copies of the following consolidated financial statements of the GH Entities (collectively, the "**Financial Statements**"):

7.5.1 Unaudited consolidated balance sheet (the “**Interim Balance Sheet**”) dated as of December 31, 2022 (the “**Interim Balance Sheet Date**”); and

7.5.2 Audited consolidated balance sheets and statements of income and cash flows for the fiscal years ended June 30, 2020, December 31, 2021 and December 31, 2022, and audited consolidated balance sheets and statements of income and cash flows for the six-month period ended December 31, 2020.

With respect to Sections 7.5.1-7.5.2 above, subject to the absence of footnotes and year-end adjustments with respect to any unaudited Financial Statements and except as set forth in Section 7.5 of the GH Disclosure Schedules (i) the above referenced Financial Statements have been prepared in accordance with GAAP, consistently applied and are based on or derived from the books and records of the GH Entities and (ii) the audited consolidated financial statements present fairly, in all material respects, the financial position, the results of operations and cash flows of the GH Entities as of and for the periods indicated above, in accordance with GAAP. The GH Entities have not changed any material accounting policies and/or methodologies during the periods presented in the Financial Statements except as noted therein or as required by GAAP or applicable Legal Requirements. Except (a) for liabilities and obligations disclosed or reserved against in the Interim Balance Sheet; and (b) for current liabilities and obligations incurred in the ordinary course of business consistent with past practice since the Interim Balance Sheet Date, the GH Entities have no material liabilities or obligations of any nature whatsoever required to be disclosed or reflected on a balance sheet prepared in accordance with GAAP.

**7.6 Significant Changes.** Except as set forth in Section 7.6 of the GH Disclosure Schedules, since the Interim Balance Sheet Date, there has not been any:

7.6.1 Damage, destruction, or loss not covered by insurance affecting the Real Property of any GH Entity in excess of Five Million Dollars (\$5,000,000);

7.6.2 Except as contemplated herein, any transaction entered into by any of the GH Entities pertaining to the Real Property owned or leased by any GH Entity that would materially impair the Real Property for its current use;

7.6.3 To the extent not otherwise addressed in this Section 7.6, any significant change in the overall condition (financial or otherwise) of the business, or in the results of operations of any GH Entity;

7.6.4 Actual or threatened union organizing campaign, employee strike, work stoppage, or labor dispute pertaining to any Employee or any GH Entity other than disputes involving individual employees or contractors only and occurring in the ordinary course of business;

7.6.5 Actual or threatened legal claims against any GH Entity by any Government Entity or any other Person (involving an amount in excess of: (a) for any legal claims other than malpractice, One Million Dollars (\$1,000,000), and (b) for any malpractice claims, Five Million Dollars (\$5,000,000);

7.6.6 Sale, assignment, transfer, or disposition of any item of property, plant or equipment with a book value greater than Ten Million Dollars (\$10,000,000) owned by any GH Entity, except in the ordinary course of business and consistent with past practices;

7.6.7 Except in the ordinary course of business and consistent with past practices, any increases in the compensation payable by any GH Entity to any Employees or Independent Contractors or any increase in, or institution of, any “*stay bonus*,” retention bonus or similar incentive payment, severance, insurance, pension, profit-sharing or other benefit plan, remuneration or arrangements made to, for or with such Employees in the amount of One Hundred Thousand Dollars (\$100,000) individually;

7.6.8 Changes in the composition of the GH Medical Staff, or any changes in the list of physicians employed by the GH Entities, except in the ordinary course of business and consistent with past practices;

7.6.9 Material amendments to Material Contracts or the rates charged or received by any GH Entity for its services, other than those made in the ordinary course of business consistent with past practice;

7.6.10 Changes in corporate allocations or corporate charges imposed by GH on any other GH Entity except as necessary to reflect the fair market value of the underlying goods or services covered by such allocations or charges;

7.6.11 Any impairment of a GH asset, unrecorded or potential liability, or unrecorded obligation, with a probable financial impact of more than Ten Million Dollars (\$10,000,000);

7.6.12 Material adjustments or write-offs of accounts receivable or reductions in reserves for accounts receivable of any GH Entity outside the ordinary course of business;

7.6.13 Changes in the accounting methods or practices employed by any GH Entity (such as changes in depreciation or amortization policies) other than those due to changes in applicable law or as required by applicable Legal Requirement or accounting professional rules; or

7.6.14 Any event or condition that would reasonably be expected to result in a Material Adverse Change.

## **7.7 Licenses/Permits.**

7.7.1 Each GH Entity has all material approvals, authorizations, consents, licenses, permits, grants, franchises, exemptions, classifications, identification numbers, registrations, certificates, certificates of need, accreditations, waivers, rights, credentials and other similar requirements of any Government Entity (including all applications, amendments and modifications of any of the foregoing), including the ability of any applicable GH Entity (and its employed health care professionals, as applicable) to participate in any Government Program, to the extent any such GH Entity (or any of its employed health care professionals) participates in the



Government Programs (collectively, “**Permits**”), that are required for such GH Entity to conduct its business as it has been and is currently being conducted, or that are necessary for the lawful ownership of its properties and assets, and such Permits were duly granted to the applicable GH Entities, are in full force and effect and are being complied with by the applicable GH Entities in all material respects. All applications for the renewal of Permits, which renewal applications were required to have been filed in order to be timely as of the Execution Date, have been timely filed. To GH’s Knowledge, no event has occurred or condition or state of facts exists that, with or without notice or lapse of time or both (including as a result of the execution and delivery of this Agreement or the consummation of the Transactions contemplated hereby), (i) constitutes or could reasonably be expected to constitute, a material default or violation under any Permit, (ii) would permit impairment, revocation, modification, termination or nonrenewal of, or any limitation or restrictions upon, any Permit or (iii) would give rise to any penalty, fine or other liability against a GH Entity in respect of any Permit. Other than limitations, restrictions and liabilities imposed by the generally applicable terms of any applicable Permit, no impairment, revocation, modification, termination, nonrenewal, limitation, restriction, material penalty, material fine or other material liability in respect of any Permit has occurred or been imposed in the past four (4) years, is pending or, to GH’s Knowledge, threatened (nor has any GH Entity received any written notice to such effect). In the past four (4) years, no GH Entity has received any written notice of proceedings, investigations, or audits relating to its Permits other than ordinary course proceedings and audits that were concluded and fully resolved (with any sanctions, penalties or requirements for corrective action having been paid or complied with in full with no ongoing requirements).

7.7.2 The pharmacies, imaging providers, laboratories, and all other ancillary departments located at each GH Entity that are required to be specially licensed are duly licensed by the Commonwealth of Pennsylvania or other appropriate licensing or certifying agency (the “**State Health Agency**”).

7.7.3 GH has made available to RH a copy of all Permits held by the GH Entities that are material and required for the ownership, development, conduct and/or operation of the assets and businesses of the GH Entities.

7.7.4 Each GH Entity has made available to RH complete and accurate copies of all material accreditation (including, without limitation, The Joint Commission) survey reports occurring in the past three (3) years for any GH Entity. Each GH Entity has made available to RH complete and accurate copies or notices of material non-compliance and material requests for remedial action received from any accreditation body (including, without limitation, The Joint Commission) in relation to such accreditation surveys. Each GH Entity has prepared and submitted timely all corrective action plans required to be prepared or submitted by it in response to any notice of non-compliance or request for remedial action, and has implemented, in all material respects, all of the corrective actions described in such corrective action plans.

7.7.5 Each Employee or any other Person acting for or on behalf of any GH Entity who is required by applicable Legal Requirements to hold a Permit or other qualification to deliver services to patients or otherwise, holds such Permit or other qualification and, in the course and scope of their employment duties, is performing only those services which are permitted by such Permit or other qualification. With respect to health care professionals who provide health care services on behalf of any GH Entity, each such health care professional holds all Permits that are

required by the applicable Legal Requirements of each state or territory (i) in which the health care professional practices; and (ii) in which patients to whom the health care professional provides health care services are located. To the Knowledge of GH, no health care professional employed by or contracted with any GH entity is not in good standing with or is under investigation by any Government Entity, including any medical board.

## **7.8 Medicare Participation/Accreditation; Third-Party Payor Claims.**

7.8.1 Each GH Entity that bills for healthcare services: (i) is currently participating in the Medicare, Pennsylvania Medicaid, Children’s Health Insurance Program (CHIP) and CHAMPUS/TRICARE programs (the “**Government Programs**”) and is not subject to any suspension, revocation proceedings, or other limitation on such participation status; (ii) has a current and valid provider or supplier contract with such Government Programs; (iii) is in compliance in all material respects with the conditions of participation or coverage in such Government Programs; (iv) if it is a type of Entity that is required to be accredited by a Government Program, is duly accredited, with no contingencies, by The Joint Commission or other appropriate accreditation agency, with copies of the most recent survey report and the most recent accreditation letter from The Joint Commission (or other appropriate accreditation agency) pertaining to each facility or location, and a list of “*Sentinel Events*” during the past three (3) years, having been made available to RH; (v) has made claims for provider-based reimbursement only if eligible therefor in accordance with all applicable Health Care Laws in all material respects; (vi) has not received written notice from a Government Program regarding a proposed or actual reduction in standing or any limitation on its participation in any such Government Program within the past four (4) years; and (vii) has not received written notice from the Centers for Medicare & Medicaid Services (“**CMS**”) regarding a reduction in a GH Entity’s quality star rating within the past four (4) years, other than any reductions in quality star ratings that are set forth in Section 7.8.1 of the GH Disclosure Schedules.

7.8.2 The billing practices of the GH Entities with respect to all direct or third-party payors, including the Government Programs and private insurance companies (including companies operating managed care plans), are currently and for the previous four (4) years have been in material compliance with all applicable Health Care Laws. For the previous four (4) years, no GH Entity has knowingly presented or caused to be presented to any Government Program or any other payor any claim for payment for an item or service in material violation of, or that would be the basis for liability under any Health Care Law or under the common law or administrative theories of recoupment, unjust enrichment, disgorgement, conversion, breach of contract or fraud. No GH Entity has, in the past four (4) years, billed, received and retained any payment or reimbursement from a Government Program in excess of amounts allowed by (a) applicable Health Care Laws, (b) the applicable reimbursement rates established from time to time by Government Programs; or (c) the terms of each participating provider or supplier agreement or similar contract or arrangements between such GH Entity, on one hand, and Government Programs, on the other, except for routine billing errors in individual patient bills that are (i) not part of a pattern or practice and (ii) immaterial in amount and significance (including legal significance).

7.8.3 No GH Entity has any outstanding liabilities (a) to any third party contractor administering claims for the Government Programs, (b) directly to the Government Programs, (c) to any private insurance company (including companies operating managed care plans), or (d) to



any third party contractor administering claims for private health insurance or managed care plans, in each case, for the recoupment of any material amounts previously paid to such GH Entity by any such third party contractor, Government Program, or private health insurance company, nor to the Knowledge of GH, is there a reasonable basis for any such recoupments, except as recorded as a contingent or actual liability on the books of a GH Entity and previously disclosed in writing to RH.

7.8.4 For the previous four (4) years, each GH Entity has timely filed all requisite claims and cost reports required to be filed in connection with the Government Programs and any private insurance plans (including managed care plans), all of which are complete and correct in all material respects. Except as set forth in Section 7.8.4 of the GH Disclosure Schedules, there are no claims, actions or appeals pending before any commission, board or agency, including the Provider Reimbursement Review Board, the Departmental Appeals Board, CMS, any State Health Agency, or other Government Entity, with respect to any Government Program claims filed by any GH Entity in connection with the Government Programs or in connection with any private insurance plans (including managed care plans), nor have there been any disallowances by any commission, board or agency in connection with any audit inquiry or review of such claims outside the ordinary course of business which are not recorded on GH's reported or interim financials. Except for claim denials in the ordinary course of business, no GH Entity has within the past four (4) years received written notice from the U.S. Department of Health and Human Services, Office of the Inspector General, or other Government Program, or any contractor to any Government Program challenging such GH Entity's right to reimbursement as billed, which, if determined adversely to such GH Entity would have a material impact on it. No event has occurred in the past four (4) years which with the giving of notice, the passage of time or both would reasonably result in or would reasonably provide the basis for termination of (a) GH's (or any applicable GH Entity's) Medicare or Medicaid provider or supplier agreement; or (b) to the Knowledge of GH, any participating provider agreement or similar contract or arrangements between any GH Entity, on one hand, and private insurance companies (including companies operating managed care plans), on the other. No audits, coding validation review or program integrity review, PATH Requirements audit/review, credentialing or privileging review or other audits or reviews other than those conducted in the ordinary course of business have been conducted in the past four (4) years, by or on behalf of any Government Program or third party payor, and no such reviews, other than those conducted in the ordinary course of business, are scheduled, pending (for which any GH Entity has received written notice) or, to GH's Knowledge, threatened against or affecting any GH Entity. No GH Entity is currently subject to, or has in the past four (4) years been subjected to, any material pre-payment integrity review by any Government Program.

7.8.5 Each applicable GH Entity that has utilized the program under section 340B of the Public Health Service Act (the "**340 B Program**") has been and is in material compliance with all applicable requirements as to purchasing, dispensing, use, accounting, billing, and other requirements of such program. Section 7.8.5 of the GH Disclosure Schedules list all manufacturer audits, all audits performed by applicable GH Entities at the request of a manufacturer, all self-audits performed by applicable GH Entities as part of their own compliance or related activities and all audits performed by the Health Resources and Services Administration within the United States Department of Health and Human Services (listing in each case, whether such audits were or are completed, ongoing, or noticed/threatened, and where completed, noting the outcome), in

each case within the past four (4) years and relating to the participation of any GH Entity in the 340 B Program and/or any associated refunds to manufacturers. For each audit so listed involving a repayment in excess of One Hundred Thousand Dollars (\$100,000), Section 7.8.5 of the GH Disclosure Schedules sets forth (a) the date the audit was requested and commenced; (b) the manufacturer or other entity conducting or initiating the audit; (c) the period covered by the audit; (d) the current status of the audit (e.g., ongoing, completed, under appeal, etc.); (e) any amounts that the manufacturer has requested to be repaid, to date; and (f) any amounts actually repaid to the manufacturer by the GH Entity to date, directly or indirectly.

## **7.9 Real Property.**

7.9.1 One of the GH Entities is the sole owner and holds good and marketable fee simple title to the owned real property listed in Section 7.9.1 of the GH Disclosure Schedules, together with all Improvements thereon and all appurtenances and rights thereto (the “**Owned Real Property**”), free and clear of any and all Liens except for Permitted Liens. There is issued and outstanding with respect to each Owned Real Property an owner’s policy of title insurance naming the applicable GH Entity as the insured and in an amount at least equal to the original purchase price of the applicable Owned Real Property. No claims have been made under any of such title policies. GH has delivered to RH true and correct copies of each of the title insurance policies referenced under this Section 7.9.1 and all documents referenced therein.

7.9.2 One of the GH Entities holds good and valid leasehold title to the leased real property listed in Section 7.9.2 of the GH Disclosure Schedules (the “**Leased Real Property**”) and, together with the Owned Real Property, the “**Real Property**”), free and clear of any and all Liens except for Permitted Liens. Except as listed on Section 7.9.2 of the GH Disclosure Schedules, the interest of the applicable GH Entity in and to the Leased Real Property is not, to the Knowledge of GH, subordinate to any current or future mortgage granted by the owner of the applicable Leased Real Property. No GH Entity owns or leases any real property other than the Real Property.

7.9.3 With respect to the Real Property, except as set forth in Section 7.9.3 of the GH Disclosure Schedules:

7.9.3.1 There are no tenants or other Persons or Entities occupying any space in the Real Property (other than occupancy by the GH Entities), other than pursuant to third party tenant leases and subleases described in Section 7.9.3 of the GH Disclosure Schedules; accurate copies of all leases under which a GH Entity leases the Leased Real Property and all such third party tenant leases and subleases have been made available to RH and such leases are lawful and enforceable in accordance with their terms and shall not be in breach as a result of the Transactions;

7.9.3.2 Except pursuant to the terms of any leases or subleases set forth in Section 7.9.3 of the GH Disclosure Schedules, no GH Entity has granted any outstanding options, rights of first offer, rights of first refusal to purchase, or other contractual rights of possession to occupy, purchase, acquire, license, lease or use the Real Property, or any portion thereof or interest therein;

7.9.3.3 There are no contractual or, to the Knowledge of GH, legal restrictions that preclude or restrict the ability to use the Real Property by any GH Entity for the current use of such Real Property, and, to the Knowledge of GH, there are no material defects or material adverse physical conditions affecting the Real Property that would preclude or restrict the ability to use the Real Property by any GH Entity for the current use of such Real Property except as disclosed in Section 7.9.3 of the GH Disclosure Schedules. Except as disclosed in Section 7.9.3 of the GH Disclosure Schedules, all Improvements and Fixtures on the Real Property are adequately maintained in the ordinary course of business of the GH Entities, and are in reasonably good operating condition and repair (ordinary wear and tear excepted), and are reasonably fit for the purposes for which such Fixtures and Improvements are currently being used;

7.9.3.4 To the Knowledge of GH, except for the Permitted Liens, there are no unrecorded documents, agreements or other instruments containing CC&Rs that affect the Owned Real Property. To the Knowledge of GH, the Owned Real Property is in compliance in all material respects with all CC&Rs. There are no pending or, to the Knowledge of GH, proposed amendments to any such CC&Rs, and the GH Entities have not received written notice that any portion of the Owned Real Property is in violation of any CC&Rs that remains uncured;

7.9.3.5 During the past four (4) years, no GH Entity has received written or posted notice of condemnation relating to any material part of the Owned Real Property, of any existing or proposed plans to modify or realign any street or highway, or any existing or proposed eminent domain proceeding by any Government Entity that would result in the taking of all or any material part of the Owned Real Property or that would materially adversely affect the current use of any part of the Owned Real Property;

7.9.3.6 No GH Entity has received any written notice of any unsatisfied requests for material repairs, restorations or Improvements to any Owned Real Property from any Government Entity. To the Knowledge of GH, the Owned Real Property is in material compliance with the Americans with Disabilities Act and similar state laws;

7.9.3.7 All Owned Real Property is in material compliance with all applicable zoning ordinances and other Legal Requirements (including as they relate to adequacy of parking and compliance with applicable transportation management plans). Neither GH nor any other GH Entity has received any written notice from any Government Entity of any material violation of any applicable zoning ordinance or other law relating to the operation of the Owned Real Property (including with respect to adequacy of parking and access to transportation) that remains uncured. To the Knowledge of GH, there is no Action pending to materially change the zoning or building ordinances or any other laws affecting the Owned Real Property and neither GH nor any GH Entity has received any written notice from any Government Entity regarding any proposed change;

7.9.3.8 During the past four (4) years, neither GH nor any other GH Entity has received any written notice from any insurance company that has issued a policy with respect to any Owned Real Property requiring performance of any structural or other repairs or alterations to such property, which repairs or alterations have not been completed;

7.9.3.9 During the past four (4) years, neither GH nor any other GH Entity has received any written notice of any proposed new assessment or levy (or increase in assessment or levy) by any Government Entity with jurisdiction over all or any part of the Real Property;

7.9.3.10 (1) to the extent applicable based on the current uses thereof and activities conducted thereon, reasonably adequate water, sanitary sewer, storm sewer, drainage, electric, telephone, gas and other public utility systems are available to the Owned Real Property; (2) neither GH nor any other GH Entity has received any written threat or notice of termination from providers of the foregoing utility systems; and (3) the water and sanitary sewer service described above is supplied by public authority; and

7.9.3.11 All real estate taxes and assessments levied against the Owned Real Property and due and payable on or before the Effective Time have been paid.

## **7.10 Employee Benefit Plans.**

7.10.1 Section 7.10.1 of the GH Disclosure Schedules sets forth a true and complete list of each “*employee benefit plan*” (as such term is defined in Section 3(3) of ERISA), whether or not subject to ERISA, and other similar plan, policy, contract, commitment, understanding or arrangement, whether written or unwritten, for the benefit of any current or former Employee or Independent Contractor, including each profit sharing plan, money-purchase pension plan, defined benefit pension plan, tax-sheltered or other annuity plan, non-qualified deferred compensation plan, multiemployer (union) pension plan, multiple employer pension plan, supplemental retirement plan, excess benefit plan, and any other type of tax-qualified or other form of retirement plan, policy, contract, commitment, understanding or arrangement, each medical, surgical, hospital or other healthcare plan/insurance plan, dental, vision or hearing benefits plan, short-term disability, sick leave or other form of salary continuation plan/insurance plan relating to injury or illness, long-term disability plan, long-term care plan, employee assistance plan, group term or whole life insurance plan, business travel, accident coverage or accidental death and dismemberment coverage plan, prepaid legal services plan, severance pay plan or arrangement, layoff or unemployment benefits plan, apprenticeship or training program, day care center or other dependent care assistance plan, educational assistance or tuition reduction plan, vacation, personal days or other paid time-off program, cafeteria plan, flexible spending account, union-sponsored welfare plan, business expense reimbursement or employee discount arrangement, and any other type of welfare benefit or fringe benefit plan, policy, contract, commitment, understanding or arrangement, and each continuation pay or termination pay plan, change of control or retention plan, incentive compensation or executive compensation plan, equity or equity-based compensation plan, or employment or consulting agreement (but, for the avoidance of doubt, excluding any employment or consulting agreement that does not have any benefit terms, but not excluding any employment or consulting agreement providing severance) or other similar plan, policy, contract, commitment, understanding or arrangement, in each case that is, or has been, maintained by, contributed to or sponsored by any GH Entity, or with respect to which any GH Entity is a party or has any obligations or liability (contingent, secondary or otherwise) including, if applicable, a plan contributed to or sponsored by an ERISA Affiliate to which any GH Entity has any liability, or under which any Employees benefit, or have benefited, by reason of their employment by any GH Entity or any ERISA Affiliate (collectively, the “**Plans**”). Neither any

GH Entity nor any ERISA Affiliate has made any written commitment to establish any new Plan or to materially modify any Plan (except to the extent required by Legal Requirements).

7.10.2 Each Plan (and each related trust, insurance contract or fund) has been established, maintained and administered in all material respects in accordance with its terms and with the applicable requirements of ERISA, the Code, COBRA and all other applicable Legal Requirements.

7.10.3 All contributions (including all employer contributions and employee salary reduction contributions), expenses and unfunded liabilities that are due under the terms of any Plan or applicable Legal Requirements have been made within the time periods prescribed by ERISA, the Code, and applicable Legal Requirements with respect to each Plan, and all contributions for any period ending on or before the Closing Date that are not yet due have been paid to each Plan (or related trust) or have been accrued in accordance with GAAP or other local law accounting requirements.

7.10.4 GH, on behalf of itself and the other GH Entities, has made available to RH true, current and complete copies of the following for each Plan, to the extent applicable: (a) the current plan documents constituting each Plan and all amendments thereto (or, if a Plan is not written, a description thereof); (b) the most recent summary plan description together with the summaries of material modifications thereto, if any, required under ERISA; (c) the most recent Annual Report (Form 5500) with all accompanying schedules and attachments filed with the U.S. Department of Labor (“**DOL**”); (d) the most recent actuarial valuation or financial statement; (e) all current related trust agreements, insurance contracts, and other funding arrangements; (f) the most recent plan year’s discrimination test results; (g) all material written contracts relating to each Plan, including administrative service agreements and group insurance contracts; (h) as to any vacation, salary continuation, personal days or other paid time-off program, the total dollar amount accrued and outstanding under each such program to date; and (i) all material Plan-related correspondence with a Government Entity related to potential non-compliance with applicable Legal Requirements.

7.10.5 Except as provided in Section 7.10.5 of the GH Disclosure Schedules, neither any GH Entity nor any ERISA Affiliate currently maintains, sponsors, contributes to, has or has had, maintained, sponsored, or contributed to, or has any liability (contingent, secondary or otherwise) under (or with respect to) any “*defined benefit plan*” (as defined in Section 3(35) of ERISA), or any “*multiemployer plan*” (as defined in Section 3(37) of ERISA), or otherwise has any liability (contingent, secondary or otherwise) under Title IV of ERISA. There has been no application for or waiver of the minimum funding standards imposed by Section 302 of ERISA and Section 412 of the Code with respect to any Plan; no Plan has an “*accumulated funding deficiency*” within the meaning of Section 412 or Section 431 of the Code or “*aggregate unpaid minimum required contributions*” within the meaning of Section 412 of the Code; there has been no “*reportable event*” (within the meaning of Section 4043 of ERISA) that required notice to the PBGC with respect to any Plan, and sufficient accruals for all contributions and other payments for any period ending on or before the Closing that are not yet due are duly and fully provided for in the Financial Statements.



7.10.6 There have been no non-exempt prohibited transactions (as defined in Section 406 of ERISA or Section 4975 of the Code) with respect to any Plan that could reasonably be expected to result in a material liability; no GH Entity nor any ERISA Affiliate (by way of indemnification, directly or otherwise), and to the Knowledge of GH, no fiduciary (as defined in Section 3(21) of ERISA) has or has had any liability for any breach of fiduciary duty.

7.10.7 Except as required under COBRA, neither any GH Entity nor any ERISA Affiliate has any obligation to provide medical, health, or life insurance or other welfare type benefits to Employees or Independent Contractors (or their beneficiaries) beyond their termination of employment or service. Neither any GH Entity nor any ERISA Affiliate has maintained or contributed to a trust that is subject to Section 501(c)(9) of the Code.

7.10.8 All insurance premiums have been paid in full, subject only to normal retrospective adjustments in the ordinary course, with respect to the Plans for Plan or contract years ending on or before the Closing Date. All insurance premiums due or payable with respect to the periods from the end of the most recent Plan or contract year to and including the Closing Date have been paid or accrued in the Consolidated Financial Statements in accordance with GAAP.

7.10.9 Except as provided in Section 7.10.9 of the GH Disclosure Schedules, no Plan maintained by any GH Entity is currently, or within the last four (4) years has been, under audit, inquiry, or investigation by the IRS, DOL or Pension Benefit Guaranty Corporation (“PBGC”), and there are no outstanding items or investigations with reference to such Plans pending before any Government Entity; other than routine claims for benefits, there are no Actions pending or, to the Knowledge of GH, investigations pending or Actions threatened against or with respect to any such Plans or the assets of any such Plan; and there are no pending or, to the Knowledge of GH, threatened claims by or on behalf of such Plans or by any Employee alleging a breach or breaches of fiduciary duties or violations of other applicable Legal Requirements that could result in material liability on the party of any GH Entity or the Plans under any applicable Legal Requirement.

7.10.10 The consummation of any or all of the contemplated Transactions hereunder will not (either alone or upon the occurrence of any additional or subsequent events):

7.10.10.1 Accelerate the time of payment, funding or vesting, trigger any payment of compensation or benefits or forgiveness of indebtedness under, increase the amount payable under or trigger any other obligation pursuant to, any of the Plans;

7.10.10.2 Increase the amount of compensation due to any current or former Employee or Independent Contractor of any GH Entity;

7.10.10.3 Result in any “*disqualified individual*” receiving any “*excess parachute payment*” (each such term as defined in Section 280G of the Code);

7.10.10.4 Result in a violation of the terms of any of the Plans; or

7.10.10.5 Cause any GH Entity to transfer or set aside any assets to fund any benefits under any Plan.

7.10.11 No condition exists that would reasonably be expected to prevent the amendment or termination of any Plan assumed or continued by RH pursuant to the Transactions contemplated by this Agreement without material liability, other than the (x) obligation for ordinary benefits accrued prior to the termination of such Plan and (y) the payment of any insurance premiums and plan administration fees for the remaining term of the applicable contract.

7.10.12 For the previous four (4) years, each Plan that is a non-qualified deferred compensation plan subject to Section 409A of the Code has been maintained and administered in material compliance, and complies in form and operation, in all material respects with the applicable requirements of Section 409A of the Code. No GH Entity is a party to, or otherwise obligated under, any contract, plan or arrangement that provides for a “*gross-up*,” make-whole or similar payment in respect of any Tax that may become payable under Section 409A or Section 4999 of the Code.

7.10.13 Each Plan that is also a “*group health plan*” for purposes of the Patient Protection and Affordable Care Act of 2010 (Pub. L. No. 111-148) and the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152) (collectively, the “**Affordable Care Act**”) is in compliance in all material respects with the applicable terms of the Affordable Care Act. The GH Entities offer minimum essential health coverage, satisfying affordability and minimum value requirements, to its full-time Employees sufficient to prevent liability for assessable payments under Section 4980H of the Code.

**7.11 Litigation.** Section 7.11 of the GH Disclosure Schedules sets forth an accurate list of all ongoing litigation and investigations of which GH has Knowledge with respect to any GH Entity or to which any GH Entity is a party or a “*target*”. No GH Entity is in default under any order of any Government Entity wherever located. Except for pending Actions that do not involve a Government Entity and involve an amount of less than One Million Dollars (\$1,000,000) (or, solely for any malpractice claims, Five Million Dollars (\$5,000,000)), there are no Actions pending or, to the Knowledge of GH, investigations pending or Actions threatened in writing against or related to any GH Entity, at law or in equity, or before or by any Government Entity wherever located. Except as set forth on Section 7.11 of the GH Disclosure Schedules, no GH Entity is subject to any judgment, decree, order, corporate integrity agreement or governmental restriction specifically as to it as a party which would or reasonably have a material impact on its assets or the conduct of its business.

## **7.12 Environmental Laws.**

7.12.1 Except as would not reasonably be expected to result in a material liability or as provided in Section 7.12.1 of the GH Disclosure Schedules, the GH Entities are, and, for the last four (4) years, have been, in compliance in all respects with all Environmental Laws, and no GH Entity has any liability under Environmental Laws or with respect to Hazardous Materials.

7.12.2 Except as provided in Section 7.12.2(a) of the GH Disclosure Schedules, during the past four (4) years, the GH Entities have timely applied for, obtained and currently maintain all Environmental Permits necessary to operate the business and assets of the GH Entities, including the facilities of the GH Entities and the Real Property, and no Action or proceeding is

pending or, to the Knowledge of GH, threatened, to revoke, suspend, materially modify in an adverse manner or terminate any such Environmental Permit. Section 7.12.2(b) of the GH Disclosure Schedules sets forth a true and complete list of all material Environmental Permits (excluding tank registrations), all of which are in full force and effect.

7.12.3 Except as would not reasonably be expected to result in a material liability or as provided in Section 7.12.3 of the GH Disclosure Schedules, no GH Entity has received any written request for information from a Government Entity or any written notice or penalty within the last four (4) years or earlier if such notice or penalty remains outstanding or unresolved, and there are no pending Actions or, to the Knowledge of GH, threatened Actions, alleging, asserting or pertaining to a violation of any Environmental Law by any GH Entity or liability of any GH Entity under Environmental Laws or with respect to Hazardous Materials.

7.12.4 Except as provided in Section 7.12.4 of the GH Disclosure Schedules, and except as would not reasonably be expected to result in material liability, (a) to the Knowledge of GH, there has been no Release at, on, under or from the Real Property or any other real property currently or formerly owned, operated or leased by any GH Entity, and (b) no GH Entity has arranged by contract, agreement or otherwise, for the transportation, disposal or treatment of Hazardous Materials at any location.

7.12.5 Except as provided in Section 7.12.5 of the GH Disclosure Schedules, to the Knowledge of GH, there are no facts, circumstances or conditions existing, initiated or occurring that would reasonably be expected to result in material liability to any GH Entity under Environmental Law or with respect to Hazardous Materials.

7.12.6 GH has made available to RH copies of all material environmental assessments, reports, audits, Environmental Permits and all other material documents in the possession or under the reasonable control of the GH Entities, that relate to non-compliance with or liability under Environmental Law or the environmental condition of the Real Property or any other real property currently or formerly owned, operated, or leased by any GH Entity.

### **7.13 Taxes.**

7.13.1 The GH Entities, for the past four (4) years, have all filed on a timely basis (subject to extensions duly obtained) all federal, state and material local tax returns and reports, including applicable income, payroll, employment, withholding, information, excise, sales, real and personal property, use and occupancy, business and occupation, gross receipts, mercantile, real estate, escheats, PILOT, FBAR, capital stock and franchise or other taxes (collectively, “**Taxes**”) required to be filed by them (collectively, the “**Tax Returns**”). All Tax Returns are true and correct in all material respects and accurately reflect the tax liabilities of the GH Entities. All amounts shown as due on the Tax Returns, if any, have been or will be paid on a timely basis (including any interest or penalties and amounts due to state unemployment authorities) to the appropriate tax authorities or have been adequately reserved against on the Financial Statements.

7.13.2 For the past four (4) years, the GH Entities have withheld proper and accurate amounts from their respective employees’ compensation in compliance with all withholding and similar provisions of the Code, including employee withholding and social



security taxes, non-resident alien withholding and reporting, and any and all Legal Requirements, and no GH Entity is liable for any arrears of any tax or penalties for failure to comply with the foregoing. All such amounts have been duly and timely remitted to the proper taxing authority or have been adequately reserved against on the Financial Statements.

7.13.3 For the past four (4) years, no material deficiencies for any Taxes have been asserted or threatened, and no audit of any Tax Returns is currently underway or, to the Knowledge of GH, threatened. There are no outstanding agreements, existing or proposed, between any GH Entity and any taxing authority for the extension of time for the assessment of any Taxes, and, to the Knowledge of GH, no action, proceeding or audit of any GH Entity is threatened against such Entity or its assets or operations.

7.13.4 During the past four (4) years, no Liens for Taxes have been asserted or, to the Knowledge of GH, threatened against any of the assets of any GH Entity (except for Permitted Liens), and no GH Entity has received written notice of Liens for Taxes on any of the assets of the GH Entities.

7.13.5 Compensation provided by the GH Entities to their board members, officers and employees during the past four (4) years has not constituted an “*excess benefit transaction*” within the meaning of Section 4958 of the Code and the Treasury Regulations thereunder.

7.13.6 Each GH Entity that is subject to Section 501(r) of the Code is in material compliance with the requirements under Section 501(r) of the Code and the regulations thereunder, as applicable.

7.13.7 To the Knowledge of GH, there has not been an unauthorized conversion or other use of any assets of the GH Entities constituting a significant diversion of assets (including, but not limited to, embezzlement or theft) within the meaning of diversions required to be reported on the applicable tax or information returns filed, or to be filed, by any GH Entity, as the case may be.

## **7.14 Employee Relations.**

7.14.1 *Employees.* GH has delivered to RH a true and correct list of all Employees of the GH Entities and, for each, their (i) names, employee identification numbers, and job titles; (ii) employing entity; (iii) the location of their principal place of employment; (iv) dates of hire; (v) whether employed on a full-time or part-time basis; (vi) current base salary or hourly rate of compensation; (vii) solely with respect to Employees with annual compensation in excess of Seven Hundred and Fifty Thousand Dollars (\$750,000), any other compensation payable to them (including, but not limited to compensation payable pursuant to a bonus target, incentive compensation target, deferred compensation or commission arrangements or other compensation); (viii) immigration status if not a U.S. citizen; (ix) value of accrued, unused vacation time; and (x) whether such Employees are active or on leave and, if on leave, the type of leave (e.g., Family and Medical Leave Act or state or local equivalent intermittent or block leave, leave per GH policy, etc.), and the anticipated return date for any block leave.

7.14.2 *Union Matters.* Except as set forth in Section 7.14.2 of the GH Disclosure Schedules: (a) no union, work council, employee group or other labor organization is currently certified or recognized to represent Employees of any GH Entity, and no union, work council, employee group or other labor organization has been so certified or recognized during the past three (3) years; (b) no demand for recognition has been made of GH by any labor union, work council, employee group, or other labor organization with respect to any GH Entity or by any current or former Employee during the past three (3) years; and (c) there is not presently pending or, to the Knowledge of GH, threatened, and has not been pending or, to the Knowledge of GH, threatened, during the past three (3) years, any (i) labor organizing activities, requests or National Labor Relations Board petitions for representation, strike, slowdown, picketing, walkouts or work stoppage, labor disputes, or other concerted activities regulated by the National Labor Relations Act against or affecting against a GH Entity or by any current or former Employee as related to any GH Entity, or (ii) any proceeding against a GH Entity alleging a violation of any Legal Requirements pertaining to labor union relations, including any unfair labor practice charge, complaint or injunction filed, threatened, or unresolved by a current or former Employee, union, or other person with the National Labor Relations Board, any comparable Government Entity, or any court or arbitrator. There is no, and there has not been during the past three (3) years, any collective bargaining agreement or other agreement in existence covering current or former Employees as related to any GH Entity or negotiated by any GH Entity with a union, work council, employee group or other labor organization.

7.14.3 *Compliance.* During the past four (4) years, the GH Entities have complied in all material respects with all applicable Legal Requirements relating to employment, including but not limited to, equal employment opportunity; nondiscrimination; harassment; retaliation; fair employment practices; accommodations; disability rights or benefits; immigration; wages, hours, overtime, meals and rest breaks; classification of employees and Independent Contractors under the Fair Labor Standards Act and any similar state or local law; wages, overtime, meal and rest breaks; affirmative action; collective bargaining; privacy, data protection and data security of employee information; benefits; payment and withholding of employment, social security, and similar taxes; occupational safety and health; employee leave issues (including family and medical leave and paid sick leave); workers' compensation; the Immigration Reform and Control Act; the Worker Adjustment and Retraining Notification Act of 1988, as amended, and similar state and local laws (collectively, "**WARN Act**"); and any other related employment matters. In addition, except as set forth in Section 7.14.3 of the GH Disclosure Schedules, (a) no GH Entity is liable for the payment of any compensation, damages, Taxes, fines, penalties, interest, or other amounts, however designated, for failure to comply with any Legal Requirements; and (b) there are no pending, or to the Knowledge of GH, threatened complaints or claims before the Equal Employment Opportunity Commission (or any comparable state or local civil or human rights commission or other comparable Government Entity), the Occupational Safety and Health Administration (or any comparable state or local safety or health administration or other comparable Government Entity), the Office of Federal Contract Compliance Programs, or wage and hour or whistleblower complaints or claims before a Government Entity, and in each case, have been no such complaints or claims in the past four (4) years.

7.14.4 *No Misclassification.* Each individual who currently is providing services or in the past three (3) years has provided services to any GH Entity that has been characterized as

a secondee, consultant or independent contractor is and for the past three (3) years has been properly characterized as such. GH does not have any liability or damages to any individual who is not currently on any GH Entity's payroll for any claim, demand or entitlement based upon employment status. For the past three (3) years, no Person who is or was an Employee of any GH Entity is or has been incorrectly classified as to such employee's status as exempt from overtime wages. To the Knowledge of GH, for the past three (3) years, the GH Entities maintain accurate and complete records of all overtime hours worked by each Employee eligible for overtime compensation and compensate all Employees in accordance with the Legal Requirements of all jurisdictions in which the GH Entities maintain Employees.

7.14.5 *Sexual Harassment.* In the past four (4) years, to the Knowledge of GH, there has been no allegation, complaint, charge or claim (formal or informal) of sexual harassment, sexual assault, sexual misconduct, gender discrimination or similar behavior (a "**Sexual Misconduct Allegation**") made against any Person who is or was an officer, director, manager or supervisory-level Employee in such Person's capacity as such for a GH Entity. In the past four (4) years, no GH Entity has entered into any settlement agreement, tolling agreement, non-disparagement agreement, confidentiality agreement or non-disclosure agreement, or any contract or provision similar to any of the foregoing, relating directly or indirectly to any Sexual Misconduct Allegation against any GH Entity, or any Person who is or was an officer, director, manager or supervisory-level Employee.

7.14.6 *COVID-19.* The GH Entities have used commercially reasonable best efforts to take steps to protect Employees in the workplace with respect to COVID-19 and have not received any written notice asserting any material employment-related liability with respect to COVID-19. The GH Entities are, and since January 1, 2020 have been, in material compliance with applicable guidelines and requirements from the U.S. Centers for Disease Control and Prevention, the Occupational Safety and Health Administration, and all applicable non-U.S., state and local Government Entities regarding COVID-19 safety precautions. To the Knowledge of GH, to the extent any Employee has tested positive for COVID-19, GH has taken all responsive action required under applicable Legal Requirements in effect at the time with respect to such Employee in the facility in which the Employee worked.

**7.15 Agreements and Commitments.** Set forth in Section 7.15 of the GH Disclosure Schedules is an accurate list of the following contracts, leases, and agreements, written or oral, currently in effect, to which any GH Entity is a party or by which any GH Entity is bound (the "**Material Contracts**"), and complete and accurate copies of which have all been made available to RH:

7.15.1.1 agreements with the top ten (10) payors (including health maintenance organizations, preferred provider organizations, health insurance organizations, pharmacy benefit managers, government contractors, self-insured employers, other payors or other alternative delivery systems, including GH Affiliates), which provide for payment by such third parties for health care items and services furnished by providers or suppliers owned and operated by any of the GH Entities by total revenue for the period January 1, 2022 through December 31, 2022;

7.15.1.2 joint venture or partnership agreements;

7.15.1.3 contracts for employment or services of any officer, individual employee or Independent Contractor, individual physician, and individual non-physician employment contract or agreements with individual sources of referrals, in each case with expected payments in excess of One Million Dollars (\$1,000,000) per year;

7.15.1.4 contracts for services with any physician group, including professional services agreements, agreements with sources of referrals and medical director agreements, in each case with expected payments in excess of Three Million Dollars (\$3,000,000) per year;

7.15.1.5 leases pursuant to which any GH Entity is granted the right to use any Leased Real Property as tenant, in each case with expected payments in excess of Five Hundred Thousand Dollars (\$500,000) per year;

7.15.1.6 equipment leases or maintenance agreements with expenditures applicable to the GH Entities in excess of One Million Dollars (\$1,000,000) per year, in the aggregate;

7.15.1.7 agreements providing for payments based in any manner on the revenues or profits of any GH Entity;

7.15.1.8 agreements with municipalities;

7.15.1.9 loan agreements, bonds, swaps, forward or hedging agreements, mortgages, or other security agreements with principal amounts in excess of Twenty-Five Million Dollars (\$25,000,000);

7.15.1.10 any material agreements, licenses, or commitments with respect to patents, patent applications, trademarks, trade names, service marks or copyrights (excluding licenses relating to software), other than licenses or rights that individually require license payments of less than Five Hundred Thousand Dollars (\$500,000) per year;

7.15.1.11 collective bargaining agreements;

7.15.1.12 agreements or licenses relating to information processing programs, software, or source codes utilized in connection with the GH Entities with expenditures applicable to the GH Entities in excess of One Million Dollars (\$1,000,000) per year;

7.15.1.13 any contracts containing a covenant not to compete that restricts any GH Entity: (a) from freely engaging in business anywhere in Pennsylvania, or any other state or locale where the GH Entities do business; or (b) from soliciting or hiring any Person with respect to employment in a manner that would have a material impact on the business of any GH Entity;

7.15.1.14 any contracts that would, following Closing, materially limit RH with respect to the business of any GH Entity or materially limit RH or any GH Entity in engaging in any line of business or that includes a most favored nation clause or exclusivity requirement;

7.15.1.15 any severance agreements, retention agreements and agreements prohibiting or requiring payments to a person upon a change of control of GH;

7.15.1.16 any agreement granting a non-GH Entity any rights, options or interests in or the right to acquire any material assets or business of a GH Entity;

7.15.1.17 corporate integrity agreements;

7.15.1.18 any agreement with a pharmacy benefit manager;

7.15.1.19 the Trust Agreement;

7.15.1.20 any settlement agreement with a Government Entity that contains a corrective action plan;

7.15.1.21 any material agreements between Geisinger Health Plan, on the one hand, and the Pennsylvania Department of Human Services in connection with the Medicaid and/or the Children's Health Insurance Program;

7.15.1.22 any material agreements between Geisinger Health Plan, on the one hand, and CMS in connection with Medicare, Medicare Advantage and/or Medicare Part D services;

7.15.1.23 any other material agreement with any Government Entity of similar magnitude to the business of GH or a GH Entity as those set forth in Sections 7.15.1.21 and 7.15.1.22 above; or

7.15.1.24 any other contract with a value applicable to the GH Entities in excess of Five Million Dollars (\$5,000,000) in any year.

Notwithstanding the foregoing, the term “**Material Contracts**” shall not include Education Approvals.

7.15.2 Each Material Contract constitutes a valid and legally binding obligation of the GH Entity or GH Entities party thereto and is enforceable against such GH Entity or GH Entities, as applicable, in accordance with its terms, except as enforceability may be limited by: (i) general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application now or hereafter in effect relating to or affecting the enforcement of creditors' rights generally.

7.15.3 To the Knowledge of GH, no GH Entity is in material breach of any Material Contract nor, in the past three (3) years, has any GH Entity received written notice of any material default under any Material Contract that has not been cured, and each of such Material Contracts is now in full force and effect.

7.15.4 Except as set forth on Section 7.15.4 of the GH Disclosure Schedules, the completion of the Transactions will not result in any material breach, termination right, liability,

penalty, premium or variation of the rights, remedies, benefits or obligations of any party under any of the Material Contracts, or require the consent of or notice to any counterparty to any of the Material Contracts.

7.15.5 Each Material Contract was entered into without the commission of any act, or any consideration having been paid or promised, in violation of any Legal Requirements.

**7.16 Related Party Transactions.** Except as set forth in Section 7.16 of the GH Disclosure Schedules, (i) no director or officer, Employee, or to GH's Knowledge, any physician on the GH Medical Staff of a hospital, skilled nursing facility, home health agency or hospice operated by any GH Entity currently has any interest in any material property or assets owned by any GH Entity, or any interest in the Leased Real Property, or any interest in any Affiliate or Partial Subsidiary of any GH Entity, or any interest (other than less than 2% interest in a public company) in any service provider or vendor to a GH Entity; (ii) during the past four (4) years, no director or officer or other person legally deemed an "*insider*" (under the Code) of any GH Entity has engaged in any material transaction, or is currently a party to any Material Contract, with any GH Entity, including any agreement, arrangement or understanding, written or oral, providing for the employment of, furnishing of services by, rental of real or personal property from or otherwise requiring payment to any such Person (other than employment or service agreements entered into in the ordinary course of business); and (iii) during the past four (4) years, no GH Entity has entered into any transaction which has constituted or may constitute an "*excess benefit transaction*" within the meaning of Section 4958 of the Code.

**7.17 Insurance.** Each GH Entity maintains and has maintained without interruption at all times, insurance and/or self-insurance covering its property, operations, employees and liabilities with the types, coverages and amounts of insurance as are commercially reasonable and customary for comparable non-profit organizations operating in the same or similar lines of business in Pennsylvania. Section 7.17 of the GH Disclosure Schedules contains an accurate schedule of the insurance policies or self-insurance funds currently maintained by or on behalf of the GH Entities covering the ownership and operations of the GH Entities (the "**Insurance Policies**") indicating the type of insurance, policy numbers, identity of insurers and insureds, amounts, and coverage. The Insurance Policies are in full force and effect with no premium arrearage. The GH Entities have given in a timely manner to their insurers all notices required to be given under the Insurance Policies with respect to all of the claims and actions to be covered by such insurance. The GH Entities have not received any written notice from any such insurance company canceling or materially amending any of the Insurance Policies, and no such cancellation or amendment is pending or, to the Knowledge of GH, threatened.

**7.18 Cost Reports, Credit Balances and Status/Reserves.** Section 7.18 of the GH Disclosure Schedules indicates those Medicare and Medicaid cost reports of the GH Entities that have not been audited and finally settled and describes, for each such cost report, any proposed or pending audit adjustments, self-identified errors, disallowances, appeals of disallowances, credit balances and any other material unresolved claims or disputes in respect of such cost report in excess of Five Hundred Thousand Dollars (\$500,000). The GH Entities have established reserves, consistent with GAAP and with the past practices of the GH Entities, to cover potential



reimbursement obligations that the GH Entities may have in respect of any such third-party cost reports, and such reserves are set forth in the Financial Statements.

**7.19 Medical Staff and Employed Physician Matters.** GH has provided to RH true, correct, and complete copies of the rules and regulations of the GH Medical Staff and other facilities operated by the GH Entities, as well as a list of all current members of such GH Medical Staff, and all employed or contracted physicians or advanced practice clinicians. Except as set forth on Section 7.19 of the GH Disclosure Schedules, no GH Medical Staff members have had their privileges revoked, suspended or placed on hold since the Interim Balance Sheet Date, nor, to the Knowledge of GH, has any GH Medical Staff member resigned to avoid proceedings relating to such potential sanction. Within the past four (4) years, all applicable GH Entities have complied fully with all applicable Legal Requirements (including without limitation applicable Health Care Laws) relating to required reports to the National Practitioner Data Bank, state medical boards and/or other Government Entities of disciplinary and other actions taken against GH Medical Staff members.

## **7.20 Intellectual Property; Computer Software.**

7.20.1 Section 7.20.1 of the GH Disclosure Schedules lists, for all Owned Intellectual Property, a complete and accurate list of all domestic and foreign: (i) patents and patent applications; (ii) trademark registrations and applications; (iii) material unregistered trademarks; (iv) copyright registrations and applications; (v) domain names; and (vi) any other Owned Intellectual Property that is the subject of an application, certificate, or registration issued by a Government Entity (collectively, the “**Registered Intellectual Property**”); in each case listing the name and current owner and showing the jurisdiction in which each such Registered Intellectual Property has been issued or registered and the application, serial, or registration number. None of the Registered Intellectual Property is the subject of any proceeding, action, or opposition filed with the United States Patent and Trademark Office or any other intellectual property registry or Government Entity anywhere in the world (excluding any such proceeding, action or opposition that has not been published or of which GH does not have Knowledge) or has lapsed, expired or been abandoned or withdrawn. The GH Entities have taken reasonably sufficient measures to protect the Registered Intellectual Property and to perfect the chain of title recorded with the applicable Government Entity (including the United States Patent and Trademark Office) with respect to each such item of Registered Intellectual Property.

7.20.2 To the Knowledge of GH, the conduct of the business of the GH Entities has not infringed upon, misappropriated, diluted, or otherwise violated, and is not infringing upon, misappropriating, diluting or otherwise violating, the Intellectual Property rights of any third party. No proceedings have been instituted, are pending or, to the Knowledge of GH, are threatened, that challenge the validity of the ownership or right to use by the GH Entities of the Owned Intellectual Property and, to the Knowledge of GH, there is no basis therefor.

7.20.3 The GH Entities currently do not license anyone to use such Owned Intellectual Property and during the past three (3) years, there have been no claims brought, nor are there any claims pending or threatened, by any GH Entity alleging infringement, misappropriation, or violation of any such Owned Intellectual Property by any other Person.

7.20.4 The GH Entities solely and exclusively own, or exclusively license, all right, title, and interest in and to all Owned Intellectual Property, free and clear of all Liens, other than Permitted Liens, and possess adequate and enforceable licenses or other rights to use all GH Intellectual Property. The Owned Intellectual Property is valid, enforceable, and subsisting and is not subject to any outstanding Action, contract, or proceeding adversely affecting or that could adversely affect any GH Entities' use thereof or rights thereto. Except as set forth in Section 7.20.4 of the GH Disclosure Schedules: (i) no GH Entity has granted to any Person or authorized any Person to retain any rights in any Owned Intellectual Property; and (ii) the GH Intellectual Property constitutes all of the Intellectual Property necessary to the conduct of the business of the GH Entities as currently conducted or as proposed to be conducted. To the extent that any Owned Intellectual Property has been developed or created by an employee or any consultant, contractor, or other Person for or on behalf of any GH Entity, the applicable GH Entity has executed a valid and enforceable agreement with such employee or Person assigning all of such Person's rights in and to such Owned Intellectual Property (copies of which have been made available to RH) and thereby has obtained exclusive ownership of all Intellectual Property in such Owned Intellectual Property by operation of law or by valid assignment.

7.20.5 No licenses or other consents are required from any Person to permit any GH Entity to fully exploit the GH Intellectual Property and continue the conduct of the business as currently conducted or as proposed to be conducted. The consummation of the Transactions will not result in the loss of, or otherwise adversely affect, any ownership rights of any GH Entity in any Owned Intellectual Property or result in the breach or termination of any license, contract, or agreement to which any GH Entity is a party with respect to any GH Intellectual Property.

7.20.6 The GH Entities have taken all reasonably necessary actions to maintain the confidentiality, secrecy and value of the confidential and proprietary information thereof. Such information has not been used by or disclosed to any Person except pursuant to valid non-disclosure agreement with commercially reasonable protections of such confidential and proprietary information made available to such Person. To the Knowledge of GH, there has not been any material breach by any third party of any confidentiality obligation to any GH Entity. All current and former employees of the GH Entities, and all current and former independent contractors and consultants of the GH Entities, who have had access to confidential or proprietary information of any GH Entity have entered into confidentiality agreements with a GH Entity in the forms made available to RH.

7.20.7 None of the source code owned or purported to be owned by a GH Entity has been published, disclosed, or put into escrow by any GH Entity for any reason. No Person has unauthorized access to the source code. No GH product or Proprietary Software contains any Open Source Software.

7.20.8 To the Knowledge of GH, all IT Assets are free of any virus, malware, spyware, or other device or code ("**Malicious Code**") that could reasonably be expected to disrupt, disable, or otherwise impair the normal operation of, or provide unauthorized access to, any IT Assets, or damage, destroy, or prevent access to or use of any data or file. The GH Entities have used commercially reasonable best efforts to take steps to prevent the introduction of any Malicious Code into any IT Assets. The IT Assets are reasonably sufficient for the immediate and anticipated needs of the business as currently conducted. GH Entities have reasonably and



sufficiently secured the future availability of such IT Assets. The IT Assets are in reasonably sufficiently good working condition to perform all information technology operations necessary for the conduct of the business. To the Knowledge of GH, there has been no unauthorized access, use, intrusion, breach of security, material failure, or other adverse event affecting any IT Assets. The GH Entities have used commercially reasonable best efforts to take actions to protect the integrity and security of the IT Assets and the data and other information stored, accessed or processed thereon. The GH Entities maintain and adhere to commercially reasonable backup and data recovery, disaster recovery, and business continuity plans, procedures, and facilities, regularly tests the foregoing, and such plans, procedures and facilities have proven effective upon such testing.

7.20.9 To the extent an IT Asset is licensed or procured from any other Person, such IT Asset was licensed or procured pursuant to agreements containing sufficient and adequate terms to protect the applicable GH Entities. At a minimum such terms include an Intellectual Property infringement indemnity for GH Entities, and sufficiently protective data and information security terms.

## **7.21 Research.**

7.21.1 Except as set forth on Section 7.21.1 of the GH Disclosure Schedules, in the previous three (3) years, no sponsored human subjects research agreements of a GH Entity with life science or other companies, or non-profit or governmental sponsors of research, have been suspended or terminated due to non-compliance by the applicable GH Entity with applicable Legal Requirements, the protocol, instructions from the sponsor or the applicable Institutional Review Board (“**IRB**”), or for patient safety purposes. There are no pending or outstanding material disputes concerning the conduct of such research or compliance with sponsor requirements or applicable Legal Requirements.

7.21.2 During the past four (4) years, no GH Entity has been investigated by a Government Entity for the performance of any experimental or research procedures or studies conducted by any Employees and involving patients of any GH Entity, where such procedures or studies were allegedly either not authorized or did not have the conduct of the research protocol approved by an IRB or which were not conducted in accordance with the requirements of an IRB.

7.21.3 Each GH Entity is currently and at all times during the last three (3) years has been, in compliance in all material respects with all Legal Requirements for the conduct of human subjects research, including the design and approval (as applicable) by the IRB of the protocol for human subjects research, obtaining of any required informed consent, the conduct of research, billing of project costs to sponsors, use and dissemination of data, and publications and rights in Intellectual Property, and in compliance in all material respects with the applicable clinical trial agreement or document of similar applicability. All GH Persons who have engaged in human subjects research were properly trained or qualified to do so, and no research has been conducted by a GH Entity other than in material compliance with the approved protocol and applicable Legal Requirements.

## **7.22 Compliance Program and Related Matters.**

7.22.1 Each GH Entity has implemented and, for the past four (4) years, maintained, a Compliance Program, which program includes at least the following materials applicable to each GH Entity: material program descriptions, compliance officer and committee descriptions, ethics and risk area policy materials, auditing and monitoring program descriptions, reporting mechanisms, reporting logs, and disciplinary policies. Each GH Entity has conducted its operations during the past four (4) years in accordance with the applicable Compliance Programs in all material respects during the applicable period for which such Compliance Program was in effect. Any and all material issues with respect to each GH Entity's compliance with such programs that was brought to the attention of GH's or the applicable GH Entity's compliance officer (or other Compliance Program official) during the past four (4) years have been investigated and corrective actions taken in material compliance with applicable Health Care Law and the Compliance Programs applicable to the GH Entity, where appropriate.

7.22.2 Except as set forth on Section 7.22.2 of the GH Disclosure Schedules, no GH Entity during the past four (4) years, nor any of their respective current directors, managers, officers or employees or, to GH's Knowledge, any other authorized Person acting for or on behalf of any GH Entity, has made a voluntary disclosure of potential or actual non-compliance with any Health Care Law to any Government Entity with respect to the GH Entities, including a voluntary disclosure pursuant to the Office of Inspector General of the Department of Health and Human Services' self-disclosure protocol or the CMS self-referral disclosure protocol. Except as set forth on Section 7.22.2 of the GH Disclosure Schedules, the GH Entities: (i) are not a party to a corporate integrity agreement with the Office of Inspector General of the United States Department of Health and Human Services; (ii) have no compliance-related reporting obligations pursuant to any settlement agreement entered into with any Government Entity; (iii) to the Knowledge of GH, have not been the subject of any Government Program investigation conducted by any federal or state enforcement agency during the past four (4) years; (iv) have not been a defendant in any unsealed qui tam/False Claims Act litigation during the past four (4) years; and (v) have not been served with or received, during the past four (4) years, any search warrant, subpoena, criminal investigative demand or civil investigative demand by or from any federal or state enforcement agency (except in connection with unrelated third parties who may be defendants or the subject of investigation into conduct unrelated to the conduct of any GH Entity).

7.22.3 Subject to preservation of the applicable peer review privilege, GH has also provided to RH a list of any known CMS, Inspector General of the United States Department of Health and Human Services, State Health Agency, Pennsylvania State Board of Medicine, Pennsylvania Department of Health, Pennsylvania Attorney General (the "PAG"), or other state or federal Government Entity investigations of employed or non-employed physicians that have been furnishing services at any hospital or other health care facility or site operated by any GH Entity during the past four (4) years.

**7.23 Endowment and Restricted Funds.** Section 7.23 of the GH Disclosure Schedules lists all of the endowment and/or restricted funds held by each GH Entity. In its management and use of endowment or restricted funds, the GH Entities are and have at all times been in material compliance with applicable Legal Requirements related to endowment spending and with the requirements of the applicable donative instruments, and have received no written objection or

claim to the contrary from any donor with the right to object, or by the PAG or any other Government Entity, and there is not now pending or in writing threatened litigation against any GH Entity concerning any of the foregoing. To the Knowledge of GH, each GH Entity is currently and at all times during the last two (2) years has been in compliance in all material respects with all Legal Requirements applicable to its fundraising practices.

**7.24 Tax-Exempt and Public Charity Status.** To the Knowledge of GH, each tax-exempt GH Entity is in material compliance with all provisions of the Code pertaining to the maintenance of such Entity's status as an organization, as the case may be, that is tax-exempt pursuant to Section 501(c)(4) of the Code, or described in Section 501(c)(3) of the Code and as a public charity and not a "*private foundation*" within the meaning of Section 509(a) of the Code, and the IRS has not (a) taken, or to the Knowledge of GH, proposed to take, any action to revoke the tax-exempt status of any GH Entity that has tax-exempt status, (b) notified any tax-exempt GH Entity of any inquiry or jeopardy concerning such Entity's tax-exempt status, or (c) to the Knowledge of GH, determined in writing or, proposed to announce, that any tax-exempt GH Entity is a "*private foundation*" within the meaning of Section 509(a) of the Code. To the Knowledge of GH, there has been no material change in the organization or operation of any GH Entity that would reasonably be likely to result in a loss by any tax-exempt GH Entity of its status as an organization, as the case may be, that is tax-exempt pursuant to Section 501(c)(4) of the Code, or described in Section 501(c)(3) of the Code or as a public charity and not a "*private foundation*" within the meaning of Section 509(a) of the Code. Except as set forth in Section 7.24 of the GH Disclosure Schedules, to the Knowledge of GH, since the time of the determination by the IRS that each tax-exempt GH Entity is an organization, as the case may be, that is tax-exempt pursuant to Section 501(c)(4) of the Code, or described in Section 501(c)(3) of the Code and is a public charity and not a "*private foundation*" within the meaning of Section 509(a) of the Code, no event or condition has occurred which could reasonably be expected to jeopardize the status of such GH Entity as an organization, as the case may be, that is tax-exempt pursuant to Section 501(c)(4) of the Code, or described in Section 501(c)(3) of the Code or as a public charity and not a "*private foundation*" within the meaning of Section 509(a) of the Code, or expose such GH Entity to material unpaid unrelated business income tax or material excise tax.

#### **7.25 Insurance and Health Plan Regulatory Matters.**

7.25.1 Each GH Entity that sells or issues insurance products or is otherwise involved in an insurance line of business or health maintenance organization line of business (each, an "**Insurance Entity**" and, collectively, the "**Insurance Entities**") possesses all governmental licenses, permits, approvals, accreditations (including but not limited to National Committee for Quality Assurance accreditation) and authorizations legally required for it to sell such products and conduct such business as currently conducted. In addition, each Insurance Entity has timely filed all material reports, statements, documents, registrations, filings (including, but not limited to, filings with respect to medical loss ratio information), submissions or, to the Knowledge of GH, encounter data, risk adjustment diagnosis and related information required to be filed with any Government Entity during the past four (4) years, and all such reports, statements, documents, registrations, filings, submissions or, to the Knowledge of GH, encounter data, risk adjustment diagnosis and related information were true, complete and accurate in all material respects when filed. GH has made available to RH (i) copies of all material reports and registrations (including

registrations as a member of an insurance holding company system) and any supplements or amendments thereto filed during the past four (4) years, by or with respect to any Insurance Entity with any Insurance Regulatory Authority, and (ii) copies of all financial examination and market conduct examination reports conducted within the past four (4) years by any Insurance Regulatory Authority with respect to or including as a subject thereof any Insurance Entity. To the Knowledge of GH, no Insurance Entity is subject to any pending or threatened audits or reviews, including examinations related to compliance with Health Care Law, risk adjustment or encounter data, submissions, bid preparations or financial or market conduct examination by an Insurance Regulatory Authority. Section 7.25.1 of the GH Disclosure Schedules sets forth a complete and correct list of all Insurance Entities.

7.25.2 To the extent required by applicable Legal Requirements, all Insurance Contracts issued by any Insurance Entity, and all endorsements, riders, applications, and certificates pertaining thereto, were issued on policy forms approved by the applicable Insurance Regulatory Authority or which were filed and not objected to by such Insurance Regulatory Authority within the period provided for objection, in each case except as would not reasonably be expected to result in a material violation of applicable Legal Requirements by, or a material fine on, the applicable Insurance Entity. No material deficiencies with respect to any such filings have been asserted in writing by any Government Entity. During the past four (4) years, all premium rates, rating plans and policies that are required to be filed with or approved by Government Entities have been duly filed and/or approved in all material respects and the premiums charged in fact conform in all material respects to the premiums so filed and/or approved and comply in all material respects with applicable Health Care Laws.

7.25.3 No Insurance Entity has any compensation plans or programs for the payment of compensation to insurance agents, brokers, producers or similar Persons licensed to sell insurance products other than commissions in form and amounts that comply with Legal Requirements. GH has previously made available to RH the standard forms of contracts that govern the basic relationship between an Insurance Entity and an agent, broker, producer or similar Person licensed to sell insurance products. Except as set forth on Section 7.25.3 of the GH Disclosure Schedules, to the Knowledge of GH, during the past four (4) years, each insurance agent, broker, producer or similar Person licensed to sell insurance products, at any time that it wrote, sold or produced insurance for an Insurance Entity, was duly licensed, authorized and appointed (for the type of business written, sold or produced by such agent, broker, producer or similar Person licensed to sell insurance products) in the particular jurisdiction in which such agent, broker producer or similar Person licensed to sell insurance products wrote, sold or produced such business and, to the Knowledge of GH, during the past four (4) years, no such agent, broker, producer or similar Person licensed to sell insurance products violated any term or provision of applicable Legal Requirements or any applicable contract with a agent, broker, producer or similar Person licensed to sell insurance products relating to the writing, sale or production of Insurance Contracts. During the past four (4) years, no Insurance Entity has received written notice of any review or investigation by any Government Entity of any market conduct and/or selling practices of Insurance Entities, other than periodic market conduct examinations arising in the ordinary course of business and attorney general inquiries in connection with which no material issues have been raised that have not been resolved. To the Knowledge of GH, no insurance agent, broker producer or similar Person licensed to sell insurance products has been

enjoined, indicted, convicted or made the subject of any consent decree or judgment on account of any violation of applicable Legal Requirements in connection with such action of an agent's, broker's, producer's or similar Person licensed to sell insurance products in his, her or its capacity as an insurance agent, broker, producer or similar Person licensed to sell insurance products for an Insurance Entity or any enforcement or disciplinary proceeding alleging any such violation.

7.25.4 Other than as set forth in Section 7.25.4 of the GH Disclosure Schedules, GH is, and for the past four (4) years has been, in compliance in all material respects with all Legal Requirements and Government Entity contracts applicable to the conduct of the Insurance Entities. Neither GH nor any of its officers or directors has, within the past four (4) years, received any written notice, order, complaint, claim, investigation or other written communication from any Government Entity or any other Person regarding any actual or alleged material violation of any Legal Requirement or Government Entity contract applicable to GH. No Government Entity has instituted, implemented, taken or threatened in writing to take in connection with an Insurance Entity's actual or alleged violation of any Legal Requirement or Government Entity contract, any other action the effect of which, individually or in the aggregate, would be reasonably expected to have a material detrimental impact on any Insurance Entity. Further, other than as set forth in Section 7.25.4 of the GH Disclosure Schedules, no Insurance Entity has received any written notice from a Government Entity stating that the Insurance Entity's contract with the Government Entity will not be renewed, nor has any Insurance Entity received any written notice from a Government Entity stating that the Insurance Entity has not been selected for a future Government Entity contract through a competitive procurement process.

7.25.5 Each Insurance Entity possesses capital reserves in sufficient amounts to comply with all Legal Requirements for statutory funding and liquidity. Each Insurance Entity has accrued or reserved sufficient funding to cover all medical and health care claims expenses incurred but not reported and incurred but pending or otherwise unpaid, in each case, in accordance with applicable accounting principles.

7.25.6 Other than as set forth in Section 7.25.6 of the GH Disclosure Schedules and other than financial reconciliations conducted in the ordinary course of business, there are not any and for the past four (4) years there have not been any material recoupments, adjustments or recovery proceedings of any Insurance Entity paid, recouped, or being sought, requested, claimed or, to the Knowledge of GH, threatened against GH or any Insurance Entity. Other than set forth in Section 7.25.6 of the GH Disclosure Schedules, for the past four (4) years, neither GH nor any officers or directors of GH has received written notice of, or to the Knowledge of GH, has been the subject of, any audit, inquiry, or investigation that requires, or could reasonably be expected to require, the payment of money by GH to any Government Entity, or requires or prohibits any activity by GH, other than routine reconciliations of eligibility, enrollments and disenrollments and routine financial subsidies and payments ("**Routine Reconciliations**"). Any and all Routine Reconciliations for which GH has Knowledge of specific amounts that are or will be owed by GH and for which GH has not made repayment in full of the resulting liability to the applicable Government Entity are set forth in Section 7.25.6 of the GH Disclosure Schedules. There are no claims, Actions, payment reviews, or other proceedings of which GH has received written notice, or, to GH's Knowledge, appeals pending or threatened, before any Government Entity with respect



to any payments received by GH or any Insurance Entity, which could have a material detrimental impact on any Insurance Entity, either individually or in the aggregate.

7.25.7 For the past four (4) years, no Insurance Entity has been subject to any sanction, fine, penalty, civil or criminal monetary penalty or other assessment, holdback, or adjustment under any Legal Requirement including relating to any allegations of false, fraudulent or impermissible claims under, or payments to induce a reduction or limitation of health care services to beneficiaries of, any Government Program. To the Knowledge of GH, GH has not, in the past four (4) years been, and is not currently the subject of any investigation, audit or proceeding that may reasonably be expected to result in such sanction, fine, penalty, civil or criminal monetary penalty, or other assessment, holdback, or adjustment. No Insurance Entity is currently or in the past four (4) years has been a party to any corporate integrity agreement, monitoring agreement, consent decree, settlement order, or similar agreement imposed by or otherwise entered into with any Government Entity. Except as disclosed in Section 7.25.7 of the GH Disclosure Schedules, within the past four (4) years, no Insurance Entity has received or otherwise been notified of or a party to any (i) orders, letters, communications or other notices from CMS or any other Government Entity relating to the Insurance Entity's failure to meet or non-compliance with any requirement for participation in any Government Program or other health care programs (including any orders, letters, communications or notices stating that continued participation may be contingent on the Insurance Entity developing, adopting, implementing or taking any sort of corrective or remedial actions), or (ii) corrective action plans developed by any Insurance Entity in response to or as a result of the orders, letters, communications and notices specified in clause (i), in each case, material to the Insurance Entity.

7.25.8 In the previous four (4) years, no Insurance Entity employee or, to the Knowledge of GH, any independent contractor, has violated any Legal Requirement applicable to the marketing or enrollment of any Insurance Entity in any material respect. The compensation payable by any Insurance Entity to its marketing staff, and to its contractors and vendors utilized in connection with marketing, complies in all material respects with applicable Legal Requirements.

7.25.9 Except as disclosed in Section 7.25.9 of the GH Disclosure Schedules, GH has provided RH with complete copies of all reports in final form, or if no final form is available, in draft form, issued by any Government Entity or accreditation organization and any surveys, inspections and audits of GH or any Insurance Entity conducted in the past four (4) years. To the Knowledge of GH, GH and the Insurance Entities have addressed all findings and deficiencies identified in such reports to the satisfaction of the relevant Government Entity or accreditation organization. GH has no Knowledge of and has not received written notice of any future surveys, inspections or audits of GH or any Insurance Entity by a Government Entity or accreditation organization.

**7.26 No Outstanding Rights.** Except as set forth in Section 7.26 of the GH Disclosure Schedules (and excluding debt financing and furniture and equipment leases entered into in the ordinary course of business) there are no outstanding rights (including any right of first refusal), options, or Material Contracts giving any Person any current or future right to require any GH Entity to sell or transfer to such Person or to any third party any interest in any of the material assets of any GH Entity.

**7.27 Statutory Funds.** Neither any GH Entity, nor, to the Knowledge of GH, any of their predecessors that owned or operated the facilities currently owned or operated by the GH Entities, has received any loans, grants, loan guarantees, donations, monies, or other financial assistance pursuant to the Hill-Burton Act program, Pub. L. 79-725, the Health Professions Educational Assistance Act, Pub. L. 88-129, 77 Stat. 164, the Nurse Training Act, Pub. L. 92-158, the National Health Planning and Resources Development Act, Pub. L. 93-641, 88 Stat. 2226, or the Community Mental Health Centers Act, Pub. L. 92-211, as amended, or similar Legal Requirements relating to health care facilities that remain unpaid or which impose any restrictions on them or their assets that have not yet been fully discharged.

**7.28 COVID-19 Relief Funds Received and Applied For.**

7.28.1 Section 7.28.1 of the GH Disclosure Schedules sets forth an accurate list of and all significant details relating to (including amounts and timing thereof) each fund, grant, loan, advance (including Medicare payment advances), or payment (and the amounts thereof) received to date by any GH Entity from, and each fund, grant, loan, advance or payment applied for but not yet received to date, by any GH Entity from, any Government Entity relating to or arising from the COVID-19 declared nationwide emergency (pandemic) or its impacts or consequences, including without limitation COVID-19 relief programs (e.g., CARES Act stimulus, provider relief funds, Federal Emergency Management Administration funds, Administration for Strategic Preparedness & Response funds or federal, state or local grants or subsidies, etc.) and similar programs (the “**COVID-19 Relief Funds**”), other than any COVID-19 Relief Funds already fully repaid, discharged or forgiven in accordance with applicable Legal Requirements.

7.28.2 All applications to Government Entities by any GH Entity for, and all filings made to Government Entities by any GH Entity in connection with, any COVID-19 Relief Funds have been true and correct in all respects. Any GH Entity that received any COVID-19 Relief Funds was and remains eligible under the terms of the applicable governmental program to receive and retain all of the funds so received (except for any such funds that have been returned to or forgiven by the applicable Government Entity). Any COVID-19 Relief Funds received by any GH Entity that were loans have been timely repaid by the GH Entity with all applicable interest (to the extent repayment has been required as of the Execution Date and as of the Closing Date, as applicable, under the terms of the applicable program).

**7.29 Personal Property.** Except as disclosed in the Financial Statements, all material personal property owned, leased or used in connection with the business of the GH Entities, including all material equipment, Fixtures, machinery, vehicles, and leasehold Improvements, is in good operating condition and repair, except for ordinary wear and tear and other matters considered individually and in the aggregate that would not have a material detrimental impact on the applicable GH Entity, and, as of the Closing, will be free and clear of Liens, other than the Permitted Liens.

**7.30 Inventory.** The Inventory existing on the Execution Date will exist on the Closing Date, except for Inventory exhausted or added in the ordinary course of business between the Execution Date and the Closing Date. The Inventory is (in quantity, quality and merchantability) sufficient to conduct the normal operations of the GH Entities in the ordinary course of business



consistent with historic practice. “**Inventory**” means all usable inventory and supplies held or used in the business of the GH Entities.

### **7.31 Debt.**

7.31.1 Except as set forth in the debt documents previously provided to RH which are listed in Section 7.31 of the GH Disclosure Schedules or equipment capital leases with total aggregate payments outstanding of less than One Million Dollars (\$1,000,000) (the “**Existing GH Debt Documents**”), no GH Entity is subject to any Lien (other than Permitted Liens) relating to the existing Indebtedness of the GH Entities (the “**Existing GH Debt**”) pursuant to any trust indenture, loan agreement or other agreement entered into in connection with the Existing GH Debt. All Existing GH Debt is listed in Section 7.31 of the GH Disclosure Schedules.

7.31.2 The GH Entities are in compliance in all material respects with the terms and conditions of any Existing GH Debt Documents, and to the Knowledge of GH, no event or condition exists that constitutes an event of default under any such documents or that, with the passing of time or the giving of notice, or both, would reasonably constitute an event of default under any such documents.

7.31.3 To the Knowledge of GH, there is no event or condition that has occurred or exists which would reasonably be expected to adversely and materially affect the status of the interest payable on any Existing GH Debt from being excluded from gross income for federal income tax purposes, if applicable. No inquiry from the IRS or action is pending or, to the Knowledge of GH, threatened which challenges the status of the interest payable on any Existing GH Debt from being excluded from gross income for federal income tax purposes, if applicable.

7.31.4 Any arbitrage rebate payments required to be paid with respect to the Existing GH Debt under § 148(f) of the Code have been paid to the United States, in the manner, on the dates and in the amounts required by § 148(f) of the Code.

7.31.5 Except as set forth on Section 7.31.5 of the GH Disclosure Schedules, the execution of this Agreement and the consummation of the Transactions will not result in any breach or contravention of, or give rise to a right of termination, cancellation, acceleration or to the loss of a benefit thereunder, or the creation of any claim, liability or Lien under the Existing GH Debt Documents, and does not require consent from or notice to any other Person that is party to the Existing GH Debt Documents.

**7.32 Brokers and Finders.** No GH Entity, nor any officer or director or trustee thereof, has engaged any finder, broker or investment adviser in connection with the Transactions contemplated hereunder.

### **7.33 Data Privacy.**

7.33.1 To the Knowledge of GH, each GH Entity has all rights, authority, consents and authorizations, or permitted waivers of the same, necessary to receive, access, use, disclose and otherwise process, in each case in material compliance with applicable Information Privacy and Security Laws and any contracts to which such GH Entity is a party, the Personal Information

in their possession or under their control in connection with the operation of their business as presently conducted. Each GH Entity, to GH's Knowledge, has made all material disclosures, and has obtained all material consents and authorizations or permitted waivers of the same, required to process Personal Information, in connection with the operation of their business as presently conducted, in material compliance with applicable Information Privacy and Security Laws and any privacy statement published by each GH Entity, as applicable.

7.33.2 Each GH Entity's policies, procedures and practices governing the receipt, collection, monitoring, maintenance, creation, transmission, use, analysis, disclosure, storage, disposal and security of Personal Information has complied for the past four (4) years, and complies, in all material respects with (i) to the Knowledge of GH, any contracts to which such GH Entity is party, (ii) all Information Privacy and Security Laws, and (iii) all required consents and authorizations that apply to such GH Entity's receipt, access, use or disclosure of Personal Information. Each GH Entity has all necessary and material authority, consents and authorizations, or permitted waivers of the same, to receive, access, use and disclose the Personal Information in such GH Entity's possession or under its control in connection with the operation of such GH Entity.

7.33.3 Each GH Entity has entered into a contract that materially complies with the provisions for "*business associate contracts*" required by 45 C.F.R. § 164.504(e) or § 164.314(a), as amended, with the applicable third party in each instance where: (i) such GH Entity presently acts as a Business Associate to that third party or (ii) such third party presently acts as a Business Associate to such GH Entity, in each case as required by, and in material conformity with, applicable Information Privacy and Security Laws and the applicable contracts to which such GH Entity is a party.

7.33.4 Employees of the GH Entities who have access to Personal Information have received training at least annually with respect to compliance with all applicable and relevant Information Privacy and Security Laws.

7.33.5 Each GH Entity has adopted written policies and procedures with respect to privacy, data protection, security, processing, collection, disclosure and use of Personal Information gathered, used, disclosed or accessed in the course of the operations of such GH Entity, and those policies and procedures are reasonable and materially comply with applicable Information Privacy and Security Laws.

7.33.6 Each GH Entity has implemented and maintains a comprehensive information security program that: (i) materially complies with all Information Privacy and Security Laws and is reasonable and appropriate; (ii) identifies internal and external risks to the security of any proprietary or confidential information in its possession, including Personal Information and the rights and freedoms of the subjects of that Personal Information; (iii) monitors and protects Personal Information and all IT Assets against unauthorized use, access, interruption, modification or corruption and in conformance with Information Privacy and Security Laws; (iv) implements, monitors, and maintains reasonable and appropriate administrative, organizational, technical, and physical safeguards to control the risks described above in (ii) and (iii); (v) is described in written data security policies and procedures; (vi) assesses each GH Entity's data security practices, programs and risks; (vii) maintains incident response and notification

procedures in material compliance with applicable Information Privacy and Security Laws, including in the case of any breach of security compromising Personal Information; and (viii) provides for commercially reasonable diligence of the safeguards and practices of its vendors, contractors and subcontractors.

7.33.7 Each GH Entity has performed a security risk assessment that materially meets the standards set forth at 45 C.F.R. § 164.308(a)(1)(ii)(A), including an assessment as described at 45 C.F.R. § 164.306(d)(3), taking into account factors set forth in 45 C.F.R. § 164.306(a)–(c), any requirements to perform security assessments under any Information Privacy and Security Law, and any obligations to perform security assessments set forth in any contracts to which such GH Entity is party (collectively, each a “**Security Risk Assessment**”). Each GH Entity has addressed and remediated all high or critical risk threats and deficiencies, and has addressed and remediated or is in the process of remediating all medium risk threats and deficiencies, identified in each such Security Risk Assessment.

7.33.8 Each GH Entity has identified, documented, investigated, contained, remediated and eradicated each known and material Security Incident (as defined in 45 C.F.R. § 164.304) during the past four (4) years related to any IT Asset or Personal Information or other confidential data of such GH Entity or a customer of such GH Entity, transmitted, processed, maintained, stored or otherwise available on or through an IT Asset of such GH Entity.

7.33.9 Except as set forth on Section 7.33.9 of the GH Disclosure Schedules, there have been no material occurrences of unauthorized access, control, use, modification or destruction of any IT Asset, or material unauthorized access, use, acquisition or disclosure of any Personal Information owned, used, stored, received, or controlled by or on behalf of any GH Entity in the past four (4) years, in each case as would constitute a breach for which notification to any Person is required under any applicable Information Privacy and Security Laws or any contracts to which any GH Entity is a party. Further, for the incidents set forth on Section 7.33.9 of the GH Disclosure Schedules, GH represents and warrants that any and all GH Entities have completed, as required under any applicable Information Privacy and Security Laws or any contracts to which any GH Entity is a party, all necessary notifications to Persons under any applicable Information Privacy and Security Laws or contracts to which any GH Entity is a party, and commercially reasonable and appropriate remediation steps.

7.33.10 No Action has been commenced in the past four (4) years, nor is any Action pending or, to the Knowledge of GH, threatened against any GH Entity or its “*workforce*” (as defined in 45 C.F.R. § 160.103) regarding or relating to any GH Entity’s processing of Personal Information.

#### **7.34 Education Approvals and Compliance.**

7.34.1 Each School is and since the Education Compliance Date has been in compliance in all material respects with all applicable Education Laws. Since the Education Compliance Date, each School has obtained, held, and been in material compliance with the terms and conditions of, all Education Approvals necessary to conduct its operations. Section 7.34.1 of the GH Disclosure Schedules sets forth a correct and complete list of all Education Approvals currently issued to each School, such approvals are in full force and effect and constitute all the

Education Approvals necessary to conduct the operations of the Schools as currently conducted, and no event has occurred which constitutes or, with the giving of notice or passage of time or both, would constitute a material breach or violation of such Education Approval, and there is no pending proceeding, nor any written threat by an Education Agency to initiate a proceeding, to suspend, materially limit, revoke, terminate, cancel, or decline to renew any such Education Approval or to impose a material fine or other material monetary liability on a School. Since the Education Compliance Date, (a) each School has, as applicable, met the qualifications to be (i) licensed, exempt from licensure or otherwise authorized or approved by each State Education Agency (to the extent required to be licensed, exempt, authorized or approved by such State Education Agency) and (ii) accredited by each Accrediting Body that accredits a School or one or more of its educational programs, (b) each School complies in all material respects with the applicable provisions of 34 C.F.R. § 600.4, and (c) each School has been in compliance in all material respects with the applicable provisions in 34 C.F.R. § 600.7. Since the Education Compliance Date (x) no material application made by any School to any Education Agency has been denied or withdrawn, (y) no School has received written notice from any Education Agency that the School has been placed on probation or ordered to show cause why any Education Approval should not be revoked, conditioned, suspended or limited, and (z) no School has received any written notice from any Education Agency (i) asserting an actual, alleged, possible or potential material violation of, or failure to comply, by a School in any material respect with any term or requirement of any Education Approval or any Education Law, (ii) asserting that a School is required to have an Education Approval that it does not have or (iii) indicating that any current Education Approval will not be renewed or will be subjected to any material conditions or limitations that are not generally applicable to and required for all postsecondary education institutions issued a comparable Education Approval. No fact or circumstance exists that, to any School's knowledge, would be likely to result in (A) the termination, revocation, material limitation or suspension of, or failure of any School to obtain renewal of, any Education Approval, (B) the failure of any School to obtain any of the consents identified on Section 7.34.1 of the GH Disclosure Schedules or (C) the imposition of any fine, penalty or other sanction for violation of any Education Law. Each School has timely filed with the relevant Education Agency each application required for the renewal of any Education Approval as to which the renewal deadline has occurred as of the Closing Date, except as would not reasonably be expected to prevent the applicable School from obtaining renewal of the Education Approval in question. No School has received written notice from any Education Agency of any pending or threatened investigation, audit, review or site visit by an Education Agency with respect to any Education Approval or a School's compliance with any Education Law, except for audits, reviews or site visits conducted on a routine or periodic basis with respect to any entity regulated by the respective Education Agency or holding the respective Education Approval, and no School is subject to limitations imposed by an Education Agency on the School's maximum student enrollment, ability to add new campuses, or ability to add new educational programs or to make changes to existing educational programs, except for requirements for notice to or approval by an Education Agency that are generally applicable to and required for all postsecondary education institutions issued a comparable Education Approval.

7.34.2 Each School is, and since the Education Compliance Date has been, as applicable, in material compliance with all Education Laws relating to the Title IV Programs or any other Financial Assistance programs.

7.34.3 Since the Education Compliance Date, each School has complied in all material respects with the applicable provisions of 34 C.F.R. §§ 668.71 to .74.

7.34.4 From the Education Compliance Date, (a) each School has obtained all Education Approvals required to operate each location of each School to offer each program provided at or from each location, and (b) each location where Financial Assistance program funds are offered or administered has been approved by all applicable Education Agencies to the extent required under the applicable Financial Assistance programs. Since the Education Compliance Date, (y) no School has been subject to any adverse proceeding (including any show-cause proceeding) by any Education Agency with respect to one of its locations or educational programs and (z) each educational program offered by each School for which Title IV Program funds have been provided has complied in all material respects with the provisions of 34 C.F.R. § 668.8 and 668.10. Since the Education Compliance Date, each School has obtained all Education Approvals required to offer any educational program, or portion of an educational program by distance education delivery methods.

7.34.5 Since the Education Compliance Date, each School has disclosed and timely reported, to the extent required, in compliance in all material respects with the applicable provisions of 34 C.F.R. Part 600: (a) the addition of any new educational programs or locations and (b) the ownership of each School, including any shifts in ownership or control and changes in reported ownership levels or percentages. With respect to any location or facility that has closed, or at which any School has ceased operating educational programs, since the Education Compliance Date, or any program that any School has ceased offering since the Education Compliance Date, the applicable School has complied in all material respects with all Education Laws related to the closure or cessation of instruction at such location or facility, or with respect to any discontinued program, and has paid all liabilities for federal loan discharges about which ED notified the School in writing and that are not still subject to appeal by the School.

7.34.6 Since the Education Compliance Date, each School has complied in all material respects with (a) the applicable terms of 20 U.S.C. § 1094(a)(20) and 34 C.F.R. § 668.14(b)(22); (b) all other applicable Education Laws (including, without limitation, applicable legally binding guidance issued by ED) concerning the provision of commissions, bonuses or other incentive payments to admissions representatives, agents and other persons engaged in any student recruiting or admission activities or in making decisions regarding the awarding of funds under Financial Assistance programs; and (c) the applicable provisions of 20 U.S.C. § 1094(a)(27)-(a)(28) and 34 C.F.R. § 682.212.

7.34.7 Since the Education Compliance Date, no School has provided any educational instruction on behalf of any other Person (whether or not participating in the Title IV Programs) and no other Person has provided any educational instruction on behalf of any School.

7.34.8 For each fiscal year ended since the Education Compliance Date, each School has complied in all material respects with 34 C.F.R. § 668.171-175 and with the applicable Education Laws regarding financial responsibility requirements of each Education Agency that issues an Education Approval to any School. Since the Education Compliance Date, (a) no Education Agency has required any School to post a letter of credit or other form of surety for any reason, including any request for a letter of credit based on late refunds pursuant to 34 C.F.R.



§ 668.173, or required or requested that a School process its Title IV Program funding under the reimbursement or heightened cash monitoring level 1 or level 2 procedures set forth at 34 C.F.R. § 668.162(c)-(d), and (b) no Education Agency has notified any School in writing that it lacked financial responsibility for any period under the applicable Education Laws in effect in such period. Since the Education Compliance Date, (x) each School has complied in all material respects with the applicable provisions of 34 C.F.R. § 668.16 regarding administrative capability and (y) no Education Agency has notified any School in writing that it lacked administrative capability for any period under the applicable Education Laws in effect in such period.

7.34.9 Since the Education Compliance Date, each School has (a) complied in all material respects with all applicable Education Agency requirements and regulations regarding fair and equitable refund policies and (b) calculated and timely paid refunds and returns of Title IV Program funds and any other Financial Assistance program funds, and calculated dates of withdrawal and leaves of absence, in material compliance with all applicable Education Laws, including the requirements of 34 C.F.R. § 668.22 and any predecessor regulations.

7.34.10 Since the Education Compliance Date, each School has complied in all material respects with applicable Education Laws concerning the collection, calculation and timely reporting of student outcomes, including retention, completion and placement rates, and graduate examination and professional licensure pass rates.

7.34.11 No School nor any Person that exercises substantial control (as the term “*substantial control*” is defined in 34 C.F.R. § 668.174(c)(3)) over any School, and any member of such Person’s family (as the term “*family*” is defined in 34 C.F.R. Section 668.174(c)(4)), alone or together, (a) exercise or have exercised substantial control over another institution or third-party servicer (as that term is defined in 34 C.F.R. § 668.2) that owes a liability for a violation of a Title IV Program requirement and (b) owes a liability for a Title IV Program violation, in each case related to the period in which any School or any Person that exercises substantial control over any School, or member of such Person’s family, exercised substantial control over such institution or third-party servicer.

7.34.12 Since the Education Compliance Date, no School has knowingly employed in a capacity involving administration of Title IV Program funds any individual who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of funds of a Government Entity or Education Agency, or has been administratively or judicially determined to have committed fraud or any other violation of any Legal Requirement or Education Law involving funds of any Government Entity or Education Agency, respectively.

7.34.13 Since the Education Compliance Date, no School has knowingly contracted with an institution or third-party servicer (as that term is defined in 34 C.F.R. § 668.2) that has been terminated under either 20 U.S.C. § 1082 or 20 U.S.C. § 1094 for a reason involving the acquisition, use or expenditure of funds of a Government Entity or Education Agency, or has been administratively or judicially determined to have committed fraud or any other violation of any Legal Requirement or Education Law involving funds of any Government Entity or Education Agency, respectively.

7.34.14 Each School and its owners, chief executive officer, and directors have not pled guilty to, pled nolo contendere or been found guilty of, a crime involving the acquisition, use or expenditure of funds under the Title IV Programs or been judicially determined to have committed fraud involving funds under the Title IV Programs.

7.34.15 Each School, or any Affiliate thereof that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of any School, has not filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

7.34.16 Each School is in material compliance with applicable Education Laws regarding the submission of financial statement audits and compliance audits, including the applicable provisions of 34 C.F.R. § 668.23.

7.34.17 Since the Education Compliance Date, none of the Schools has been, or has had any principal or affiliate (as the terms “*principal*” and “*affiliate*” are defined in 2 C.F.R. pts. 180 and 3485) that has been, debarred or suspended under Executive Order 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations, 48 C.F.R. part 9, subpart 9.4, nor, to the Knowledge of GH, is any School engaging in any activity that is a cause under 2 C.F.R. § 180.700 or § 180.800, as adopted at 2 C.F.R. § 3485.12, for debarment or suspension under Executive Order 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations, 48 C.F.R. part 9, subpart 9.4.

7.34.18 Section 7.34.18 of the GH Disclosure Schedules sets forth each notice to or consent, approval or authorization of, any Education Agency required to be made or obtained under applicable Education Law in relation to the Transactions to continue, renew or reinstate any current Education Approval necessary to operate the Schools upon or following the consummation of the Transactions (each an “**Education Consent**”).

7.34.19 Since the Education Compliance Date, each School has complied in all material respects with the applicable provisions of federal non-discrimination Legal Requirements to which the School is subject, including the applicable provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. Since the Education Compliance Date, each School has complied in all material respects with the applicable provisions of (i) the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, as amended; (ii) the Violence Against Women Reauthorization Act of 2013; and (iii) the consumer disclosure requirements in 34 C.F.R. Part 668 Subpart D.

7.34.20 Since March 27, 2020, each School has administered and disbursed funds received pursuant to the Higher Education Emergency Relief Fund in accordance in all material respects with applicable Education Law, including the applicable provisions of the Coronavirus Aid Relief and Economic Security Act, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, and the American Rescue Plan Act of 2021.



## **8. REPRESENTATIONS AND WARRANTIES OF RH AND KAISER.**

As of the Execution Date and as of the Closing Date, each of RH and Kaiser, as applicable, represents and warrants the following:

**8.1 Organization and Good Standing.** RH is a nonstock nonprofit corporation, duly organized and validly existing under the laws of the State of Delaware. Kaiser is a nonprofit public benefit corporation, duly organized and validly existing under the laws of the State of California.

**8.2 Powers; Consents; Absence of Conflicts with Other Agreements.** Each of RH and Kaiser has the requisite power and authority to execute, deliver, and perform this Agreement and all other agreements referenced herein, or ancillary hereto, to which RH or Kaiser, as applicable, is a party and to conduct its respective business as is now being conducted. The execution, delivery, and performance of this Agreement by each of RH and Kaiser and all other agreements referenced herein or ancillary hereto to which RH or Kaiser, as applicable, is a party, and the consummation by RH, Kaiser, as applicable of the Transactions:

8.2.1 Are within the corporate powers and authority of such Party to perform on its behalf, are not in contravention of the terms of the Organizational Documents of such Party, and have been (or will be, as of the Closing Date) duly authorized by all appropriate corporate actions, which actions remain in full force and effect;

8.2.2 Except as provided in Section 9.5.1, 9.5.2 or 9.5.3, or Schedule 10.4, do not require any approval or consent of, or filing with, any Government Entity, including with respect to such Party's licenses, registrations, certifications, permits and approvals;

8.2.3 Except as otherwise set forth on Schedule 8.2.3, will not result in any breach or contravention of (whether after the giving of notice, lapse or time or both), or give rise to a right of termination, cancellation, acceleration or to the loss of a material benefit thereunder, or the creation of any Lien under, any material contract, permit or license to which such Party is a party or by which such Party is bound; and

8.2.4 Will not violate any federal, state or local laws to which such Party is subject.

**8.3 Binding Agreement.** This Agreement and all agreements to which RH, Kaiser or any of their respective Affiliates, as applicable, will become a party pursuant hereto are and will constitute the valid and legally binding obligations of RH, Kaiser or their respective Affiliates, as applicable, and are and will, upon receipt of the approvals set forth in Schedule 10.4, be enforceable against such applicable party in accordance with the respective terms hereof or thereof, except as enforceability may be limited by: (i) general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws or Legal Requirements of general application now or hereafter in effect, relating to or affecting the enforcement of creditors' rights generally.

**8.4 Education Approvals and Compliance.**

8.4.1 No Kaiser School nor any Person that exercises substantial control (as the term “*substantial control*” is defined in 34 C.F.R. § 668.174(c)(3)) over any Kaiser School, and any member of such Person’s family (as the term “*family*” is defined in 34 C.F.R. Section 668.174(c)(4)), alone or together, (a) exercise or have exercised substantial control over another institution or third-party servicer (as that term is defined in 34 C.F.R. § 668.2) that owes a liability for a violation of a Title IV Program requirement and (b) owes a liability for a Title IV Program violation, in each case related to the period in which any Kaiser School or any Person that exercises substantial control over any Kaiser School, or member of such Person’s family, exercised substantial control over such institution or third-party servicer.

8.4.2 Since the Education Compliance Date, no Kaiser School has knowingly employed in a capacity involving administration of Title IV Program funds any individual who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use or expenditure of funds of a Government Entity or Education Agency, or has been administratively or judicially determined to have committed fraud or any other violation of any Legal Requirement or Education Law involving funds of any Government Entity or Education Agency, respectively.

8.4.3 Since the Education Compliance Date, no Kaiser School has knowingly contracted with an institution or third-party servicer (as that term is defined in 34 C.F.R. § 668.2) that has been terminated under either 20 U.S.C. § 1082 or 20 U.S.C. § 1094 of the HEA for a reason involving the acquisition, use or expenditure of funds of a Government Entity or Education Agency, or has been administratively or judicially determined to have committed fraud or any other violation of any Legal Requirement or Education Law involving funds of any Government Entity or Education Agency, respectively.

8.4.4 Each Kaiser School and its owners, chief executive officer, and directors have not pled guilty to, pled nolo contendere or been found guilty of, a crime involving the acquisition, use or expenditure of funds under the Title IV Programs or been judicially determined to have committed fraud involving funds under the Title IV Programs.

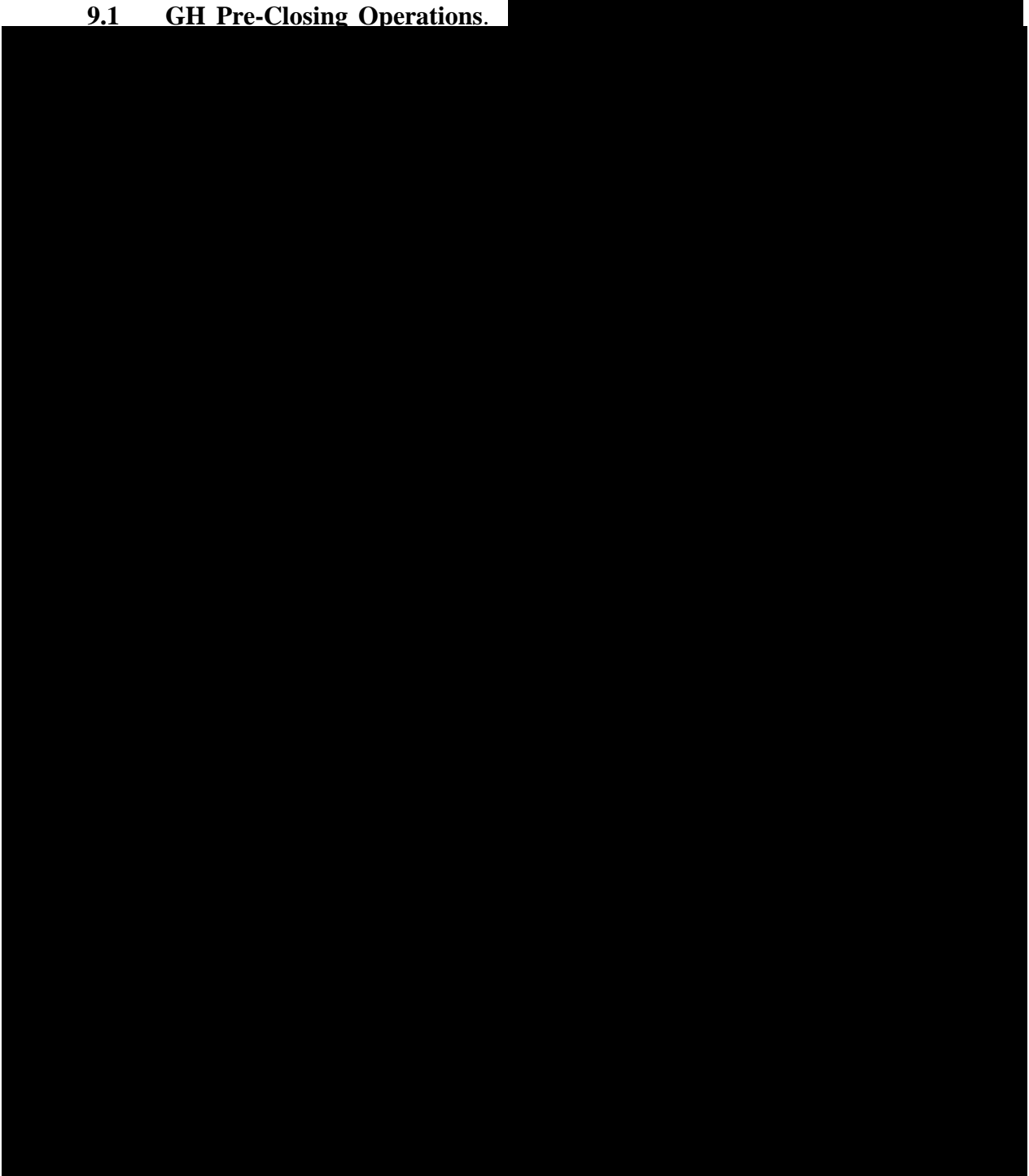
8.4.5 Each Kaiser School, or any Affiliate thereof that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of any Kaiser School, has not filed for relief in bankruptcy or had entered against it an order for relief in bankruptcy.

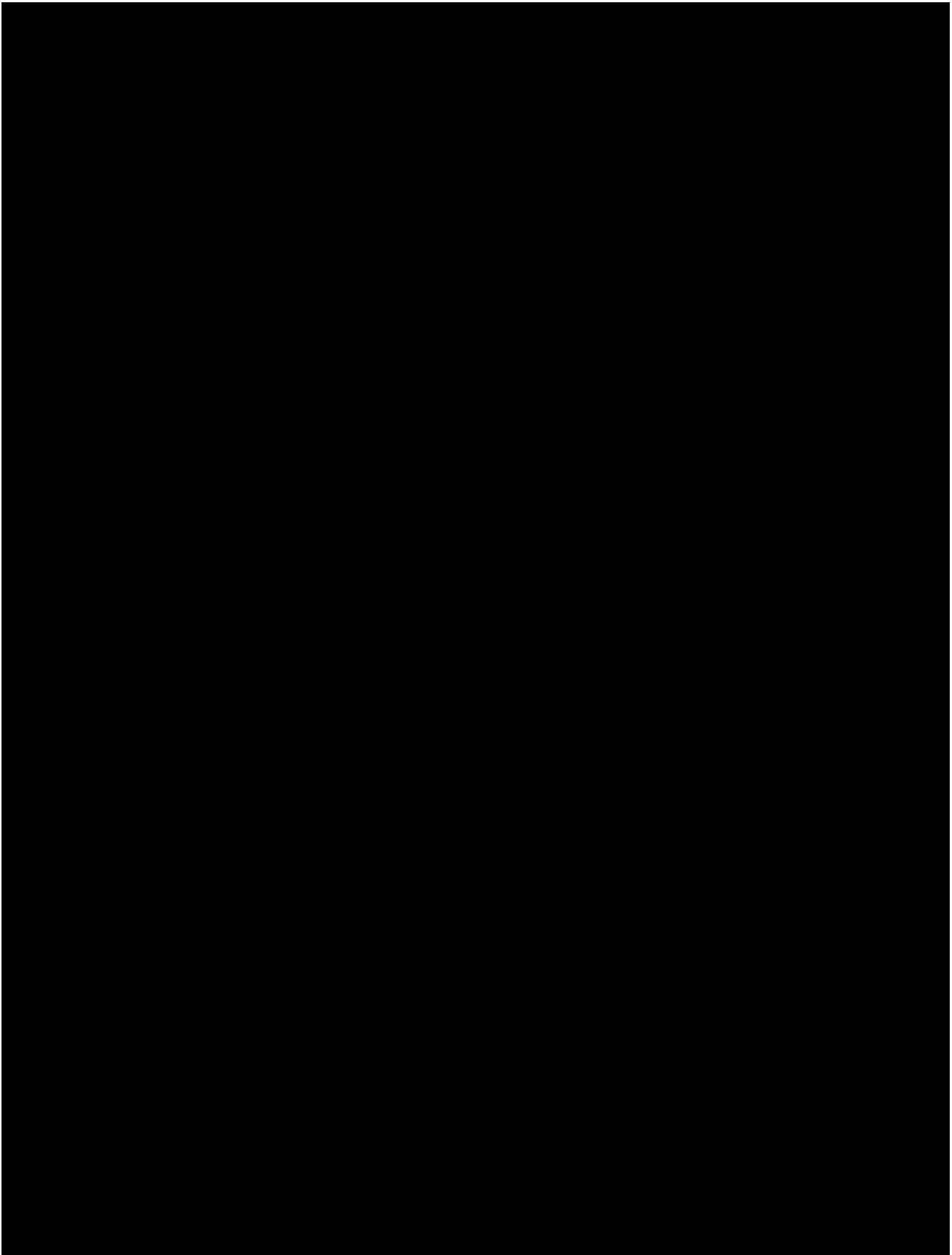
8.4.6 Since the Education Compliance Date, none of the Kaiser Schools has been, or has had any principal or affiliate (as the terms “*principal*” and “*affiliate*” are defined in 2 C.F.R. pts. 180 and 3485) that has been, debarred or suspended under Executive Order 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations, 48 C.F.R. part 9, subpart 9.4, nor, to the Knowledge of Kaiser, is any Kaiser School engaging in any activity that is a cause under 2 C.F.R. § 180.700 or § 180.800, as adopted at 2 C.F.R. § 3485.12, for debarment or suspension under Executive Order 12549 (3 C.F.R., 1986 Comp., p. 189) or the Federal Acquisition Regulations, 48 C.F.R. part 9, subpart 9.4.

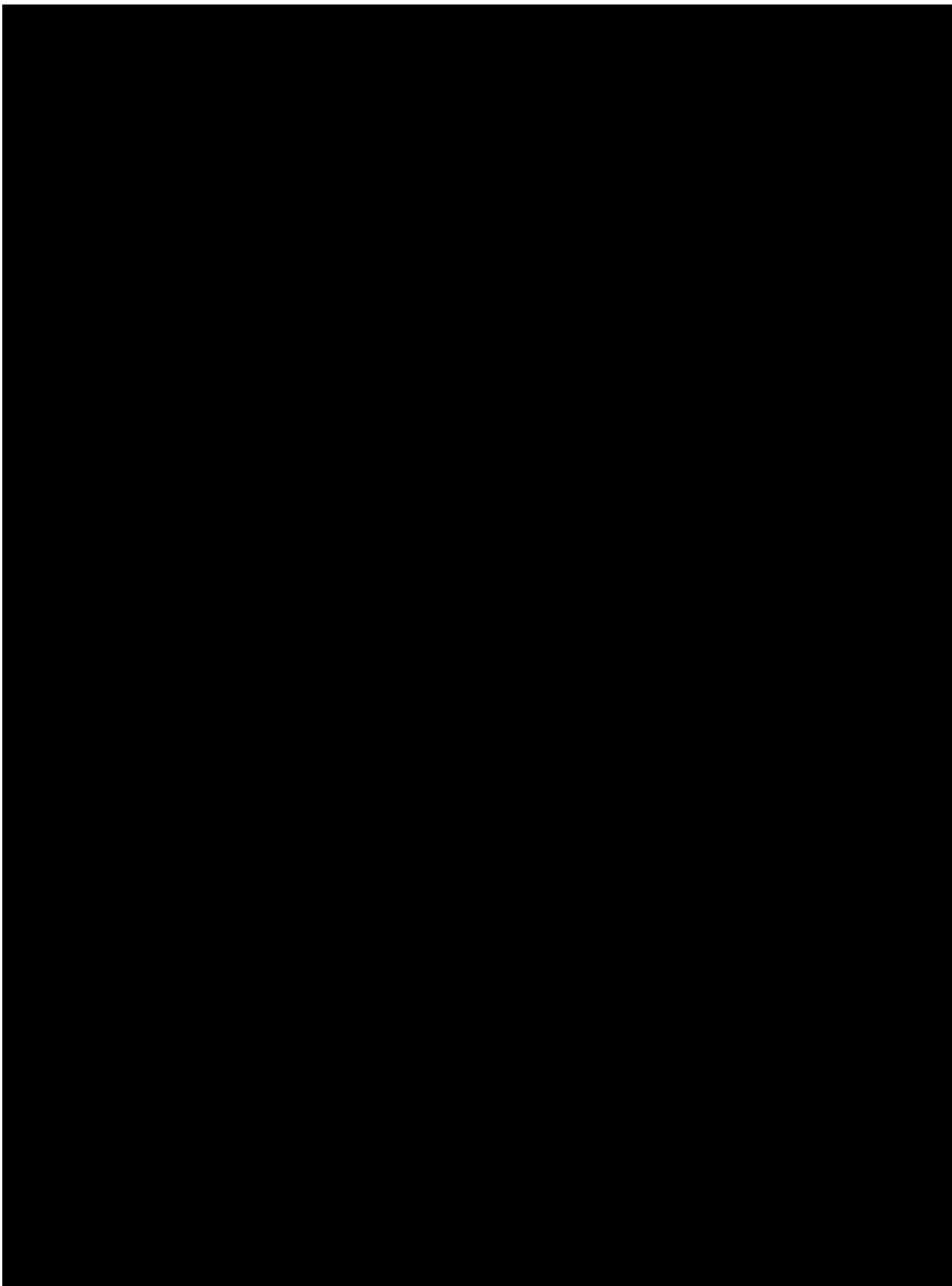
**8.5 Brokers and Finders.** None of RH, Kaiser or any of their respective officers, directors, managers and trustees, has engaged any finder, broker or investment adviser in connection with the Transactions contemplated hereunder.

**9. PRE-CLOSING COVENANTS.**

**9.1 GH Pre-Closing Operations.**









## 9.2 Delivery of Schedules; Supplemental Disclosure.

9.2.1 *Execution Date Disclosure Schedules.* As of the Execution Date, GH has delivered to RH the GH Disclosure Schedules, which are reasonably acceptable to RH as of such date.

### 9.2.2 *Supplement to Disclosure Schedules.*

9.2.2.1 On the date that is three (3) months following the Execution Date and on each three (3) month anniversary thereafter, GH shall supplement or amend the Disclosure Schedules hereto with respect to any matter hereafter arising, which, if existing, occurring or known at the Execution Date, would have been required to be set forth or described in the Disclosure Schedules (each a “**Quarterly Schedule Supplement**”), provided that GH shall not be required to include any supplements or amendments to any of the representations and warranties included on Exhibit E hereto in any Quarterly Schedule Supplement unless such supplement or amendment would, in GH’s reasonable discretion, have a material impact on the ability of GH and the GH Entities, taken as a whole, to operate its business substantially as it does as of the Execution Date.

9.2.2.2 No less than ten (10) days prior to Closing, GH shall supplement or amend the Disclosure Schedules hereto with respect to any matter hereafter arising, which, if existing, occurring or known at the Execution Date, would have been required to be set forth or described in the Disclosure Schedules (the “**Closing Schedule Supplement**” and, collectively, with the Quarterly Schedule Supplements, each a “**Schedule Supplement**” or the “**Schedule Supplements**”). For the avoidance of doubt, the Closing Schedule Supplement shall supplement or amend all Disclosure Schedules, as appropriate, including without limitation those which were excluded in any previous Quarterly Schedule Supplement.

9.2.2.3 Each Schedule Supplement shall clearly and prominently note any changes from the prior Disclosure Schedules to which it relates. Any disclosure in any such Schedule Supplement shall not be deemed to have cured any inaccuracy in or breach of any representation or warranty contained in this Agreement, including for purposes of remedies (under

Article 14) or termination rights contained in this Agreement (under Article 13) or of determining whether or not the condition set forth in Section 11.1 has been satisfied.

**9.3 Exclusivity.** From the Execution Date until the Closing Date, the GH Entities shall not, without the prior written consent of RH, which consent may be withheld or granted in RH's sole and absolute discretion: (a) offer for sale or lease or Change of Control of all, substantially all or any material part of, any GH Entity's assets or any ownership or membership interest in any GH Entity; (b) solicit offers to buy or lease or Change of Control of all, substantially all or any material part of the assets or any ownership or membership interest in any GH Entity; (c) hold discussions with any Person (other than RH or its Affiliates) with respect to, or consider, any such offer; (d) do any of the foregoing with respect to any transaction that would be reasonably likely to prevent or delay the consummation of the Transactions in accordance with the terms hereof; or (e) enter into any agreement with any Person (other than RH or its Affiliates) with respect to any such offer.

**9.4 Notices.** From the Execution Date until the Closing Date, GH shall promptly notify RH, in writing, of any material Actions or investigations threatened or asserted in writing, or commenced against (i) any GH Entity, or (ii) to GH's Knowledge, any of the officers, directors, trustees or members of any GH Entity, involving in any material way any GH Entity.

**9.5 Completion of Governmental Agency Processes.**

9.5.1 To the extent applicable, each of RH and GH shall, or shall cause their ultimate parent entity as that term is defined in the HSR Act, to file as soon as practicable (but in any event within thirty (30) days following the Execution Date or such other date as may be agreed to by the Parties) with the United States Federal Trade Commission (the "**FTC**") and the United States Department of Justice (the "**DOJ**"), in each case pursuant to the HSR Act, the notification and report form, if any, required for the Transactions, and any supplemental information requested in connection therewith, including compliance with any additional request issued by the FTC or DOJ. Any such notification and report form and supplemental information shall be in substantial compliance, or as otherwise advised by counsel, with the requirements of the HSR Act. RH and GH shall equally share the filing fee associated with any notification required under the HSR Act.

9.5.2 To the extent applicable, each of the Parties shall, as promptly as practical, take all steps required to give notice of the Transactions to the PAG on forms required by the PAG, and any supplemental information requested in connection therewith, including compliance with any additional request issued by the PAG, either with respect to review of antitrust and competition issues or of the use of charitable assets. Any such notification and report form and supplemental information shall be in substantial compliance, or as otherwise advised by counsel, with the requirements of the PAG.

9.5.3 To the extent applicable, each of the Parties shall, as promptly as practical, take all steps required under Pennsylvania insurance law and regulation (the "**PID Law**"), Pennsylvania Medicaid law and Medicaid contract with the Pennsylvania Medicaid program, and Medicare program requirements to give notice of the Transactions to the Pennsylvania Insurance Department (the "**PID**"), Pennsylvania Medicaid and CMS on forms required by those respective Government Entities, and any supplemental information requested in connection therewith,



including compliance with any additional request issued by any of those Government Entities. Any such notification and report form and supplemental information shall be in substantial compliance, or as otherwise advised by counsel, with the requirements of the PID Law and all other applicable Legal Requirements.

9.5.4 GH, on the one hand, and RH and Kaiser, on the other hand, shall furnish to the other such necessary information and reasonable assistance as the other may reasonably request in connection with its preparation of any filing that is necessary under the HSR Act, PAG requirements, the PID Law or any other applicable Legal Requirement. GH, on the one hand, and RH and Kaiser, on the other hand, shall keep each other apprised of the status of any communications with, and any inquiries or requests for additional information from, the FTC, the DOJ, the PAG, the PID, and any other federal or Pennsylvania Government Entity and shall comply promptly with any such inquiry, including compliance with a second request issued by the FTC or the DOJ.

9.5.5 GH shall use its commercially reasonable best efforts to effectuate or obtain, as applicable, the Pre-Closing Education Notices and Consents. RH and Kaiser shall use their commercially reasonable best efforts to cooperate with and assist GH with the process of effectuating or obtaining, as applicable, the Pre-Closing Education Notices and Consents. GH shall respond, and RH and Kaiser shall use their commercially reasonable best efforts to cooperate with and assist GH with responding promptly to any inquiry or request from any Education Agency in connection with the Pre-Closing Education Notices and Consents. In undertaking such efforts, GH, RH, and Kaiser shall coordinate their efforts in accordance with Section 9.10.3.

9.5.6 Each Party shall use commercially reasonable best efforts to take, in order to consummate the Transactions by the Outside Date, all actions necessary to (a) secure the expiration or termination of any applicable waiting periods of governmental agencies by or before the Outside Date, including substantial compliance with any second request under the HSR Act, and (b) resolve any objections asserted with respect to the Transactions raised by any Government Entity or Education Agency, including executing any reasonable pre-litigation settlements, undertakings, consent decrees, stipulations, or other agreements with any Government Entity or Education Agency that would not materially alter or impede such Party's operations, future strategy or mission. Each Party shall respond to and seek to use commercially reasonable best efforts to resolve as promptly as reasonably practicable any objections asserted by any Government Entity with respect to the Transactions such that the conditions to closing set forth in Articles 10 and 11 shall be fulfilled prior to the Outside Date. Notwithstanding the foregoing, in no event will any Party be obligated to (x) litigate or contest any administrative or judicial action or proceeding or any decree, judgment, injunction or other order, whether temporary, preliminary or permanent (except responding to any second request for information from the FTC or other antitrust authority following submission of the Parties' pre-transaction notification filings under the HSR Act or any other applicable antitrust Legal Requirement), or (y) enter into any agreement, consent decree, or other commitment that would require any divestiture, sale, or disposition of a material part of its assets, or otherwise materially limit the business activities or the use of any assets of the Parties, or their respective Affiliates, or require any of the Parties to refrain from or forego a lawful business opportunity.

9.5.7 Subject to applicable confidentiality restrictions or restrictions required by Legal Requirements, each Party will notify the other promptly upon the receipt of (i) any comments or questions from any federal or Pennsylvania Government Entity in connection with any filings made pursuant to this Section 9.5 or the Transactions contemplated by this Agreement and (ii) any request by any Government Entity for information or documents relating to an investigation of the Transactions contemplated by this Agreement. Without limiting the generality of the foregoing, each Party shall provide to the other (or the other's respective advisors) upon request copies of all correspondence between such party and any Government Entity relating to the Transactions contemplated by this Agreement. The Parties may, as they deem advisable and necessary, designate any competitively sensitive materials provided to the other under this Section 9.5 as "*outside counsel only*." Such materials and the information contained therein shall be given only to outside counsel of the recipient and will not be disclosed by such outside counsel to anyone other than the reasonably mutually agreed "*clean room team*" without the advance written consent of the Party providing such materials. In addition, to the extent reasonably practicable, RH and Kaiser shall include GH, and GH shall include RH and Kaiser, in all discussions, telephone calls, and meetings with a Government Entity regarding the Transactions contemplated by this Agreement. Subject to applicable Legal Requirements, the Parties will reasonably consult and cooperate with each other in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, and proposals made or submitted to any Government Entity regarding the Transactions contemplated by this Agreement by or on behalf of any Party.

**9.6 Efforts to Close.** Except as otherwise expressly set forth herein, each Party shall use its commercially reasonable best efforts and attempt in good faith to satisfy all of the conditions precedent set forth in Articles 10 and 11 to its obligations under this Agreement so that the Closing will occur on or before June 30, 2024.

**9.7 Other Required Approvals and Consents.** In addition to the filings described in Sections 9.5.1-9.5.3, each Party shall use its commercially reasonable best efforts to secure, as promptly as practicable before the Closing Date, all other consents, Permits, approvals, authorizations, clearances and licenses required to be obtained by such Party to cause all of the conditions of the other Party set forth in Article 10 or Article 11 to be performed, satisfied and fulfilled. GH shall use its commercially reasonable best efforts to secure as promptly as possible and in any event prior to the Closing Date, consents from each counterparty to a Material Contract if, without the consent of such counterparty, the Transactions would constitute a breach or other contravention of the rights of such counterparty or the terms of such Material Contract, or would violate applicable Legal Requirements.

**9.8 Cooperation.** In addition to (and without limiting) the efforts required under Sections 9.5 through 9.7, each Party shall use its commercially reasonable best efforts and reasonably cooperate with the other Parties and its representatives and attorneys: (i) in complying with all notices required to be sent hereunder and in obtaining all consents, approvals, authorizations, clearances, Permits and licenses required to be obtained in accordance with the terms hereof; and (ii) in seeking to amend any Material Contracts between any GH Entity and other parties which are necessary to amend in order to consummate and implement the Transactions in accordance with the terms herein.

**9.9 Access to Information; Due Diligence.**

9.9.1 Upon execution of this Agreement, and as consistent with applicable Legal Requirements and applicable agreements in place between the Parties, the GH Entities shall continue to afford to RH and its Affiliates and representatives (attorneys, auditors, agents, consultants and bankers), during normal business hours and upon reasonable advance notice, reasonable access to and the right to reasonably inspect and evaluate, the facilities, properties, books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the GH Entities, including the ownership and operation thereof, including access to the Real Property, and reasonable access to GH management personnel. RH's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operation of the GH Entities' businesses. RH and its Affiliates and representatives shall not, prior to the Closing Date, have any contact with respect to any GH Entity or with respect to the Transactions with any GH partner, lender, lessor, lessee, vendor, patient, supplier or Employee, except in consultation with GH and then only with the prior approval of GH, which approval may not be unreasonably withheld, conditioned or delayed. Access pursuant to this Section 9.9.1 shall include the right, but not the obligation, to perform environmental sampling of any media with prior written permission of GH, which shall not be unreasonably withheld, conditioned or delayed, and the execution of a customary access and indemnification agreement.

9.9.2 RH and Kaiser shall continue to provide GH with reasonable access to, and the right to inspect and evaluate, all books, agreements, papers, records and other information that materially affect the ability of RH to fulfill its obligations under this Agreement or the Transactions that are reasonably requested by GH or its representatives, subject to applicable Legal Requirements.

## **9.10 Education Matters.**

9.10.1 Except as noted in this Section 9.10.1 and except for actions taken in connection with the planned closure of the Geisinger Lewistown Hospital School of Nursing (the "**Nursing School**") detailed below (which is currently anticipated to occur in August, 2023, and will result in the loss of its Education Approvals), GH shall use its commercially reasonable best efforts not to suffer, permit or take any action which would reasonably be likely to (a) cause the loss of any material Education Approval of any School, or (b) otherwise cause any School to lose Title IV Program eligibility. The Parties acknowledge that before Closing the Nursing School may close and cease to operate as a separate School and that the closure of the Nursing School would, among other things, result in a loss of the Nursing School's Education Approvals. The Parties also acknowledge that GCSOM plans to add a new nursing program that is different from the program offered by the Nursing School and will be provided initially at the current location of the Nursing School. GH shall use commercially reasonable best efforts to keep RH and Kaiser apprised regarding developments related to such process.

9.10.2 Except as noted in Section 9.10.1, GH shall comply in all material respects with Education Laws, the violation of which would terminate, or could reasonably be expected to terminate, a material Education Approval of any School, provided, however, that the foregoing shall not prohibit the Nursing School's planned closure in August, 2023, which, as contemplated by Section 9.10.1 above, will result in the loss of its Education Approvals.

9.10.3 Each of RH, Kaiser and GH shall use its commercially reasonable best efforts to assist with the process of effectuating or obtaining, as applicable, the Pre-Closing Education Notices and Consents described in Section 9.5.5. RH and Kaiser shall promptly upon request by GH supply GH with any information reasonably required for GH to submit or initiate any notice, filing, response, or other communication with an Education Agency regarding the Transactions contemplated by this Agreement or in connection with any of the Pre-Closing Education Notices and Consents. Except where prohibited by applicable Legal Requirements or Education Law or by any Government Entity or Education Agency, each of RH, Kaiser, and GH shall each use its commercially reasonable best efforts to: (a) consult and cooperate with each other prior to GH submitting to an Education Agency any material notice, filing, response or other communication regarding the Transactions contemplated by this Agreement or in connection with any of the Pre-Closing Education Notices and Consents; (b) discuss in advance, and consider in good faith the views of each other in connection with the submission of any material notice, filing, response, or other written or oral communication with any Education Agency regarding the Transactions contemplated by this Agreement, or in connection with any of the Pre-Closing Education Notices and Consents, before GH submits or initiates the communication with the Education Agency; (c) consult in advance before participating in any substantive meeting or discussion with any Education Agency regarding the Transactions contemplated by this Agreement or in connection with the Pre-Closing Education Notices and Consents; (d) notify each other promptly upon the receipt of any material comments, questions, or requests for information or documentation from the Education Agency in connection with any of the Pre-Closing Education Notices and Consents or the Transactions contemplated by this Agreement; and (e) provide to the other promptly upon receipt copies of all material correspondence between such party and any Education Agency after the date of this Agreement relating to the Transactions contemplated by this Agreement or to any of the Pre-Closing Education Notices and Consents. GH shall make the final decision regarding the content of all written and oral communications with each Education Agency prior to Closing in connection with any Education Consent and the Transactions contemplated by this Agreement after consultation with RH and Kaiser. None of RH, Kaiser, or the representatives of RH or Kaiser shall communicate orally or in writing with any Education Agency prior to Closing regarding the Schools, the Transactions contemplated by this Agreement, or any Education Consent without GH's prior written consent and GH's participation in the communication. To the extent reasonably practicable, GH shall include RH in all material discussions, telephone calls, and virtual or in-person meetings initiated with an Education Agency prior to Closing regarding the Transactions contemplated by this Agreement or any Pre-Closing Education Notices and Consents. Following the Closing, GH, RH, and Kaiser will use their commercially reasonable best efforts to cooperate promptly with each other in providing such information and assistance as any of them may reasonably request in connection with making notices to, and obtaining consents from, Education Agencies relating to the Transactions contemplated by this Agreement or any of the Post-Closing Education Notices and Consents.

## **10. CONDITIONS PRECEDENT TO OBLIGATIONS OF GH.**

Notwithstanding anything herein to the contrary, the obligations of GH to consummate the Transactions are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by GH at Closing; provided, however, that none of GH or any other GH Entity may rely on the failure of any condition set forth

in this Article 10 to be satisfied if such failure was caused by such party's failure to act diligently and in good faith to comply with this Agreement and consummate the Transactions:

**10.1 Representations/Warranties.** The representations and warranties of RH and Kaiser contained in Article 8 shall be true and correct (solely for purposes of this Section 10.1, without giving effect to any “*material*,” “*materially*,” “*Material Adverse Change*” or similar qualifiers therein) as of the Closing Date (except to the extent that any such representation and warranty speaks as of a specified date, in which case such representation and warranty (as so read) shall be true and correct as of such specified date), except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Change.

**10.2 Performance of Covenants.** RH and Kaiser shall have performed in all material respects all of the obligations and covenants required to be performed or complied with by it on or prior to the Closing Date.

**10.3 Tax Exemption of RH.** The IRS shall have granted to RH recognition of federal tax exemption under Section 501(c)(3) of the Code and as a public charity under Section 509(a) of the Code.

**10.4 Governmental Approvals.** All material notices, consents, authorizations, orders and approvals of any Government Entity required of the Parties in connection with the execution, delivery and performance of this Agreement as set forth on Schedule 10.4 shall have been given or obtained (which may include reasonable written or oral assurances from appropriate Government Entities that any such material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing, when so required), except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued after the Closing Date.

**10.5 Actions/Proceedings.** No court or other Government Entity shall have issued, unless resolved, an order restraining or prohibiting the Transactions, and no Government Entity shall have taken any other action that makes it reasonably likely that the Transactions cannot be completed substantially as provided herein.

**10.6 HSR; PAG; PID.** All filings required to be made and notices required to be given pursuant to the HSR Act, PAG requirements and the PID Law shall have been made, and all approvals, consents, or terminations required thereby shall have been obtained or the applicable waiting periods required thereby, if any, shall have expired or terminated.

**10.7 Items to be Delivered by RH on or Prior to Closing.** On or before the Closing Date, RH shall deliver or cause to be delivered to GH the following, duly executed by an authorized officer of RH, as appropriate:

10.7.1 On or before the Closing Date, to be effective as of the Effective Time, RH shall adopt amended Bylaws, in accordance with Sections 1.3, 3.3 and 3.3.6, and shall deliver or cause to be delivered to GH the same;



10.7.2 A certificate of the chief executive officer, president or any authorized officer of RH certifying, as of the Closing Date, to GH: (i) satisfaction of the conditions in Sections 10.1 and 10.2; and (ii) that all conditions contained in Article 11 have been satisfied except those, if any, waived in writing by RH;

10.7.3 A certificate of the corporate Secretary of RH certifying, as of the Closing Date, to GH (i) the incumbency of the officers of RH on the Closing Date and bearing the authentic signatures of all such officers who shall execute documents required at Closing by this Agreement; and (ii) the due adoption and text of the resolutions of the Board or other authorized body of RH authorizing (1) the Transactions, and (2) the execution, delivery and performance of this Agreement and all ancillary documents and instruments required herein by RH, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date; and

10.7.4 Such other documents or instruments as GH reasonably requests and are reasonably necessary to consummate the Closing of the Transactions contemplated by this Agreement.

**10.8 Kaiser Secretary's Certificate.** On or before the Closing Date, Kaiser shall deliver or cause to be delivered to GH a certificate of the corporate Secretary of Kaiser certifying, as of the Closing Date, to GH (i) the incumbency on the Closing Date (and bearing the authentic signatures of such officers) of all Kaiser officers who shall execute any documents required at Closing by this Agreement and (ii) the due adoption and text of the resolutions of the Board or other authorized body of Kaiser authorizing (1) the Transactions, and (2) the execution, delivery and performance of this Agreement and all ancillary documents and instruments required herein by Kaiser, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date.

## **11. CONDITIONS PRECEDENT TO OBLIGATIONS OF RH.**

Notwithstanding anything herein to the contrary, the obligations of RH to consummate the Transactions are subject to the fulfillment, on or prior to the Closing Date, of the following conditions precedent unless (but only to the extent) waived in writing by RH at Closing; provided, however, that RH may not rely on the failure of any condition set forth in this Article 11 to be satisfied if such failure was caused by RH's or any of its Affiliates' failure to act diligently and in good faith to comply with this Agreement and consummate the Transactions:

**11.1 Representations/Warranties.** The representations and warranties of GH contained in Article 7 shall be true and correct (solely for purposes this Section 11.1, without giving effect to any “*material*,” “*materially*,” “*Material Adverse Change*” or similar qualifiers therein) as of the Closing Date (except to the extent that any such representation and warranty speaks as of a specified date, in which case such representation and warranty (as so read) shall be true and correct as of such specified date), except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Change.

**11.2 Performance of Covenants.** GH and the other GH Entities shall have performed in all material respects all of the obligations and covenants required to be performed or complied with by them on or prior to the Closing Date.

**11.3 GH Material Adverse Change.** Since the Execution Date, there shall not have occurred any event, change or circumstance that constitutes a Material Adverse Change of GH.

**11.4 Tax Exemption of RH.** The IRS shall have granted to RH recognition of federal tax exemption under Section 501(c)(3) of the Code and as a public charity under Section 509(a) of the Code.

**11.5 Governmental Approvals.** All material notices, consents, authorizations, orders and approvals of any Government Entity required of the Parties in connection with the execution, delivery and performance of this Agreement as set forth on Schedule 11.5 shall have been given or obtained (which may include reasonable written or oral assurances from appropriate Government Entities that any such material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing, when so required), except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued after the Closing Date.

**11.6 Actions/Proceedings.** No court or other Government Entity shall have issued an order, unless resolved, restraining or prohibiting the Transactions, and no Government Entity shall have taken any other action that makes it reasonably likely that the Transactions cannot be completed substantially as provided herein.

**11.7 HSR; PAG; PID.** All filings required to be made and notices required to be given pursuant to the HSR Act, PAG requirements and the PID Law shall have been made, and all approvals, consents, or terminations required thereby shall have been obtained or the applicable waiting periods required thereby, if any, shall have expired or terminated.

**11.8 Required Consents.** All consents, approvals, waivers, and estoppels of third parties that are listed on Schedule 11.8 and that are required to effect the Transactions shall have been obtained and shall be in form and substance reasonably satisfactory to RH.

**11.9 Education Consents.** The Pre-Closing Education Notices and Consents set forth on Schedule 11.9 shall each have been obtained or effectuated, as applicable, without conditions on any School's relevant Education Approval that would materially and adversely affect the operations of the GH Entities, taken as a whole, after the Closing Date.

**11.10 Items to be Delivered by GH on or Prior to Closing.** On or before the Closing Date, GH shall deliver or cause to be delivered to RH the following, duly executed by an authorized officer of GH or the applicable GH Entity, as appropriate:

11.10.1 On or before the Closing Date, to be effective as of the Effective Time, (i) GH shall file the Amended GH Articles with the Pennsylvania Department of State; and (ii) GH shall adopt the Amended GH Bylaws, in each case in accordance with Sections 1.2, 4.1, 4.2 and 4.3, and shall deliver the same to Kaiser and RH;



11.10.2 A certificate of the Chief Executive Officer of GH certifying, as of the Closing Date, to RH: (i) confirming satisfaction of the conditions in Sections 11.1, 11.2 and 11.3; and (ii) that all conditions contained in Article 10 have been satisfied except those, if any, waived in writing by GH;

11.10.3 A certificate of the corporate Secretary of GH certifying, as of the Closing Date, to RH (i) the incumbency of the officers of GH and the other GH Entities on the Closing Date and bearing the authentic signatures of all such officers who shall execute any documents required at Closing by this Agreement and (ii) the due adoption and text of the resolutions of the Board or other authorized body of GH and each applicable GH Entity authorizing (1) the Transactions, including the amendments to the GH Articles of Incorporation and Bylaws and other GH Entity Organizational Documents as described in Sections 1.2, 4.1, 4.2 and 4.3, and (2) the execution, delivery and performance of this Agreement and all ancillary documents and instruments required herein by GH and each other applicable GH Entity, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

11.10.4 Copies of any written consents of Government Entities set forth on Schedule 11.5 and third parties set forth on Schedule 11.8 (as executed by such Government Entities and third parties); and

11.10.5 Such other documents or instruments as RH reasonably requests and are reasonably necessary to consummate the Closing of the Transactions contemplated by this Agreement.

## **12. DISPUTE RESOLUTION.**

**12.1 Disputes.** In the event of any Material Legal Dispute, the following process shall be followed. For the avoidance of doubt, all other differences of view or disputed matters between the Parties' leadership, Boards or otherwise (i.e., that are not a Material Legal Dispute) shall be resolved through customary management discussions. A "**Material Legal Dispute**" means a material legal dispute, controversy or claim between the Parties as to due fulfillment or of breach of the terms of this Agreement or the validity or interpretation of this Agreement.

12.1.1 The Parties shall attempt in good faith to resolve such Material Legal Dispute within sixty (60) days of any Party's first written notification of the Material Legal Dispute. The written notification shall be authorized by action of the complaining Party's Board, and shall include a clear written statement of the Material Legal Dispute. The Parties' respective executives shall meet and use good faith efforts to resolve the matter.

12.1.2 If the Parties' respective executives are unable to resolve a Material Legal Dispute within such sixty (60) day period, any applicable Party may escalate the Material Legal Dispute to the full RH Board which will attempt in good faith to work with the Parties to resolve the Material Legal Dispute for sixty (60) days.

12.1.3 If the RH Board is unable to resolve the Material Legal Dispute within such sixty (60) day period, any applicable Party may refer the Material Legal Dispute to a four-member Transaction Compliance Committee of the RH Board, comprised of (i) two Kaiser-appointed

directors on the RH Board, selected by the Chair of the RH Board, and (ii) the two GH RH Board Appointees, or after such time as there are no GH RH Board Appointees, then two members of the GH Board selected by the entire GH Board. The Transaction Compliance Committee shall attempt to resolve the Material Legal Dispute for an additional sixty (60) days.

12.1.4 If the Transaction Compliance Committee is unsuccessful in resolving the Material Legal Dispute within such additional sixty (60) day period, any applicable Party may submit the Material Legal Dispute to binding arbitration before a single neutral arbitrator, acceptable to the applicable Parties, under the auspices of the JAMS. The costs of the arbitrator shall be shared equally among the applicable participating Parties. The utilization of the arbitration process shall not result in any change or modification to, but only interpretation and enforcement of, the covenants and agreements set forth in this Agreement concerning governance and operations. The decision of the arbitrator may not modify, or negate governance provisions or rights set forth in this Agreement nor unwind, rescind or terminate this Agreement. The sole authority of the arbitrator shall be the authority, consistent with this Agreement and Delaware law, to resolve the Material Legal Dispute in the manner most consistent with the purposes of this Agreement, the provisions hereof, and the rights and obligations of the Parties hereunder. Given the Parties' goals in entering into this Agreement, the remedy of specific performance shall be available in arbitration.

12.1.5 The arbitrator's award shall be final and binding upon the Parties, and may, if necessary, be entered for judgment in any court of competent jurisdiction.

**12.2 Equitable Relief.** The Parties acknowledge that a breach or threatened breach of this Agreement by a Party would cause the non-breaching Party or Parties to suffer immediate and irreparable harm which could not be fully remedied with the payment of monetary damages. As such, in addition to any other remedies available, the non-breaching Party or Parties shall be entitled to specific performance, preliminary and permanent injunctive relief, and other available equitable remedies to prevent, restrain or cure a breach or threatened breach of this Agreement by the other Party, either pending or following a trial on the merits, without the need to post bond or other security, and without the need to first pursue the process set forth in Section 12.1.

**12.3 Exclusive Process and Remedies.** The Parties agree that the procedures set forth in this Article 12 and the rights of the Parties set forth in Article 14, shall be the sole and exclusive procedures for resolving disputes and recovering damages for breaches of representations, warranties, covenants and agreements arising under the Agreement or regarding the Transactions.

## **13. TERMINATION.**

**13.1 Termination Prior to Closing.** This Agreement and the Transactions may be terminated at any time prior to Closing under any one of the following circumstances:

13.1.1 *Mutual Consent.* By mutual written consent of the Parties.

13.1.2 *Material Adverse Change.* By RH, upon thirty (30) days' prior written notice to GH, if (i) there has been a Material Adverse Change with respect to GH or (ii) information discovered or disclosed to RH or its Affiliates as part of the GH Closing Date Schedules or

otherwise indicates that a Material Adverse Change with respect to GH would reasonably be expected to occur; provided, however, that, in either case, such Material Adverse Change (or the circumstances or conditions creating the anticipated Material Adverse Change) is not remedied within the earlier of (i) the Outside Date; or (ii) such thirty (30) day notice period.

13.1.3 *Material Breach by GH.* By RH (on its and Kaiser's behalf) if there has been a material breach by GH of any covenant, agreement, representation or warranty contained in this Agreement which has prevented or would prevent the satisfaction of any condition to the obligations of RH at the Closing set forth in Article 11, and (i) such breach has not been waived by RH, (ii) RH has provided written notice to GH of such breach, and (iii) such breach has not been cured within the earlier of (A) the Outside Date and (B) thirty (30) calendar days after GH's receipt of such written notice from RH; provided, however, that RH shall not have the right to terminate this Agreement pursuant to this Section 13.1.3 if RH or Kaiser is then in material breach of any of its covenants, obligations, representations or warranties set forth in this Agreement which has prevented or would prevent the satisfaction of any condition to the obligations of GH at the Closing set forth in Article 10.

13.1.4 *Material Breach by RH or Kaiser.* By GH if there has been a material breach by RH or Kaiser of any covenant, agreement, representation or warranty contained in this Agreement which has prevented or would prevent the satisfaction of any condition to the obligations of GH at the Closing set forth in Article 10, and (i) such breach has not been waived by GH, (ii) GH has provided written notice to RH of such breach, and (iii) such breach has not been cured within the earlier of (A) the Outside Date and (B) thirty (30) calendar days after RH's receipt of such written notice from GH; provided, however, that GH shall not have the right to terminate this Agreement pursuant to this Section 13.1.4 if GH is then in material breach of any of its covenants, obligations, representations or warranties set forth in this Agreement which has prevented or would prevent the satisfaction of any condition to the obligations of RH at the Closing set forth in Article 11.

13.1.5 *Failure to Obtain Requisite Approvals.* By either RH or GH, upon written notice to the other Party, if the conditions of this Agreement set forth in Sections 10.4 (Governmental Approvals), 11.5 (Governmental Approvals); 11.7 (HSR; PAG; PID) and 11.8 (Required Consents), become incapable of satisfaction or performance by the Outside Date; provided, however, that the right to terminate this Agreement under this Section 13.1.5 shall not be available to any Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the inability or failure to satisfy or perform such conditions.

13.1.6 *Expiration.* By any Party on at least thirty (30) days' prior written notice if the Closing shall not have occurred on or before [REDACTED] (the "Outside Date"); provided, however, that the right to terminate this Agreement under this Section 13.1.6 shall not be available to any Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the inability or failure of the Closing to occur by such Outside Date.

**13.2 Effects of Termination Prior to Closing.** In the event that this Agreement is terminated prior to Closing pursuant to Section 13.1, this Agreement shall forthwith become null and void and have no effect, without any liability on the part of any Party, or any of their respective directors, trustees, officers, employees, partners, managers or equity holders, and all rights and

obligations of any Party shall cease, except that the following provisions shall survive such termination: 16.2 (Choice of Law), 16.3 (Assignment), 16.4 (Confidentiality), 16.5 (Public Announcements), 16.6 (Waiver of Breach), 16.7 (Notice), 16.8 (Severability), 16.11 (Entire Agreement/Amendment) and 16.12 (Cost of Transactions). Notwithstanding the foregoing, no such termination of this Agreement shall relieve any Party from liability or damages for or arising out of Fraud with respect to this Agreement, unlawful conduct with respect to this Agreement or any breach of this Agreement prior to termination of this Agreement.

#### **14. SURVIVAL.**

**14.1** The Parties, intending to modify any applicable statute of limitations, agree that none of the representations or warranties contained in this Agreement (including the Disclosure Schedules and the certificates delivered pursuant hereto) will survive the Closing, and on and after the Closing, none of the Parties nor any of their respective Affiliates, nor any of their respective successors and permitted assigns, heirs, officers, employees, directors, managers, members, partners, equity holders or representatives, will have any liability whatsoever with respect to any such representations or warranties, other than for their commission of Fraud or criminal conduct.

**14.2** All covenants and agreements in this Agreement that contemplate performance after Closing shall survive Closing in accordance with their terms.

#### **15. KAISER ASSURANCE.**

Kaiser is a Party to this Agreement solely for purposes of Article 8 and this Article 15.

**15.1 Kaiser Assurance of RH Obligations.** Kaiser shall ensure that RH possesses the legal authority, the financial resources, and the operational capacity fully to perform its obligations in accordance with the specific terms herein.

**15.2 Direct Kaiser Provisions.** Kaiser shall also directly perform those obligations of Kaiser set forth in Sections 5.1 (Kaiser Funding of RH), 6.5 (Community Health), 6.7 (Research and Education), 6.8 (Branding), 9.5.4 (Cooperation in Governmental Filings), 9.5.5 (Education Approvals), 9.5.6 (Government Proceedings), 9.7 (Other Required Approvals and Consents), 9.9.2 (Access to Relevant Records), 9.10 (Education Matters), Article 12 (Dispute Resolution), Article 16 (Miscellaneous) and this Article 15.

#### **16. MISCELLANEOUS.**

**16.1 Consents, Approvals and Discretion.** Except as herein expressly provided to the contrary, whenever this Agreement requires any consent or approval to be given by a Party, or whenever a Party must or may exercise discretion, the Parties agree that such consent or approval shall not be unreasonably withheld, conditioned or delayed and such discretion shall be reasonably exercised.

**16.2 Choice of Law.** The Parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to conflict of laws principles. With respect to any claim arising under or related to this Agreement, each Party hereby

agrees that it has sufficient contacts with Delaware to subject it to a court of competent jurisdiction sitting in the State of Delaware.

**16.3 Assignment.** Subject to any 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 this Agreement without the prior written consent of the other Parties, and any such purported assignment shall be void.

**16.4 Confidentiality.** Each Party shall hold, and shall use its commercially reasonable best efforts to cause its Affiliates, and their respective officers, directors, employees and agents to hold, in strict confidence from any Person, unless (i) compelled to disclose by judicial or administrative process (including in connection with obtaining the necessary approvals of this Agreement and the transactions contemplated hereby of Government Entities) or by other requirements of applicable Legal Requirements, or (ii) disclosed in an action or proceeding brought by a Party in pursuit of its rights or in the exercise of its remedies hereby, all documents and information concerning any other Party or any of its Affiliates furnished to it by such other Party or such other Party's officers, directors and agents in connection with this Agreement or the Transactions, except to the extent that such documents or information can be shown to have been (a) previously known by the Party receiving such documents or information, (b) in the public domain (either prior to or after the furnishing of such documents or information hereby) through no fault of such receiving Party, or (c) later acquired by the receiving Party from another source if the receiving Party is not aware that such source is under an obligation to another Party to keep such documents and information confidential; provided, however, that following the Closing the foregoing restrictions shall not apply to RH's or any of its Affiliates' use of documents and information concerning the GH Entities furnished by or on behalf of the GH Entities. In the event the Transactions are not consummated, upon the request of any other Party, each Party shall, and shall cause its Affiliates, promptly (and in no event later than five (5) days after such request) to destroy or cause to be destroyed all copies of documents and information furnished by the requesting Party in connection with this Agreement or the Transactions and destroy or cause to be destroyed all notes, memoranda, summaries, analyses, compilations and other writings related thereto or based thereon prepared by the Party that was furnished such documents and information or its officers, directors and agents; provided, however, that any of the foregoing documents may be retained (x) by any Party as necessary or appropriate to satisfy any applicable Legal Requirement; or (y) in the files of any Party's outside counsel as long as such files are restricted from access by such Party (other than the outside counsel), provided further, that such Party may have access to these documents in the case of any dispute between the Parties regarding the enforcement of any provision of this Agreement; and (z) in an archived computer system backup in accordance with such Party's security and/or disaster recovery procedures, and such Party may retain one copy of all confidential information prepared for archival or record retention purposes, in each case such confidential information will continue to be subject to the confidentiality terms of this Agreement. Notwithstanding the redelivery or destruction of the confidential information, the Party originally receiving such confidential information will continue to be bound by its obligations of confidentiality under this Agreement.

**16.5 Public Announcements.** Except as otherwise required by applicable Legal Requirements or as consistent with the mutually agreed Communications Plan, Kaiser, RH and

GH will not, and will not permit any of their respective Affiliates, representatives or advisors to, issue or cause the publication of any press release or make any other public announcement, including any tombstone advertisements, or any general announcements to employees, customers, suppliers or providers with respect to the transactions contemplated by this Agreement without the consent of the other Parties, which consent shall not be unreasonably withheld, conditioned or delayed. As further described in the mutually agreed Communications Plan, Kaiser, RH and GH shall cooperate with each other in the development and distribution of all press releases and other public announcements with respect to this Agreement and the transactions contemplated hereby, and shall furnish the other with drafts of any such releases and announcements as far in advance as possible. Kaiser will announce that, as of the Execution Date, GH is the “first”, “initial” or “inaugural” organization (or, as appropriate, health system) to join RH and, post-Closing, GH may refer to itself similarly, all on terms to be mutually agreed by the Parties.

**16.6 Waiver of Breach.** Any term, covenant or condition herein may be waived at any time by a Party entitled to the benefit thereof, but only by a written notice signed by an authorized officer of such Party. The failure to enforce or the waiver by any Party of a term, provision or 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 any other provision hereof.

**16.7 Notice.** Any notice, demand, or communication required, permitted, or desired to be given hereunder must be in writing and shall be deemed effectively given to another Party on the earliest of the date (a) of delivery when personally delivered or delivered by e-mail or facsimile with confirmation of delivery, (b) three (3) business days after such notice is sent by registered U.S. mail, return receipt requested and (c) one (1) business day after delivery of such notice into the custody and control of a nationally or internationally recognized overnight courier service for next day delivery; in each case to the appropriate address below:

**GH:** Geisinger Health  
100 North Academy Avenue  
Danville, Pennsylvania 17822  
[REDACTED]

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

McDermott Will & Emery LLP  
444 West Lake Street, Suite 4000  
Chicago, Illinois 60606  
[REDACTED]

**RH:** Risant Health, Inc.  
One Kaiser Plaza  
Oakland, California 94612  
[REDACTED]



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

Hogan Lovells US LLP  
555 Thirteenth Street, NW  
Washington, DC, 20004

[REDACTED]

**Kaiser:**

Kaiser Foundation Hospitals  
One Kaiser Plaza  
Oakland, California 94612

[REDACTED]

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

Hogan Lovells US LLP  
555 Thirteenth Street, NW  
Washington, DC, 20004

[REDACTED]

or to such other address or addresses, and to the attention of such other person(s) or officer(s), as a Party may designate.

**16.8 Severability.** If either (i) a court of competent jurisdiction holds that any material provision or requirement of this Agreement violates any applicable Legal Requirement; or (ii) a Government Entity with jurisdiction definitively advises the Parties that a feature or provision of this Agreement violates Legal Requirements over which such Government Entity has jurisdiction, then each such provision, feature or requirement shall be fully severable and: (a) this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; (b) the remaining provisions hereof that reasonably can be given effect apart from the invalidated provision shall remain in full force and effect and shall not be affected by the severable provision; and (c) the Parties shall in good faith negotiate and substitute a provision as similar to such severable provision as may be possible and still be legal, valid and enforceable.

**16.9 Divisions and Headings.** The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

**16.10 No Third-Party Beneficiaries.** The terms and provisions of this Agreement are intended solely for the benefit of the three Parties, and their respective permitted successors or assigns, and it is not the intention of the Parties to confer, and this Agreement shall not confer, third-party beneficiary rights upon any other Person or Entity, as “third-party beneficiary” or otherwise.



**16.11 Entire Agreement/Amendment.** This Agreement, including all Schedules and Exhibits attached hereto, supersedes all previous contracts or understandings (including any offers, letters of intent, proposals or letters of understanding among the Parties) and constitutes the entire agreement among the Parties regarding the matters addressed herein. As among the Parties, no oral statements or prior written material not specifically incorporated or referenced herein shall be of any force and effect. In the event of a conflict between this Agreement and any other agreement among the Parties, the terms and conditions of this Agreement shall control. The Parties specifically acknowledge that, in entering into and executing this Agreement, the Parties are relying solely upon the representations, warranties, covenants and agreements contained in this Agreement and no others unless expressly referenced herein. All prior representations, warranties, covenants or agreements, whether written or oral, not expressly incorporated or referenced herein are superseded, and no changes in, amendments of, or additions to this Agreement shall be recognized unless and until made in writing and signed by all Parties.

**16.12 Cost of Transactions.** Whether or not the Transactions shall be consummated, the Parties agree as follows: (i) GH shall pay the fees, expenses, and disbursements of GH and the other GH Entities and their agents, representatives, accountants, and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; and (ii) RH (or its Affiliates) shall pay the fees, expenses, and disbursements of RH and its agents, representatives, accountants, and legal counsel incurred in connection with the subject matter hereof and any amendments hereto.

**16.13 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Facsimile or other electronically scanned and transmitted signatures, including by email attachment, shall be deemed originals for all purposes of this Agreement.

**16.14 Further Assurances and Cooperation.** After consummation of the Transactions, the Parties agree to reasonably cooperate with each other and take such further actions as may be necessary, appropriate or desirable to effectuate, carry out and comply with all of the terms of this Agreement, the documents referred to in this Agreement and the Transactions.

**16.15 No Restrictions on Kaiser Opportunities.** For the avoidance of doubt, Kaiser will continue to pursue other strategies, activities and enterprises outside of RH, including growth of its core integrated care and coverage model, development of enablement services, virtual and home care services and other enterprises, including some that may overlap with functions or businesses of RH.

**16.16 Additional Kaiser Obligations.** In between the Execution Date and the Closing Date and to the extent permitted by applicable law or legal obligations, Kaiser will: (a) keep GH informed regarding the progress of ongoing Kaiser discussions with other organizations about such other organizations potentially becoming part of RH; and (b) continue to afford GH the right to participate in the development of RH strategy and operating model as they are being established.

## 17. DEFINITIONS.

**17.1 Certain Definitions.** In addition to the words and terms defined elsewhere in this Agreement, for ease of reference, the words and terms set forth below as used in this Agreement shall have the following meanings.

“**340 B Program**” has the meaning set forth in Section 7.8.5.

“**5-Year Strategic and Economic Plan**” means a plan which would include but not be limited to strategic objectives, metrics of success, products, and anticipated investments and their associated impact on annual revenue, margin and capital, all for a five (5) year period.

“**Acceptable Credit Rating**” means a credit rating of the lower of: (a) A+ by S&P Global, or an equivalent rating scale if such rating scales no longer exist or (b) the credit rating of Kaiser at the time of the transaction contemplated by Section 4.3.9.1 above.

“**Accrediting Body**” means any entity or organization, whether governmental or government-chartered, private or quasi-private, including institutional and specialized programmatic accrediting agencies, which engages in the granting or withholding of accreditation of postsecondary educational institutions or of educational programs provided by such institutions in accordance with standards and requirements relating to the performance, operations, financial condition or academic standards of such institutions or programs, including without limitation the Middle States Commission on Higher Education, the Liaison Committee on Medical Education, and Accreditation Commission for Education in Nursing.

“**Action**” means any civil, criminal, administrative, regulatory or arbitration action, claim, suit, hearing or proceeding, charge or investigation or audit by or before a Government Entity.

“**Affiliate**” means, when used in connection with a particular Entity, any corporation, limited liability company, partnership, joint venture, association, business trust, or similar Entity that directly or indirectly Controls, is Controlled by, or is under common Control with, such Entity.

“**Affordable Care Act**” has the meaning set forth in Section 7.10.13.

“**Agreement**” has the meaning set forth in the Preamble.

“**AKS**” has the meaning set forth in Section 7.4.4.

“**Amended GH Articles**” has the meaning set forth in Section 1.2.

“**Amended GH Bylaws**” has the meaning set forth in Section 1.2.

“**Appointment as Member**” has the meaning set forth in Section 1.1.

“**Baseline Capital Commitment**” has the meaning set forth in Section 6.1.1.

“**Board**” means, as it pertains to any particular Entity, such Entity’s board of directors or trustees, as applicable.

“**Business Associate**” shall mean a “business associate” as defined in 45 C.F.R. § 160.103.

“**Bylaws**” means the by-laws adopted by an Entity to regulate and govern itself.

“**Capital Commitment Period**” has the meaning set forth in Section 6.1.1.

“**Cash Flow**” has the meaning set forth in Section 6.1.2.

“**Cash Flow Expectations**” has the meaning set forth in Section 6.1.2.

“**CC&Rs**” means all covenants, conditions and restrictions affecting the Real Property.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act set forth at 42 U.S.C. §§ 9601 et seq., as amended.

“**Change of Control**” means (i) any reorganization, consolidation or merger of a Person with or into any other Entity or Person, or any other reorganization, other than any consolidation, merger or reorganization in which the holders of such Person’s voting rights or ownership or membership interests immediately prior to such consolidation, merger or reorganization, continue to hold at least a majority of the voting power or ownership or membership interests of the surviving Entity (or, if the surviving Entity is a wholly-owned subsidiary, its parent) in substantially the same proportions immediately after such consolidation, merger or reorganization; (ii) any transaction or series of related transactions to which such Person is a party in which in excess of 50% of such Person’s voting power, ownership or membership interests or rights to appoint the governing body of such Person is transferred; or (iii) a sale, lease, exclusive license or other disposition of all or substantially all of the assets of such Person.

“**Closing**” has the meaning set forth in Section 2.1.

“**Closing Date**” has the meaning set forth in Section 2.1.

“**Closing Schedule Supplement**” has the meaning set forth in Section 9.2.2.2.

“**CMS**” has the meaning set forth in Section 7.8.1.

“**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the rules and regulations promulgated thereunder from time to time.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder from time to time.

“**Compliance Program**” means a corporate compliance program consistent with the guidance and standards promulgated by the Office of Inspector General of the Department of

Health and Human Services, the Department of Justice, and the U.S. Federal Sentencing Guidelines.

“**Consultant**” has the meaning set forth in Section 4.3.9.2(a).

“**Control**” or “**Controlled**” means with respect to: (i) a corporation having stock, the ownership, directly or indirectly, of more than fifty percent (50%) of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation; (ii) a nonprofit corporation not having stock, (a) having the right to elect, appoint or remove, directly or indirectly, a majority of the members of the governing body of such corporation, or (b) having the right to approve the budget, or otherwise in fact to control the scope of operations, of such corporation; or (iii) any other Entity, (a) the power to direct the management of such Entity through the ownership, directly or indirectly, of at least a majority of its voting securities, (b) the right to designate or elect at least fifty percent (50%) of the members of its governing body, by contract or otherwise, or (c) the right to approve the budget, or otherwise in fact to control any material portion of the scope of operations, of such Entity.

“**COVID-19 Relief Funds**” has the meaning set forth in Section 7.28.1.

“**DOJ**” has the meaning set forth in Section 9.5.1.

“**DOL**” has the meaning set forth in Section 7.10.4.

“**ED**” means the U.S. Department of Education and any successor agency administering Financial Assistance programs under Title IV.

“**Education Agency**” means any person, entity or organization, whether governmental, government-chartered, tribal, private, or quasi-private, that engages in granting or withholding Education Approvals for or otherwise regulates private postsecondary institutions and educational programs offered by such institutions, in accordance with standards relating to the performance, operation, financial condition, or academic standards of such institutions and programs, or the provision of Financial Assistance by and to such institutions or their students, including without limitation ED; any Accrediting Body; any State Education Agency; any agency that oversees participation in state authorization reciprocity agreements; the U.S. Department of Veterans Affairs; the U.S. Department of Defense; and the U.S. Department of Homeland Security.

“**Education Approval**” means any license, permit, authorization, certification, agreement, accreditation, or similar approval, issued or required to be issued by an Education Agency, including any such approvals (a) for any School, as applicable, to operate and offer its educational programs in all jurisdictions in which it operates, including, as applicable, all jurisdictions where it offers educational programs by distance education delivery methods, (b) for any School to participate in any Financial Assistance program, or (c) for graduates of any School’s educational programs to be eligible to seek to obtain certification or state licensure, or to take any examination to seek to obtain such certification or licensure for any program.

“**Education Compliance Date**” means July 1, 2020.

**“Education Consent”** has the meaning set forth in Section 7.34.18.

**“Education Law”** means any federal, state, provincial, municipal, foreign or other law, statute, regulation, rule, order, Accrediting Body standard, or legally binding policy, guidance, or other requirement issued or administered by any Education Agency, including without limitation Title IV.

**“Effective Time”** has the meaning set forth in Section 2.1.

**“Employee”** means any current employee of any GH Entity.

**“Entity”** means any corporation, partnership, trust, joint venture, limited liability company, association or other organization, whether profit, nonprofit, disregarded or pass-through in nature.

**“Environmental Laws”** means any Legal Requirements pertaining to pollution or the protection, remediation or regulation of the environment, natural resources or, to the extent related to exposure to or management of Hazardous Materials, human health and safety or to the remediation, generation, production, distribution, sale, installation, use, storage, treatment, management, transportation, Release, threatened Release, labeling, recycling, processing, exposure to, or disposal of any Hazardous Material, including CERCLA.

**“Environmental Permits”** means any approvals, authorizations, licenses, certificates, identification numbers and permits required under Environmental Laws.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder from time to time.

**“ERISA Affiliate”** means any Person that at any relevant time is considered a single employer with either GH or any of the other GH Entities under Section 414 of the Code or Section 4001 of ERISA.

**“Execution Date”** has the meaning set forth in the Preamble.

**“Existing GH Board Approval Requirements”** has the meaning set forth in Section 6.1.5.3.

**“Existing GH Debt”** has the meaning set forth in Section 7.31.1.

**“Existing GH Debt Documents”** has the meaning set forth in Section 7.31.1.

**“Financial Assistance”** means any Title IV Program pursuant to which Title IV Program funding has been provided to, or on behalf of, any School’s students; and any other government-sponsored or private student financial assistance program that has provided student financial assistance, tuition assistance, grants or loans to, or on behalf of, any School’s students.

**“Financial Statements”** has the meaning set forth in Section 7.5.

“**Fixtures**” means the fixtures which are located at and affixed to any of the Improvements as of the Closing Date.

“**Fraud**” means common law fraud made with specific intent to deceive and mislead regarding any representation, warranty, or covenant made herein. A claim for Fraud may only be made against the party committing such Fraud.

“**FTC**” has the meaning set forth in Section 9.5.1.

“**GAAP**” means generally accepted accounting principles in the United States as set forth in the pronouncements of the Financial Accounting Standards Board (and its predecessors) and the American Institute of Certified Public Accountants, and unless otherwise specified, as in effect on the Execution Date or, with respect to any financial statements, the date such financial statements were prepared, consistently applied.

“**GCSOM**” has the meaning set forth in Section 4.3.

“**GH**” has the meaning set forth in the Preamble.

“**GH Assets at Transition**” has the meaning set forth in Section 4.3.9.2(b).

“**GH Board Responsibilities**” has the meaning set forth in Section 4.3.

“**GH Entities**” means GH and its Controlled Affiliates.

“**GH RH Board Appointee**” has the meaning set forth in Section 3.3.2.3.

“**Government Entity**” means any government or any agency, bureau, board, directorate, commission, court, department, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local, but excluding any Education Agency.

“**Government Programs**” has the meaning set forth in Section 7.8.1.

“**Hazardous Material**” means (i) any substance, material, or waste that is listed, regulated or defined under any Environmental Law and (ii) medical waste, bio-hazardous materials, polychlorinated biphenyls, toxic mold, asbestos or petroleum or petroleum products (including crude oil or any fraction thereof), and per- and poly-fluoroalkyl substances.

“**HEA**” means the Higher Education Act of 1965, as amended (20 U.S.C. § 1001 et seq.), and any amendments or successor statutes thereto, and any implementing regulations.

“**Health Care Law**” means all applicable laws of any Government Entity relating to the regulation, provision, marketing, promotion, administration of, management of, billing of or payment for, health care benefits, health care insurance coverage and/or health care products or services or any other aspect of health care, or relating to the access, use, disclosure, or exchange of health information or insurance claims, including the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)), the Stark Law (42 U.S.C. § 1395nn), the Anti-Inducement Law (42 U.S.C. § 1320a-7a(a)(5)), the civil False Claims Act (31 U.S.C. § 3729 et seq.), the administrative False

Claims Law (42 U.S.C. § 1320a-7b(a)), the exclusion laws (42 U.S.C. § 1320a-7), the civil monetary penalty laws (42 U.S.C. §§ 1320a-7a and 1320a-7b), the Health Insurance Portability and Accountability Act of 1996 (Pub. Law 104-191), and the regulations set forth at 45 C.F.R. Parts 160, 162 and 164, (“**HIPAA**”), as amended by Health Information Technology for Economic Clinical Health Act, Division A, Title XIII § 1301 et. seq. of the American Recovery and Reinvestment Act of 2009 (“**HITECH**”), 42 U.S.C. § 290dd-2 and the regulations set forth at 42 C.F.R. Part 2 (regarding substance use disorder patient records), Title XXX of the Public Health Service Act (42 U.S.C. § 300jj et seq.) and the regulations set forth at 45 C.F.R. Parts 170 and 171, the Medicare Prescription Drug, Improvement and Modernization Act of 2003, Medicare (Title XVIII of the Social Security Act), the Balanced Budget Act of 1997 (Pub. L. 105-33), as amended, the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-152), Medicaid (Title XIX of the Social Security Act), the Emergency Medical Treatment and Active Labor Act (42 U.S.C. § 1395dd), the Patient Protection and Affordable Care Act of 2010 (Pub. L. No. 111-148), the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152), TRICARE (10 U.S.C. Section 1071 et seq.), the Food, Drug and Cosmetic Act (21 U.S.C. §§ 301 et seq.), the Prescription Drug Marketing Act of 1987, the Deficit Reduction Act of 2005, the Controlled Substances Act (21 U.S.C. §§ 801 et seq.), Section 340B of the Public Health Services Act (42 U.S.C. § 256b), as amended, PATH Requirements, Clinical Laboratory Improvement Amendments, the regulations promulgated pursuant to such laws, and any other federal, state or local law, regulation, guidance document (including subregulatory guidance), manual provision, program memorandum, opinion letter, or other issuance of any Government Entity with legally binding effect which regulates coding, kickbacks, patient or program charges, workers’ compensation, health insurance and managed care, clinically integrated and other provider networks, pharmacy and/or other health benefits management, recordkeeping, claims processing, health care-related documentation requirements, medical necessity, provider or patient inducements, referrals, licensure requirements, certificates of need, prohibitions on fee splitting and the corporate practice of medicine, medical loss ratio requirements, encounter data reporting requirements, requirements for treating facilities as free-standing or provider-based, the hiring of employees or acquisition of services or supplies from those who have been excluded from government health care programs, quality, safety, privacy, security, pharmacy practice, drug rebates, licensure, accreditation, or any other preconditions required to be met by entities that furnish items and services for payment and reimbursement from government health care programs or commercial insurers, or any other aspect of providing or billing as payment for health care.

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976 as amended and the rules and regulations promulgated thereunder.

“**Improvements**” means all buildings, improvements, and structures of every kind and description owned or leased by any GH Entity and located on the Real Property, together with all right, title and interest of any GH Entity in and to utility conduits and infrastructure located on, about or under the Real Property (including water and sewer conduits and pipelines, electrical conduits and wiring and telecommunication conduits and wiring).

“**Indebtedness**” means with respect to any Person (i) obligations of such Person for borrowed money and accrued but unpaid interest, premiums and penalties thereon; (ii) obligations of such Person evidenced by bonds, notes, debentures or other similar instruments; (iii)



indebtedness or other obligations of others guaranteed by such Person; and (iv) reimbursement obligations of such Person relating to letters of credit, bankers' acceptances, surety or other bonds or similar instruments.

**“Independent Contractor”** means a natural person who provides services to an Entity where such individual is not classified or treated by such Entity as an employee of the Entity, whether such services are provided pursuant to a written or unwritten agreement or arrangement.

**“Information Privacy and Security Laws”** means all Legal Requirements concerning the privacy or security of Personal Information, including the Family Education Rights and Privacy Act, HIPAA, HITECH, 42 C.F.R. Part 2, the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act, the Fair and Accurate Credit Transaction Act, the Telephone Consumer Protection Act, Section 5 of the Federal Trade Commission Act as it applies to the receipt, access, use, disclosure, and security of Personal Information, the CAN-SPAM Act, Children's Online Privacy Protection Act, PCI DSS, state data breach notification laws, state data security laws, state social security number protection laws, any Health Care Laws pertaining to privacy or data security and any applicable Legal Requirements concerning requirements for website and mobile application privacy policies and practices, or any outbound communications (including e-mail marketing, telemarketing and text messaging), tracking and marketing.

**“Insurance Contract”** means (i) any health insurance policy issued by any Insurance Entity, (ii) any coverage plan issued by any Insurance Entity, (iii) any reinsurance agreements where any Insurance Entity assumes risk from or cedes risk to a commercial insurer or reinsurer, including health maintenance organization reinsurance and or stop loss contracts, and (iv) any other contract between any Insurance Entity and a health care provider or vendor (including any pharmacy benefit manager) pursuant to which such health care provider or network assumes financial risk for the frequency or cost of health care services furnished to enrollees, insureds or covered persons of any insurance policy issued by any Insurance Entity.

**“Insurance Entity”** has the meaning set forth in [Section 7.25.1](#).

**“Insurance Policies”** has the meaning set forth in [Section 7.17](#).

**“Insurance Regulatory Authority”** means, with respect to any jurisdiction, the Government Entity charged with the supervision and/or regulation of insurance companies in such jurisdiction.

**“Intellectual Property”** means any and all rights in, arising out of, or associated with any of the following in any jurisdiction throughout the world: (i) trademarks, service marks, brands, certification marks, logos, trade dress, trade names, and other similar indicia of origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registrations, and renewals of, any of the foregoing; (ii) domain names and social media account or user names (including “handles”), all associated web addresses, URLs, websites and web pages, social media sites and pages, and all content and data thereon or relating thereto; (iii) issued patents and patent applications (whether provisional or non-provisional), including divisionals, continuations, continuations-in-part, substitutions, reissues, reexaminations, extensions, or restorations of any of the foregoing, industrial designs, and other Government

Entity-issued indicia of invention ownership; (iv) copyrights and works of authorship, whether copyrightable, mask works, rights of publicity, and all registrations, applications for registrations, and renewals of the foregoing; (v) trade secrets, know-how, inventions (whether patentable), discoveries, improvements, technology, business and technical information, databases, data compilations and collections, tools, methods, processes, techniques, and other confidential and proprietary information and all rights therein; and (vi) all other intellectual property and proprietary rights.

“**Interim Balance Sheet**” has the meaning set forth in Section 7.5.1.

“**Interim Balance Sheet Date**” has the meaning set forth in Section 7.5.1.

“**Inventory**” has the meaning set forth in Section 7.30.

“**IRB**” has the meaning set forth in Section 7.21.1.

“**IRS**” means the United States Internal Revenue Service.

“**IT Assets**” means all computer systems, including software, hardware, databases, firmware, middleware and platforms, interfaces, systems, networks, information technology equipment, facilities, websites, infrastructure, workstations, switches, data communications lines and associated documentation used or held for use by or on behalf of any GH Entity in connection with the conduct of its business.

“**Kaiser**” has the meaning set forth in the Preamble.

“**Kaiser Reserved Powers**” has the meaning set forth in Section 3.3.6.

“**Kaiser RH Board Appointees**” has the meaning set forth in Section 3.3.2.2.

“**Kaiser School**” means Kaiser Permanente Bernard J. Tyson School of Medicine, Inc.

“**Knowledge**” (including related terms such as “known”, “aware” and other words of similar import) means, (i) with respect to Kaiser, the actual knowledge of the persons set forth on Schedule 1(a), in each case after reasonable inquiry, and (ii) with respect to GH, the actual knowledge of the persons set forth on Schedule 1(b), in each case after reasonable inquiry.

“**Leased Real Property**” has the meaning set forth in Section 7.9.2.

“**Legal Requirements**” means with respect to any Entity, all statutes, laws, ordinances, by-laws, codes, rules, regulations, regulatory and subregulatory guidance, licenses, permits, government contracts, orders, judgments, writs, injunctions, decrees, common law rulings, determinations or awards issued, promulgated or enforced by any Government Entity having jurisdiction over such Entity or any of such Entity’s assets or business, including Health Care Laws, Information Privacy and Security Laws and tax laws, but excluding any Education Laws.

“**Liens**” means, with respect to any property or asset, any liens, claims or encumbrances, pledge, mortgage, security interest, transfer restriction, right of first refusal, easement, or other similar encumbrances.

“**Malicious Code**” has the meaning set forth in Section 7.20.8.

“**Material Adverse Change**” means (a) any event, occurrence, condition or matter occurring prior to the Closing Date that (i) has had, or could reasonably be expected to have, a material adverse impact on the operations, property, results of operations, financial condition, businesses of GH and the other GH Entities, taken as a whole, (ii) has had, or could reasonably be expected to have, a material adverse impact on the ability of GH or the other GH Entities to consummate and implement the Transactions contemplated by, or to perform their obligations in accordance with, this Agreement, (iii) the loss of any Permit that has had, or could reasonably be expected to have, a material adverse impact on the operations of GH and the other GH Entities, taken as a whole, or (iv) has resulted in, or could reasonably be expected to result in, loss by GH or any other GH Entity, as applicable, of such Person’s Section 501(c)(4) or Section 501(c)(3) tax exempt status, as the case may be, and, as applicable to any Section 501(c)(3) organization, Section 509(a) public charity status under the Code, or to operate licensed healthcare facilities; in each case above *other than* any event, occurrence, condition or matter to the extent resulting from or arising in connection with: (I) changes in Education Law, Legal Requirements, legislation, regulations, circumstances or conditions generally affecting the healthcare system industry or any other industry in which GH and the other GH Entities participate, (II) changes affecting economic or political conditions or financial markets in the United States generally, (III) a change in GAAP, (IV) any act of war, terrorism, military action, hostilities or sabotage (or any escalation thereof) in any jurisdiction in which GH or any other GH Entity operates, (V) any actions reasonably taken in order to consummate the Transactions in accordance with the terms hereof or which are taken with RH’s specific written consent, (VI) any acts of God, including any earthquakes, hurricanes, tornadoes, floods or other natural disasters, (VII) any change in any GH Entity’s credit ratings that are not below an investment grade credit rating, (VIII) any public health crisis or pandemic, whether or not occurring or commenced before or after the date of this Agreement, including the COVID-19 pandemic, (IX) the announcement or pendency or consummation of the transactions contemplated by this Agreement, including any resulting losses or threatened losses of patients, employees, contractors, customers, suppliers, distributors, referral sources or others having relationships with any GH Entity or (X) the identity of, or any facts or circumstances relating to, RH, Kaiser or any of their respective Affiliates, *except* to the extent that the changes in clauses (I) – (IV), (VI) or (VIII) have a disproportionate adverse effect on GH and the other GH Entities, as compared to other Persons engaged in the healthcare system industry or any other industry in which GH and the other GH Entities participate, (b) the debarment of, or exclusion from participation in Medicare or Medicaid programs of, or imposition of criminal sanctions on, or final loss of accreditation from The Joint Commission of, or insolvency of, GH or any of the other GH Entities, or (c) the acceleration of obligations under any Indebtedness of GH or any of the other GH Entities, including but not limited to tax-exempt bond Indebtedness.

“**Material Contracts**” has the meaning set forth in Section 7.15.

“**Nursing School**” has the meaning set forth in Section 9.10.1.

**“Open Source Software”** means any Software subject to a license or other contract, which terms require the distribution of source code in connection with the distribution of the Software to which such license applies or that prohibits the licensee from charging a fee or otherwise limit the licensee’s freedom of action with regard to seeking compensation in connection with sublicensing or distributing the Software to which such license applies (whether in source code or executable code form), including the licenses commonly referred to as the “Artistic License,” the “Mozilla Public License,” the “General Public License,” the “Lesser General Public License,” and other similar licenses applicable to Software distributed without charge to the public in source code form.

**“Organizational Documents”** means the articles of incorporation, bylaws, articles of formation, operating agreement or other corporate organizational documents of an Entity.

**“Outside Date”** has the meaning set forth in Section 13.1.6.

**“Owned Intellectual Property”** means all Intellectual Property, owned or purported to be owned by, or exclusively licensed to any GH Entity.

**“Owned Real Property”** has the meaning set forth in Section 7.9.1.

**“PAG”** has the meaning set forth in Section 7.22.3.

**“Partial Subsidiaries”** means any and all corporations, partnerships and limited liability companies in which GH directly or indirectly (through one or more GH Entities) owns or holds common stock, partnership interests, or membership interests, which interest amounts to less than one hundred percent (100%) of the total outstanding common stock, partnership interests or membership interests therein, as applicable.

**“Party”** has the meaning set forth in the Preamble.

**“PATH Requirements”** means the requirements of Government Programs and other third-party payors relating to the performance of, supervision of, documentation of and billing for services furnished by physicians, graduate medical residents and/or medical students as teaching hospitals, including those requirements set forth in 42 C.F.R. Part 415 and all related guidance.

**“PBGC”** has the meaning set forth in Section 7.10.9.

**“PCI DSS”** means the Payment Card Industry Data Security Standard, issued by the Payment Card Industry Security Standards Council, as may be revised from time to time.

**“Permit”** has the meaning set forth in Section 7.7.1.

**“Permitted Liens”** means, collectively, (i) Liens for Taxes, assessments, governmental charges or levies being contested in good faith or that may thereafter be paid without penalty; (ii) Liens disclosed on the financial statements of GH and/or the other GH Entities provided by GH to RH; (iii) with respect to the Real Property, any Liens or other matters recorded in the real property records or disclosed in policies of title insurance delivered to or obtained by

RH or included on a title report of the applicable property delivered to RH or which would have been shown on a survey of the applicable property delivered to RH or would be shown by a physical inspection of the Real Property that do not, individually or in the aggregate, materially adversely affect the use and operation of the applicable Real Property as currently used and operated; (iv) mechanics' Liens and similar Liens with respect to amounts not yet due and payable or due but not delinquent or being contested in good faith; (v) pledges, deposits or other Liens to the performance of bids, trade contracts (other than for borrowed money), leases or statutory obligations (including workers' compensation, unemployment insurance or other social security legislation, but excluding Liens for Taxes); (vi) zoning, entitlement and other land use restrictions by any Government Entity with respect to the Real Property so long as any existing violation thereof would not materially adversely affect the use and operation of such Real Property as currently used and operated; (vii) any Lien affecting the fee interest of any Leased Real Property not created by any GH Entity that does not, individually or in the aggregate, materially adversely affect the use and operation of the applicable Real Property as currently used and operated; (viii) title of a lessor under a capital or operating lease; (ix) any lien arising from RH's acts and (x) such other imperfections of title, easements, covenants, rights of way, building and use restrictions arising as a matter of law or otherwise, exceptions, encumbrances, reservations and limitations that do not, individually or in the aggregate, materially adversely affect the current use and operation of any Real Property in the ordinary course of the business of the GH Entities.

**"Person"** means any natural person, association, corporation, company, limited liability company, firm, partnership, limited liability partnership, association, trust, business trust, Government Entity or any other Entity.

**"Personal Information"** means information that (a) relates to a natural person or alone or in combination with other information held by any GH Entity can be used to identify, contact or precisely locate a natural person or can be linked to a natural person; (b) is protected health information (as defined in 45 C.F.R. 160.103); or (c) is governed, regulated or protected by one or more Information Privacy and Security Laws.

**"PID"** has the meaning set forth in Section 9.5.3.

**"PID Law"** has the meaning set forth in Section 9.5.3.

**"Plans"** has the meaning set forth in Section 7.10.1.

**"Post-Closing Education Notices and Consents"** means those notices to, and consents from, Education Agencies relating to the Transactions as set forth on Section 7.34.18 of the GH Disclosure Schedules; provided, however, that a notice or consent described on Section 7.34.18 of the GH Disclosure Schedules shall be considered to have been made or obtained if the relevant Education Agency confirms in writing that the transaction does not constitute a change of ownership or control or other substantive change requiring consent of or notice to, or otherwise require consent of or notice to, such Education Agency.

**"Pre-Closing Education Notices and Consents"** means those notices to, and consents from, Education Agencies relating to the Transactions as set forth on Section 7.34.18 of the GH Disclosure Schedules; provided, that a notice or consent described on Section 7.34.18 of

the GH Disclosure Schedules shall be considered to have been made or obtained if the relevant Education Agency confirms in writing that the Transactions do not constitute a change of ownership or control or other substantive change requiring consent of or notice to, or otherwise require consent of or notice to, such Education Agency.

“**Proprietary Software**” means all Software owned or purported to be owned, in whole or in part, by any GH Entity.

“**Quarterly Schedule Supplement**” has the meaning set forth in Section 9.2.2.1.

“**Real Property**” has the meaning set forth in Section 7.9.2.

“**Recommendations**” has the meaning set forth in Section 4.3.

“**Registered Intellectual Property**” has the meaning set forth in Section 7.20.1.

“**Release**” means any emission, spill, seepage, leak, escape, leaching, discharge, injection, pumping, pouring, emptying, dumping, disposal, migration, or release of Hazardous Materials into or upon the indoor or outdoor environment.

“**Retention Plan**” means the plan developed by GH and shared with and not reasonably objected to by Kaiser and the RH prior to the Execution Date for each of the Chief Executive Officer of GH and his direct reports which details, on an individual level, the plan for retaining and/or transitioning such individual, as appropriate, and which shall include, for the avoidance of doubt, an agreed-upon contingent plan, as appropriate, for each such individual, as appropriate.

“**RH**” has the meaning set forth in the Preamble.

“**RH President**” has the meaning set forth in Section 3.5.

“**RH Reserved Powers**” has the meaning set forth in Section 4.1.

“**Routine Reconciliations**” has the meaning set forth in Section 7.25.6.

“**Schedule Supplement**” has the meaning set forth in Section 9.2.2.2.

“**School**” means GSCOM and Geisinger Lewistown Hospital School of Nursing (the latter of which may close and cease to operate prior to Closing).

“**Security Risk Assessment**” has the meaning set forth in Section 7.33.7.

“**Service Area**” has the meaning set forth in Section 6.2.

“**Service Area Expansion Commitment**” has the meaning set forth in Section 6.3.

“**Sexual Misconduct Allegation**” has the meaning set forth in Section 7.14.5.

“**Software**” means computer programs, operating systems, applications, firmware, and other code, including all source code, object code, application programming interfaces, data files, databases, protocols, specifications, and other documentation thereof.

“**Stark Law**” has the meaning set forth in Section 7.4.5.

“**State Education Agency**” means any state educational licensing authority, agency, department, board or commission that (a) provides a license, certification, or other authorization necessary for a postsecondary institution (whether its main location, branch campus, additional location, satellite or other facility thereof) to provide or offer postsecondary education in that state, whether at a physical location, or through distance education delivery methods, or for any School to conduct operations in that state, or (b) administers any Financial Assistance program at the state level.

“**State Health Agency**” has the meaning set forth in Section 7.7.2.

“**Tax Returns**” has the meaning set forth in Section 7.13.1.

“**Taxes**” has the meaning set forth in Section 7.13.1.

“**Title IV**” means Chapter 28, Subchapter IV of the HEA, and any amendments or successor statutes thereto.

“**Title IV Program**” means any program of federal student Financial Assistance authorized pursuant to Title IV of the HEA.

“**Transaction**” has the meaning set forth in Section 1.4.

“**Transaction Documents**” means this Agreement and any other ancillary agreements of the Parties executed and delivered in connection with the Closing.

“**Transition Plan**” has the meaning set forth in Section 4.3.9.2(a).

“**Trust Agreement**” has the meaning set forth in Section 4.3.10.

“**Value**” means the greater of the fair market value of the assets subject to the transaction, regardless of transaction structure, or the consideration paid or received in connection with such transaction.

“**WARN Act**” has the meaning set forth in Section 7.14.3.

**17.2 Interpretation.** For purposes of this Agreement, unless otherwise specified:

17.2.1 when a reference is made in this Agreement to a Section, Exhibit, Schedule, Recital or Preamble, such reference is to a Section, Exhibit, Schedule, Recital or Preamble of or to this Agreement unless otherwise indicated;



17.2.2 the words “*hereof*,” “*herein*,” “*hereto*” and “*hereunder*” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

17.2.3 the terms defined in the singular herein shall have a comparable meaning when used in the plural, and vice versa;

17.2.4 words of one gender include the other gender;

17.2.5 references herein to “*days*” are to consecutive calendar days unless otherwise specified;

17.2.6 the word “*or*” is not exclusive;

17.2.7 references to a Person are also to its successor and permitted assigns;

17.2.8 “*will*” means “*shall*” and vice versa, without distinction;

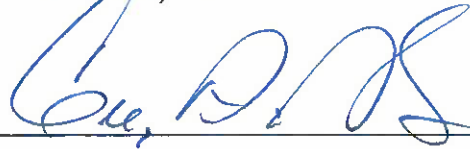
17.2.9 the term “*dollars*” and “*\$*” means United States dollars; and

17.2.10 the word “*including*” means “*including without limitation*” and the words “*include*” and “*includes*” have corresponding meanings.

***SIGNATURE PAGE FOLLOWS***

IN WITNESS WHEREOF, the Parties hereto have caused this Health System Agreement to be executed by their authorized officers as of the Execution Date.

**RISANT HEALTH, INC.**

By:  \_\_\_\_\_

Name: Greg A. Adams

Title: Chairperson and President

**GEISINGER HEALTH**

By: \_\_\_\_\_

Name: Jaewon Ryu

Title: President and Chief Executive Officer

By: \_\_\_\_\_

Name: John Bravman

Title: Chair, Geisinger Board of Directors

IN WITNESS WHEREOF, the Parties hereto have caused this Health System Agreement to be executed by their authorized officers as of the Execution Date.

**RISANT HEALTH, INC.**

By: \_\_\_\_\_

Name: Greg A. Adams

Title: Chairperson and President

**GEISINGER HEALTH**

By:  \_\_\_\_\_

Name: Jaewon Ryu

Title: President and Chief Executive Officer

By:  \_\_\_\_\_

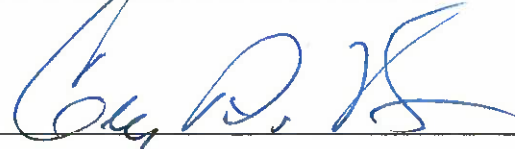
Name: John Bravman

Title: Chair, Geisinger Board of Directors

The undersigned hereby joins in this Agreement for the sole and limited purpose of agreeing to be bound by Article 8 and Article 15.

**KAISER FOUNDATION HOSPITALS**

By: \_\_\_\_\_



Name: Greg A. Adams

Title: Chair and Chief Executive Officer

**Exhibit A**

**Amended GH Articles**

**ARTICLES OF AMENDMENT**  
**AMENDED AND RESTATED**  
**ARTICLES OF INCORPORATION**  
**OF**  
**GEISINGER HEALTH**

1. The name of the corporation is Geisinger Health (the “**Corporation**”).
2. The location and post office address of the registered office of the Corporation in this Commonwealth is:

Geisinger Health  
100 North Academy Avenue  
Danville, Pennsylvania 17822-4031

3. The Corporation is incorporated for the purpose of conducting exclusively charitable, scientific and educational activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any successor United States Internal Revenue law) (the “**Internal Revenue Code**”), including, directly or indirectly, supporting the purposes of, Geisinger Medical Center or any other organization affiliated with the Corporation which qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Corporation shall engage in all activities properly related to the foregoing, including the solicitation of funds from individuals, corporations and other organizations for financing the services to be provided.

The Corporation shall have a fiduciary obligation to support the purposes of the trust established under the will dated June 19, 1915, and codicils thereto, and indenture dated September 27, 1917 of Abigail A. Geisinger, (the “**Geisinger Trust**”).

4. All activities of the Corporation shall be subject to the following restrictions:
  - A. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or attempting to influence legislation.
  - B. The Corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.
  - C. The Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status (1) as a corporation which is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code or (2) as a corporation, contributions to which are deductible under Section 170 of the Internal Revenue Code.
  - D. The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise, to its directors, officers or other private persons, and no part of the net income of the Corporation shall inure to the benefit of, or be distributed to, any such person, except that the

Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof.

5. The term for which the Corporation is to exist is perpetual.

6. The Corporation is organized upon a non-stock basis.

7. The sole member of the Corporation (the “**Sole Member**”) is Risant Health, Inc., a Delaware nonprofit nonstock corporation. The rights, powers, and obligations of the Sole Member shall be set forth in the Bylaws of the Corporation.

8. The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors of the Corporation, subject to the rights and powers of the Sole Member as set forth in the Bylaws 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.

9. The Corporation was incorporated under the provisions of the Nonprofit Corporation Law of 1972, as amended.

10. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities and obligations of the Corporation, pay over and transfer, subject to the prior approval of the Trustee of the Geisinger Trust, or its successor, all of the assets of the Corporation to the Sole Member, provided that the Sole Member is then recognized as a tax-exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code; and provided further, that if the Sole Member is not then so exempt, then to one or more organizations with similar objectives, for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. No portion of the assets shall inure to the benefit of any director or officer of the Corporation or any enterprise organized for profit.

11. The Articles of Incorporation of the Corporation shall not be amended without prior notice to the Trustee of the Geisinger Trust, or its successor, and the prior written approval of the Sole Member. In addition, any amendment to these Articles of Incorporation that violate the terms of that certain Health System Agreement by and among the Sole Member, the Corporation and Kaiser Foundation Hospitals, dated [\_\_\_\_] (the “**HSA**”) shall also require the approval of the Corporation’s Board of Directors as set forth in the HSA and in the Bylaws of the Corporation.

12. These Amended and Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments thereto.



**Exhibit B**

**Amended GH Bylaws**

**AMENDED AND RESTATED**

**BYLAWS**

**OF**

**GEISINGER HEALTH**

**ARTICLE I**

**NAME AND LOCATION**

**1.01** **Name**. The name of the corporation is Geisinger Health (the “**Corporation**”).

**1.02** **Location**. The location and post office address of the registered office of the Corporation is 100 North Academy Avenue, Danville, PA 17822-4031. The Corporation may also have offices at such other places within or without the Commonwealth of Pennsylvania as the business of the Corporation may require.

**ARTICLE II**

**PURPOSES**

**2.01** **Purposes**. The Corporation is incorporated for the purpose of conducting exclusively charitable, scientific and educational activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any successor United States Internal Revenue law) (the “**Internal Revenue Code**”), including, directly or indirectly, supporting and operating for the benefit of Geisinger Medical Center or any other organization affiliated with the Corporation which qualifies as an exempt organization under Section 501(c)(3).

The Corporation shall engage in all activities properly related to the foregoing, including the solicitation of funds from individuals, corporations and other organizations for financing the services to be provided by an affiliated organization. The Corporation shall not engage in any activity that constitutes the direct provision of medical care or treatment. Nor shall the Corporation directly or indirectly provide any medical advice, care or services to patients of any of its affiliates that are duly licensed to provide such advice, care and services.

The Corporation shall have a fiduciary obligation to support and provide the leadership to its affiliates to carry out the purposes of the trust established under the will dated June 19, 1915, and codicils thereto, and indenture dated September 27, 1917 of Abigail A. Geisinger (the “**Geisinger Trust**”).

**ARTICLE III**

**MEMBER**

**3.01** **Sole Member**. The sole member of the Corporation shall be Risant Health, Inc., a Delaware nonprofit nonstock corporation (the “**Sole Member**”).

**3.02 Reserved Powers.** The Sole Member shall have all powers with respect to the Corporation (and its Controlled Affiliates (as defined in that certain Health System Agreement, by and among the Sole Member, the Corporation and Kaiser Foundation Hospitals (“**Kaiser**”), dated April 20, 2023 (the “**HSA**”)) other than the specific GH Board Responsibilities (as defined in Section 4.01 below) (collectively, all powers of the Sole Member referred to herein as the “**Reserved Powers**”). For the avoidance of doubt, any power not explicitly set forth as one of the GH Board Responsibilities is and shall be reserved exclusively to the Sole Member (which may exercise, or delegate, such powers as it determines appropriate).

**3.03 Manner of Acting.** In the exercise of its powers as contemplated under this Article III and the other provisions of these Bylaws, the Sole Member shall act through its board of directors or through an officer or committee duly authorized by its board of directors to take such action in accordance with the Sole Member’s bylaws, resolutions or its board-approved policies, or its other applicable governing instruments.

**3.04 Meetings.** Annual meetings may be held or dispensed with by the Sole Member. If held, such annual meeting shall be held at the first regularly scheduled meeting of the Board of Directors of the Corporation of that year or such time and place designated by the Sole Member.

## **ARTICLE IV BOARD OF DIRECTORS**

**4.01 GH Board Responsibilities.** The Board of Directors of the Corporation shall have only the responsibilities with respect to the Corporation listed in (a) through (q) below and Section 4.02 hereof (collectively, the “**GH Board Responsibilities**”) and no others. All other powers and responsibilities with respect to the Corporation (and, therefore, its Controlled Affiliates) shall be reserved to the Sole Member consistent with Section 3.02 above and included in the Reserved Powers.

(a) Oversight of the Corporation’s credentialing, quality assurance, community relations, assessment of community needs and community benefits, philanthropy, and other matters as may be delegated by the Sole Member, as well as governance oversight of the medical staff and related matters as may be mandated to be performed by the Board of Directors of the Corporation by Legal Requirements (as defined in the HSA) and/or the Medicare Conditions of Participation as applicable from time to time (which governance oversight may be delegated to other governing bodies of the Corporation’s Controlled Affiliates consistent with Legal Requirements and accreditation requirements);

(b) The right to participate in the development of the Sole Member’s strategy and operating model as such are being established;

(c) The right to make Recommendations (as hereinafter defined) to the Sole Member’s board with respect to the Corporation’s strategic plans and capital projects (including the capital projects on which the capital commitments for the Corporation and described in the HSA, other than the Baseline Capital Commitment (as defined therein), will be expended);

(d) The right to make Recommendations to the Sole Member's board with respect to the Corporation's capital and operating budgets and annual forecasts of expected financial performance;

(e) The right, in perpetuity, to approve transactions or actions that would cause the Corporation and/or its Controlled Affiliates, to become controlled by, or subject to, a faith-based religious organization;

(f) During the time periods specifically set forth in Section 3.3.6 of the HSA, and in accordance with Section 3.3.2.3 of the HSA, the right to nominate two (2) individuals from among the members of the Board of Directors of the Corporation who, if reasonably acceptable to Kaiser, shall be appointed by Kaiser to the Sole Member's board;

(g) In the event of a transfer of the Sole Member's membership interests to a Controlled Affiliate of Kaiser (as defined in the HSA), including via merger, during the time periods specifically set forth in Section 3.3.6 of the HSA, the right to nominate the same number of representatives to serve on the governing body of the business entity that has the same or greater direct governance rights over the Corporation as the Sole Member had prior to the transfer, all in accordance with Sections 3.4.1.8 and/or 3.4.2.1 of the HSA;

(h) The right, in perpetuity, to approve transactions or actions that would cause the Corporation or its tax-exempt Controlled Affiliates to cease operating as tax-exempt entities;

(i) The right, in perpetuity, to approve a decision to cause the Corporation and/or substantially all of its Controlled Affiliates to file for bankruptcy or to bring a receivership proceeding;

(j) The right, in perpetuity, to approve a decision to cause the Corporation and/or substantially all of its Controlled Affiliates to be dissolved;

(k) For a period of ten (10) years following the Closing Date (as defined in the HSA), and subject to Section 3.4.1.8 of the HSA, the right to approve a sale or Change of Control (as defined in the HSA) of the Corporation, Geisinger Health Plan and/or substantially all of their respective Controlled Affiliates to a not-for-profit, secular entity. For an additional five (5) years thereafter, in the event that the Sole Member proposes to seek a Change of Control of the Corporation, the board of directors of the Sole Member shall form a special committee, with equal representation from Sole Member's board and the Board of Directors of the Corporation, to define desired terms, to evaluate potential acquirers or merger partners, and to make a Recommendation to the Sole Member's board as to the preferred acquirer or merger partner, with the final decision resting in the discretion and business judgment of the Sole Member's board;

(l) If, at any time after ten (10) years following the Closing Date, the Sole Member, subject to the process set forth in subsection (k) above until fifteen (15) years following the Closing Date, and at its discretion thereafter, elects to transfer control of the Corporation and its Controlled Affiliates, the process for any such transfer of control of the Corporation and its Controlled Affiliates shall be as set forth in Sections 4.3.9.1 and 4.3.9.2 of the HSA and the Board

of Directors of the Corporation shall have all rights of the Board of Directors of the Corporation as specifically detailed therein as if the same were fully set forth in these Bylaws.

(m) The right to approve the changes to the branding of any entity, facility or health plan that, subject to due diligence, would cause the Corporation or one of its direct or indirect subsidiaries to violate the terms of that certain Restatement of Agreement by and among PNC Bank, National Association, Geisinger Health System Foundation, Geisinger Medical Center and Geisinger Clinic, dated October 22, 2012 (related to (i) the Abigail A. Geisinger Will, dated June 19, 1915, (ii) the Indenture between Abigail A. Geisinger and The Scranton Trust Company, dated September 27, 1917, (iii) Codicil to Will of Abigail A. Geisinger #1, dated November 3, 1917, (iv) Codicil to Will of Abigail A. Geisinger #2, dated March 2, 1918, and (v) Codicil to Will of Abigail A. Geisinger #3, dated September 24, 1919) (the “**Trust Agreement**”), or, the contracts of the Corporation or its subsidiaries with existing branding commitments as set forth on Schedule 4.3.10 of the HSA;

(n) The right to approve any amendments to the articles of incorporation, bylaws or analogous governing documents of the Corporation or any its Controlled Affiliates that would violate the terms of the HSA;

(o) For each CEO (as defined below) hired by the Corporation, the right, together with the Sole Member, to identify a slate of final candidates, to interview such candidates and to make a Recommendation to the President of the Sole Member;

(p) The right to initiate the dispute resolution process set forth in Article 12 of the HSA; and

(q) Those other responsibilities specifically set forth in the following sections of these Bylaws: Sections 4.03 (*Delegation of Duties*), Section 4.02 (*Additional Duties*), Section 4.06 (*Nomination of Directors*), Section 4.07 (*Election*), 4.09 (*Removal*), Section 4.10 (*Meetings*); Section 4.11 (*Notice*), 5.01 (*Officers*), 5.02 (*Chair of the Board of Directors*), 5.03 (*Vice-Chair of the Board of Directors*), 5.08 (*Removal*), 5.09 (*Vacancy*), 5.10 (*Delegation of Duties*), 6.01 (*Standing Committees*), 6.02 (*Advisory Committees*), 6.03 (*Standing Committee Chairs and Vice-Chairs*), 6.05 (*Removal*) and 11.01 (*Amendments*)

As used in this Section 4.01, “**Recommendations**” of the Board of Directors of the Corporation means the right to make proposals to and provide input to the Sole Member; provided, however, that the Sole Member may initiate and take its own actions without a Recommendation and/or modify and/or not accept proposals recommended by the Board of Directors of the Corporation.

The GH Board Responsibilities are not intended to, and shall not be exercised so as to, impede the financial consolidation of the Corporation with the Sole Member.

**4.02 Additional Duties.** In connection with the GH Board Responsibilities, the Board of Directors of the Corporation shall also:

- (a) Annually disclose potentially conflicting interests between members of the Board of Directors and the Corporation;
- (b) Annually evaluate the performance of the Board of Directors of the Corporation; and
- (c) Provide for orientation of new members on the Board of Directors of the Corporation.

**4.03 Delegation of Duties.** The Board of Directors of the Corporation may, in accordance with Article VI below and to the extent not prohibited by applicable law: (a) delegate to a Standing Committee such authority or duties within the GH Board Responsibilities as may be permitted by the then-current Governance Committee charter or as may be approved by the Sole Member, or (b) delegate to the governing boards of its Controlled Affiliates (as such term is defined in the HSA) any of those specific items set forth in Section 4.01(a) above.

**4.04 Number.** The Board of Directors of the Corporation shall consist of not less than nine (9) and not more than seventeen (17) members, as determined from time to time jointly by the Board of Directors of the Corporation and Sole Member for the first ten (10) years following the Effective Time (as defined in the HSA), and at all times thereafter by the Sole Member in its discretion. Directors shall be appointed by the Sole Member. The Board of Directors of the Corporation shall be comprised as following:

- (a) the President and Chief Executive Officer of the Corporation (“**CEO**”) who shall serve as an ex-officio member of the Board of Directors of the Corporation (the “**Ex-Officio Director**”) with full voting power;
- (b) two (2) directors who shall be appointed by the Sole Member (the “**HSD Directors**”); and
- (c) such number of directors equal to (i) the then current authorized number of directors, *less* (ii) the Ex-Officio Director and the HSD Directors (the “**Geisinger Health Directors**” and, collectively with the Ex-Officio Director and the HSD Directors, each, a “**Director**”).

**4.05 Qualification.** The Governance Committee shall strive to evaluate potential Geisinger Health Directors that satisfy the required competencies determined necessary to assist the Corporation achieve its mission. Except as otherwise provided by these Bylaws, any natural person, whether or not a resident of Pennsylvania, is eligible to serve as a Geisinger Health Director of the Corporation. Individuals who have been requested to serve as a member of the Board of Directors of the Corporation by virtue of their leadership role within the community, business world, or profession shall notify the Chair when their leadership role within the community, business world, or profession concludes. In such an event, the Board of Directors of the Corporation in its discretion may require a Geisinger Health Director to tender his/her resignation. The HSD Directors shall have such qualifications as determined by the Sole Member from time to time in its sole discretion. The Governance Committee shall ensure that individuals who live in, work in, or are otherwise involved with the communities served by the Corporation shall continue

to have some representation on the Board of Directors of the Corporation at all times as Geisinger Health Directors.

**4.06 Nomination of Directors.** Vacancies of Geisinger Health Directors on the Board of Directors of the Corporation (whether caused by the expiration of an initial or renewal term or such Geisinger Health Director's death, resignation or removal, and, for the avoidance of doubt, not vacancies with respect to HSD Directors) shall be nominated by the Governance Committee to the Board of Directors of the Corporation and, if approved by the Board of Directors of the Corporation, to the Sole Member pursuant to the procedure set forth in the Governance Committee Charter; provided, however, that if the Board of Directors of the Corporation or the Sole Member reject a nominee, the Governance Committee shall nominate an additional candidate in accordance with this Section 4.06 until the nominee is approved by both the Board of Directors of the Corporation and the Sole Member. Prior to the Corporation's annual organizational meeting of the Board of Directors of the Corporation or at other times as required, the Governance Committee shall, subject to Section 4.05 hereof, nominate candidates to the Board of Directors of the Corporation (other than candidates for HSD Directors) and, if approved by the Board of Directors of the Corporation, the Board of Directors of the Corporation shall, at Corporation's annual organizational meeting or a special meeting called for the purpose of nomination, nominate such candidates to the Sole Member for the office of Geisinger Health Director pursuant to the procedure set forth in the Governance Committee Charter; provided, however, that if the Board of Directors of the Corporation or the Sole Member reject a nominee, the Governance Committee shall nominate an additional candidate in accordance with this Section 4.06 until the nominee is approved by both the Board of Directors of the Corporation and the Sole Member. Vacancies of HSD Directors on the Board of Directors of the Corporation shall be appointed by the Sole Member.

**4.07 Election.** The Governance Committee shall include the Geisinger Health Directors nominated to serve pursuant to Section 4.06 hereof on the slate of Geisinger Health Directors to be appointed to office at the time of the Corporation's annual organizational meeting. If such nominees are approved by the Board of Directors of the Corporation and are acceptable to the Sole Member, such nominees shall be appointed by the Sole Member.

**4.08 Term.** The Geisinger Health Directors may serve four (4) consecutive, three (3)-year terms, with a maximum continuous service length of twelve (12) years. The HSD Directors who are executive level employees of the Sole Member shall not be subject to term limits and the Ex-Officio Director shall serve so long as he or she holds the office of President and CEO. Notwithstanding the foregoing, the Sole Member, upon the request of the Board of Directors of the Corporation, by majority vote, may extend a Geisinger Health Director's term as needed if doing so is deemed to be in the best interest of the Corporation.

**4.09 Removal.** Each Director shall serve until his or her term expires, and thereafter until his or her successor is duly appointed, or until his or her earlier death, resignation or removal. During the first ten (10) years following the Effective Time (as defined in the HSA), Geisinger Health Directors may only be removed with cause either by (a) the Board of Directors of the Corporation, with the approval of the Sole Member, or (b) the Sole Member. After the tenth (10<sup>th</sup>) anniversary of the Effective Time (as defined in the HSA), Geisinger Health Directors may be



removed with or without cause by: (x) the Sole Member; or (y) by two-thirds (2/3) vote of the Board of Directors of the Corporation. HSD Directors may be removed with or without cause by the Sole Member at any time. Vacancies on the Board of Directors of the Corporation shall be filled pursuant to Sections 4.06 and 4.07 above. For the avoidance of doubt, the Sole Member's ability to remove a Geisinger Health Director for cause would include, without limitation, removal of a Geisinger Health Director for actions that are inconsistent with the Sole Member's mission, purpose or strategy so long as such removal does not limit the right of the Board of Directors of the Corporation, or the Geisinger Health Directors, taken as a whole, from exercising their rights and responsibilities as defined and set forth in the HSA.

**4.10 Meetings.** The annual organizational meeting of the Board of Directors of the Corporation shall be held at such time and place on the second Wednesday of December (or such other date) as the Board of Directors of the Corporation may determine. Regular meetings of the Board of Directors of the Corporation shall be held at such times and places as the Board of Directors of the Corporation may from time-to-time determine. Special meetings of the Board of Directors of the Corporation may be called at any time by the Chair of the Board, President and CEO or more than one-third ( $\frac{1}{3}$ ) of all Directors. Meetings of the Board of Directors of the Corporation may be held at any location within or without the Commonwealth of Pennsylvania.

**4.11 Notice.** Written notice of the time and place of all meetings of the Board of Directors shall be delivered to each Director at least five (5) days prior to the date of such meeting (unless a longer period of notice is required by applicable law, by the Articles of Incorporation or by these Bylaws) and, in the case of special meetings, shall state the general nature of the business to be conducted. Notice shall be delivered personally, by electronic mail, by facsimile transmission or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the Director at the Director's most recent address listed in the records of the Corporation.

**4.12 Quorum.** One-half ( $\frac{1}{2}$ ) of the Directors constitute a quorum for the transaction of business at any meeting of the Board of Directors of the Corporation unless a greater proportion is required by applicable law. The acts of a majority of those present at a meeting is necessary to take any formal action at that meeting in accordance with Section 4.13 below.

**4.13 Voting.** Each Director, including the Chair of the Board of Directors of the Corporation, and the Ex-Officio Director, shall be entitled to one (1) vote on any matter within the GH Board Responsibilities submitted to a vote of the Board of Directors of the Corporation. The acts approved by the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors of the Corporation, unless a greater proportion of affirmative votes is required by applicable law, by the Articles of Incorporation or by these Bylaws. Unless otherwise provided by these Bylaws, in the event of an evenly distributed vote of the Directors, the vote of the Chair of the Board of Directors of the Corporation shall carry the motion in the manner in which the Chair voted.

**4.14 Director Emeritus.** The Board of Directors of the Corporation may appoint a former Director as Director Emeritus of the Board of Directors of the Corporation or to an advisory committee of the Board of Directors of the Corporation. An individual so appointed may be invited

to attend social functions and an annual meeting where Emeritus Directors are briefed on the activities and operations of the Corporation.

**4.15 Concurrence Required for Certain Transfers.** The Corporation shall not, without prior notification to the Trustee, either sell, transfer, or otherwise dispose of all, or substantially all, of the assets of Geisinger Medical Center.

## **ARTICLE V OFFICERS**

**5.01 Officers.** The Corporation shall have a Chairman of the Board of Directors of the Corporation, a Vice-Chair of the Board of Directors of the Corporation, a President and CEO, a Secretary, an Assistant Secretary, a Treasurer and such other officers as the Sole Member may designate from time to time. The Sole Member shall appoint all officers other than the Chair and Vice-Chair, as noted below. With respect to the hiring of the President and CEO from time to time, the Board of Directors of the Corporation and the Sole Member together shall identify a slate of final candidates. The Board of Directors of the Corporation shall interview such candidates and make a Recommendation to the President of the Sole Member. The Sole Member shall make the final decision on the hiring of the President and CEO in its sole discretion. Upon nomination by the Governance Committee, the Board of Directors of the Corporation shall appoint the Chair and Vice-Chair at the Corporation's annual organizational meeting of the Board of Directors of the Corporation. Any two (2) or more offices may be held by the same person. With the exception of the Chair and Vice-Chair of the Board of Directors of the Corporation who shall serve pursuant to Sections 5.02 and 5.03 below, all officers shall hold office for a term of one (1) year (or such other term as the Sole Member shall determine from time to time) or until their respective successors are elected and have qualified, unless sooner removed in accordance with Section 5.08 below. Neither the Chair of the Board of the Trustee, the Vice-Chair of the Board of the Trustee nor any officer of the Trustee may serve as Chair of the Board, President and CEO of the Corporation without the written consent of the Board of Directors of the Corporation and the Trustee.

**5.02 Chair of the Board of Directors.** The Chair of the Board of Directors of the Corporation shall be, at all times, a Director. The Chair of the Board of Directors of the Corporation shall be nominated by the Governance Committee from among the Directors and will thereafter be appointed by the Board of Directors of the Corporation. The Board of Directors shall provide notice to Sole Member upon appointment of the Chair. Unless the Chair's term is extended pursuant to Section 4.04, the Chair of the Board of Directors of the Corporation shall serve a three (3) year term and shall be eligible for re-appointment to a second three (3) year term assuming their twelve (12) year term has not expired. If the Chair's twelve (12) year term of service expires during the three (3) year term of Chair, the Chair may serve beyond the twelve (12) year term until the end of their then current term. The Chair of the Board of Directors of the Corporation shall preside at all meetings of the Board of Directors of the Corporation and the Emergency Action Committee, if present. The Chair of the Board of Directors of the Corporation shall be a voting member ex-officio of all Standing Committees (as defined below in Section 6.01).

**5.03 Vice-Chair of the Board of Directors.** There shall be a Vice-Chair of the Board of Directors of the Corporation who shall be nominated by the Governance Committee from

among the Directors and appointed by the Board of Directors of the Corporation. The Board of Directors shall provide notice to Sole Member upon appointment of the Vice-Chair. Unless the Chair's term is extended pursuant to Section 4.09, the Vice-Chair of the Board of Directors of the Corporation shall serve a three (3) year term and shall be eligible for re-appointment to a second three (3) year term assuming their twelve (12) year term has not expired. If the Vice-Chair's twelve (12) year term of service expires during the three (3) year term of Vice-Chair, the Vice-Chair may serve beyond the twelve (12) year term until the end of their then current term. In the absence of the Chair, the Vice-Chair shall perform the duties of the Chair.

**5.04 President and CEO.** The President and CEO shall be the Chief Executive Officer of the Corporation. The President and CEO shall have such duties and responsibilities and reporting obligations as are assigned by the Sole Member from time to time; provided, however, that, with respect to the GH Board Responsibilities, the President and CEO shall have such duties and responsibilities as are assigned by the Board of Directors of the Corporation. The President and CEO also shall report to the Board of Directors of the Corporation on matters relevant to the GH Board Responsibilities and shall provide informational updates from time to time, as appropriate, on other matters relevant to the Corporation as necessary for the Board of Directors of the Corporation to conduct the GH Board Responsibilities. The President and CEO may be eligible to serve as a voting member of the Standing Committees (as defined below in Section 6.01), at the Board of Directors of the Corporation's discretion.

**5.05 Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors of the Corporation and shall have charge and custody of the records and seal of the Corporation. The Secretary shall have such other duties and responsibilities and reporting obligations as are assigned by the Sole Member from time to time.

**5.06 Assistant Secretary.** In the absence of the Secretary, the Assistant Secretary shall perform the duties of the Secretary. The Assistant Secretary shall have such other duties and responsibilities as are customarily associated with such office or are assigned by the Sole Member from time to time.

**5.07 Treasurer.** The Treasurer shall have charge and custody of all funds of the Corporation, shall maintain an accurate accounting system and shall present financial reports to the Sole Member in such manner and form as the Sole Member may from time to time determine. The Treasurer shall have such other duties and responsibilities as are customarily associated with such office or are assigned by the Sole Member from time to time.

**5.08 Removal.** The Sole Member may remove the President and CEO, Secretary, Assistant Secretary and Treasurer with or without cause at any time. The Board of Directors of the Corporation may remove the Chair of the Board of Directors and Vice-Chair of the Board of Directors with cause at any time. In addition, the Chair or Vice-Chair may be removed without cause by the mutual agreement of the Sole Member and the Board of Directors of the Corporation.

**5.09 Vacancy.** Except as otherwise provided by these Bylaws, a vacancy in the offices of Chair and Vice-Chair of the Board of Directors of the Corporation shall be filled by a nomination from the Governance Committee and appointed by the Board of Directors of the

Corporation in its discretion and in accordance with these Bylaws. A vacancy in the office of President and CEO of the Corporation shall be filled by the Sole Member as set forth in Section 5.01 above. Except as otherwise provided by these Bylaws, a vacancy in any other office shall be filled by the Sole Member in its discretion.

**5.10 Delegation of Duties.** In the absence of the Chair or Vice-Chair and President and CEO, or for any other reason that the Board of Directors of the Corporation may deem sufficient, the Board of Directors of the Corporation may delegate, with respect to the GH Board Responsibilities only, for the time being, the powers and duties, or any of them, of such officer to any other officer, or to any Director or other person that the Board of Directors of the Corporation may select. In the absence of any other officer of the Corporation, or for any other reason that the President and CEO or Board of Directors of the Corporation may deem sufficient, the President and CEO or Board of Directors of the Corporation may delegate, with respect to the GH Board Responsibilities only, for the time being, the powers and duties, or any of them, of such officer to any other officer, or to any other person that the President and CEO or Board of Directors of the Corporation may select.

## **ARTICLE VI STANDING COMMITTEES OF THE BOARD OF DIRECTORS AND ADVISORY COMMITTEES**

**6.01 Standing Committees.** With the consent of the Sole Member, the Board of Directors of the Corporation may establish such standing committees of the Board of Directors of the Corporation as it deems appropriate, necessary, or desirable and is not prohibited by applicable law (each, a “**Standing Committee**”). Each Standing Committee shall have the principal functions as identified in such Standing Committee’s charter, which charters shall be approved by the Sole Member prior to adoption. For the avoidance of doubt, the existence of a Standing Committee and/or a Standing Committee’s charter shall not expand the functions or authority of the Board of Directors of the Corporation beyond the GH Board Responsibilities. Unless otherwise explicitly stated in any Standing Committee Charter, any responsibilities included in any Standing Committee’s charter beyond the GH Board Responsibilities shall be in an advisory capacity only and shall be reported directly to the Sole Member. All Standing Committees and their members shall serve at the discretion of the Board of Directors of the Corporation; provided, however, that the Sole Member shall be entitled, but not obligated, to appoint one member to any Standing Committee, in its sole discretion. The Governance Committee shall nominate Directors and non-Directors to serve on Standing Committees for appointment by the Board of Directors of the Corporation pursuant to procedures established by the Board of Directors of the Corporation. The following are Standing Committees of the Board of Directors of the Corporation:

(a) **Audit and Compliance Committee.** The Audit and Compliance Committee shall consist of those individuals appointed from time to time by the Board of Directors of the Corporation. The Audit and Compliance Committee shall have the principal functions as identified in its charter.

(b) **Finance Committee.** The Finance Committee shall consist of those individuals appointed from time to time by the Board of Directors of the Corporation. The Finance Committee shall have the principal functions as identified in its charter.

(c) **Geisinger Family Committee.** The Geisinger Family Committee shall consist of those individuals appointed from time to time by the Board of Directors of the Corporation. The Chair of the Audit & Compliance Committee shall serve as an ex-officio voting member of the Geisinger Family Committee. The Geisinger Family Committee shall have the principal functions as identified in its charter.

(d) **Governance Committee.** The Governance Committee shall consist of those individuals appointed from time to time by the Board of Directors of the Corporation. The Governance Committee shall have the principal functions as identified in its charter.

(e) **Quality Committee.** The Quality Committee shall consist of those individuals appointed from time to time by the Board of Directors of the Corporation. The Quality Committee shall have the principal functions as identified in its charter.

(f) **Emergency Action Committee.** The Emergency Action Committee shall be comprised of the Chair of the Board of Directors of the Corporation, Vice Chair of the Board of Directors of the Corporation, the President and CEO (Ex-Officio Director), the Chair of the Finance Committee, the Chair of the Quality Committee, and at least one (1) HSD Director. The Chair of the Board of Directors of the Corporation shall serve as the chair of the Emergency Action Committee. The Emergency Action Committee shall be subject in all respects to the authority and direction of the Board of Directors of the Corporation. The Emergency Action Committee shall exercise the power and authority of the Board of Directors of the Corporation to act on emergency matters between meetings of the Board of Directors of the Corporation.

With the exception of the Emergency Action Committee, which shall be comprised of only Directors, Standing Committees shall be comprised of Directors and such other individuals that the Standing Committees, with the concurrence of the Sole Member, may deem appropriate; provided, that, such non-Directors shall have voting privileges and shall possess the expertise required to guide the Standing Committees in fulfilling their respective purposes and functions, as long as the majority of any Standing Committee's membership consists of Directors. For clarification purposes and as detailed earlier in these Bylaws, the Board of Directors of the Corporation may delegate such authority to a Standing Committee as it deems appropriate and is not prohibited by applicable law. All Standing Committees and their members shall serve at the discretion of the Board of Directors of the Corporation.

**6.02 Advisory Committees.** The Board of Directors of the Corporation, the Chair of the Board of Directors of the Corporation, or President and CEO may establish one or more Advisory Committees (and in each case, appoint the members and the chair thereof) to serve at the discretion of the Board of Directors of the Corporation and to advise the Board of Directors of the Corporation and the Officers in the performance of their duties. Persons may be elected to serve on an Advisory Committee who are not Directors, provided that the chair of any Advisory Committee shall be chosen from among the Directors. No Advisory Committee may have or exercise any authority of the Board of Directors of the Corporation to manage the business or

affairs of the Corporation. All Advisory Committees and their members shall serve at the discretion of the Board of Directors of the Corporation.

**6.03 Standing Committee Chairs and Vice-Chairs.** Standing Committee Chairs shall, at all times, be a Director. Standing Committee Chairs shall be nominated by the Governance Committee from among those Directors currently serving as members of the Board of Directors of the Corporation and will thereafter be appointed by the Board of Directors of the Corporation. Standing Committee Vice-Chairs shall be nominated by the Governance Committee and appointed by the Board of Directors of the Corporation. Standing Committee Chairs and Vice-Chairs shall serve three (3) year terms and shall be eligible for re-election to a second three (3) year term assuming their twelve (12) year term of service has not expired. If the 12-year term of service expires during a 3-year term of the Committee Chair or Vice-Chair, they may serve beyond the 12-year term until the end of their then current term. Vacancies in the Chair and Vice-Chair positions shall be filled by appointments made in the same manner as the initial appointments to such Committee position in accordance with these Bylaws.

**6.04 Terms of Standing Committee Members.** Each member of a Standing or Advisory Committee shall continue as such until the next annual organizational meeting of the Board of Directors of the Corporation or until his or her successor is elected and has qualified, unless sooner removed or unless such Committee is sooner disbanded by the Board of Directors of the Corporation. Vacancies in the membership of any Standing or Advisory Committee shall be filled by appointments made in the same manner as the initial appointments to such Committee in accordance with these Bylaws.

**6.05 Removal.** Any member of a Standing or Advisory Committee may be removed at any time with or without cause by two-thirds (2/3) vote of the Board of Directors of the Corporation, provided that any member appointed by the Sole Member on any such Committee may not be removed without the approval of the Sole Member. Standing Committee Chairs and Vice-Chairs may be removed by the Board of Directors of the Corporation at any time with or without cause. Successor Chairs and Vice-Chairs shall be appointed consistent with the provisions of Section 6.03 of these Bylaws.

**6.06 Quorum.** One-half (1/2) of Committee members constitute a quorum for the transaction of business at any meeting of the Committee unless a greater proportion is required by applicable law. The acts of a majority of those present at a meeting is necessary to take any formal action at that meeting.

**6.07 Minutes, Procedures and Reports of Committees.** The chair of each Standing and Advisory Committee shall designate a secretary, who need not be a member of such Committee. Each Standing and Advisory Committee shall establish procedural rules consistent with applicable law, these Bylaws and the policies and directions of the Board of Directors of the Corporation, shall keep minutes of each of its meetings and shall issue such reports as the Board of Directors of the Corporation or the officers may request.

**ARTICLE VII  
LIMITATION ON LIABILITY**

**7.01 Personal Liability of Directors.** A Director shall not be personally liable, as such, for monetary damages for any action taken, or the failure to take any action, unless (1) the Director has breached or failed to perform the duties of his or her office under the Pennsylvania Nonprofit Corporation Law, as amended from time to time and the breach or failure to perform the duties constitutes self-dealing, willful misconduct or recklessness, or (2) the Board of Directors of the Corporation determines that under the circumstances indemnification would constitute an excess benefit transaction under Section 1958 of the Internal Revenue Code of 1986, as amended. The provisions of this Section 7.01 shall not apply to (1) the responsibility or liability of a Director pursuant to any criminal statute or (2) the liability of a Director for the payment of taxes pursuant to local, state or federal law (including any excise taxes which may be due as appropriate if the action or failure to act is deemed to constitute an excess benefit transaction).

**ARTICLE VIII  
INDEMNIFICATION**

**8.01 Right to Indemnification.** To the maximum extent permitted by the Pennsylvania Nonprofit Corporation Law, as amended from time-to-time, the Corporation shall indemnify its currently acting and its former directors and officers and those persons who, at the request of the Corporation, serve or have served another corporation, partnership, joint venture, trust or other enterprise in one or more of such capacities, and may indemnify any of its current or former employees or agents against any and all liabilities incurred in connection with their services in such capacities to the extent determined appropriate by the Board of Directors of the Corporation. In such circumstances, the Corporation shall pay expenses incurred by any currently acting or former director or officer, and may pay expenses incurred by any current or former employee or agent in defending a civil or criminal action, suit or proceeding in advance of the final deposition of such action, suit or proceeding; provided, however, (1) the director, officer, employee, or agent agrees to repay amounts advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation in accordance with the provisions of the Pennsylvania Nonprofit Corporation Law and (2) the director, officer, employee, or agent shall not be entitled to indemnification if the Board of Directors of the Corporation determines that under the circumstances indemnification would constitute an excess benefit transaction under Section 4958 of the Internal Revenue Code of 1986, as amended.

**ARTICLE IX  
CONFLICT OF INTEREST**

**9.01 Conflict of Interest.** No contract or other transaction between this Corporation and any other corporation, partnership, association, or other organization in which one or more of the Corporation's Directors or officers are Directors or officers, or have a financial or other interest, shall be void or voidable solely for such reason, or solely because the Director or officer is present at or participates in the meeting of the Board of Directors of the Corporation which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if (1) 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 of the Corporation and the Board of Directors of the Corporation in good faith authorizes the contract or transaction in accordance with the Sole Member's then-controlling conflict of interest policy by the affirmative votes of a majority of the disinterested Directors even if the disinterested Directors are less than a quorum; or (2) the contract or transaction is fair as to the Corporation as of the time it authorized, approved or ratified by the Board of Directors of the Corporation or the Sole Member. In addition, no contract or other transaction between the Corporation and any other corporation, partnership, association or other organization not wholly owned by the Corporation shall be void or voidable solely on the grounds that a person who is a director or officer of the Corporation is also a director or officer of the other organization if (i) the director or officer does not participate personally and substantially in negotiating the transaction for either the Corporation or the other organization and (ii) if the transaction is approved by the directors of either organization, the person that is a director or officer of each organization does not cast a vote that would be necessary at a meeting to approve the transaction on behalf of either organization. Further, no contract or transaction between the Corporation and any other corporation, partnership, association or other organization wholly owned or controlled by the Corporation shall be void or voidable solely on the grounds that a director or officer of this Corporation is also a director or officer of the wholly owned or controlled organization.

**9.02 Quorum.** Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors of the Corporation which authorizes a contract or transaction specified in Section 9.01 of these Bylaws.

## **ARTICLE X MISCELLANEOUS PROVISIONS**

**10.01 Fiscal Year.** The fiscal year of the Corporation shall end on the 31st day of December of each year.

**10.02 Consent of Directors and Committee Members in Lieu of Meeting.** Any action which may be taken at a meeting of the Board of Directors of the Corporation or any Committee may be taken without a meeting if a consent thereto in writing, setting forth the action so taken, shall be signed by all of the Directors or respective Committee members, as the case may be, and is subsequently filed with the Secretary of the Corporation.

**10.03 Seal.** The seal of the Corporation shall be in the form of two (2) concentric circles inscribed with the name of the Corporation and the year and jurisdiction in which it is incorporated. The Secretary or any Assistant Secretary shall have the right and power to attest to the corporate seal. In lieu of affixing the corporate seal to any document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a corporate seal to affix the word "SEAL" adjacent to the signature of the person authorized to sign the document on behalf of the Corporation.



**ARTICLE XI  
AMENDMENTS**

**11.01 Amendments.** These Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, by (a) written action of the Sole Member or (b) the Board of Directors of the Corporation subject to the written consent of the Sole Member. Notwithstanding the foregoing, any amendment, alteration, repealing or restating of the following shall also require approval of the majority of the Board of Directors of the Corporation: (x) Section 4.01, (y) this Section 11.01 or (z) any other provision that, if adopted, would violate the terms of the HSA.

Date last reviewed:

Date last revised:

Exhibit C

Approved Capital Projects

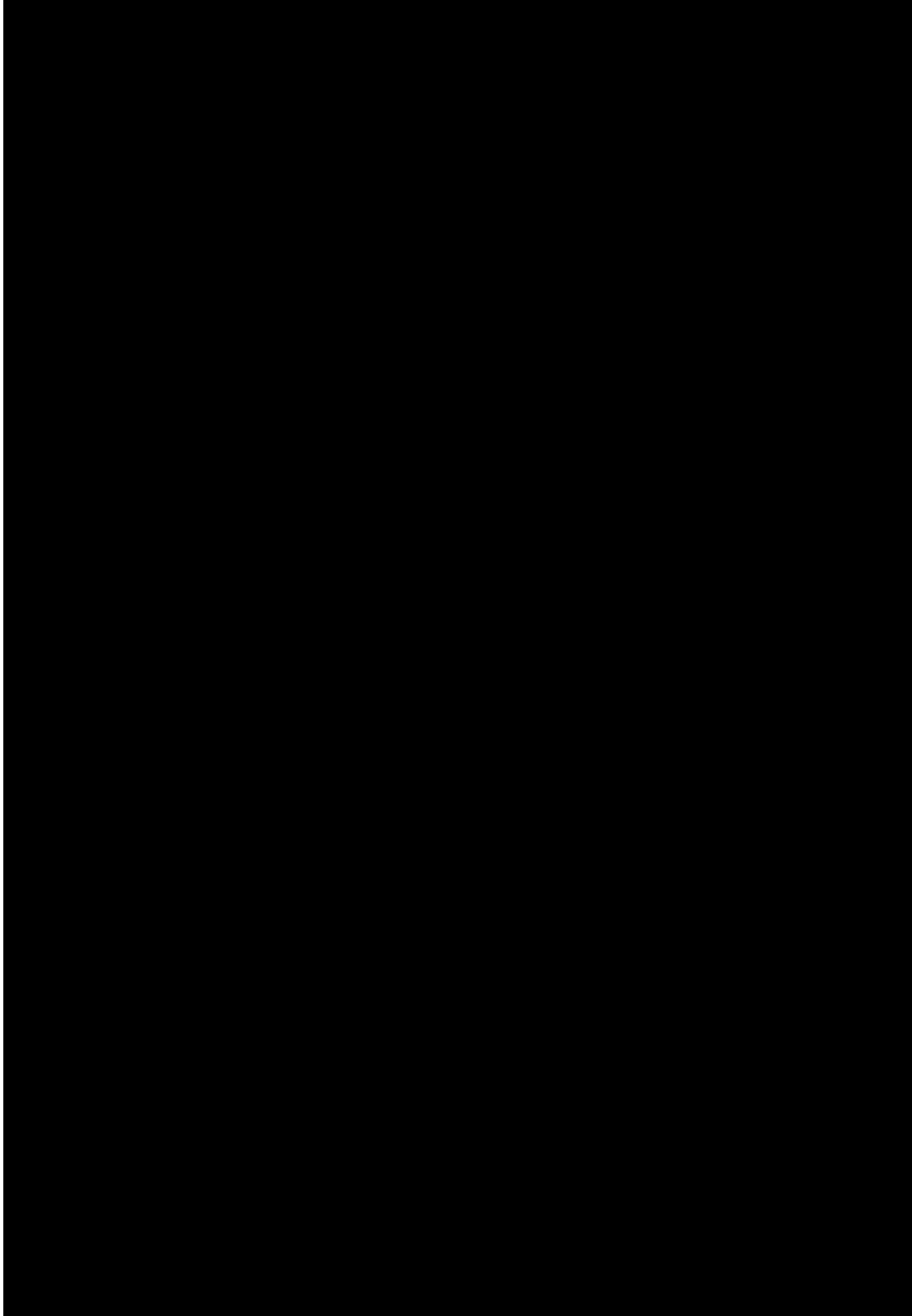
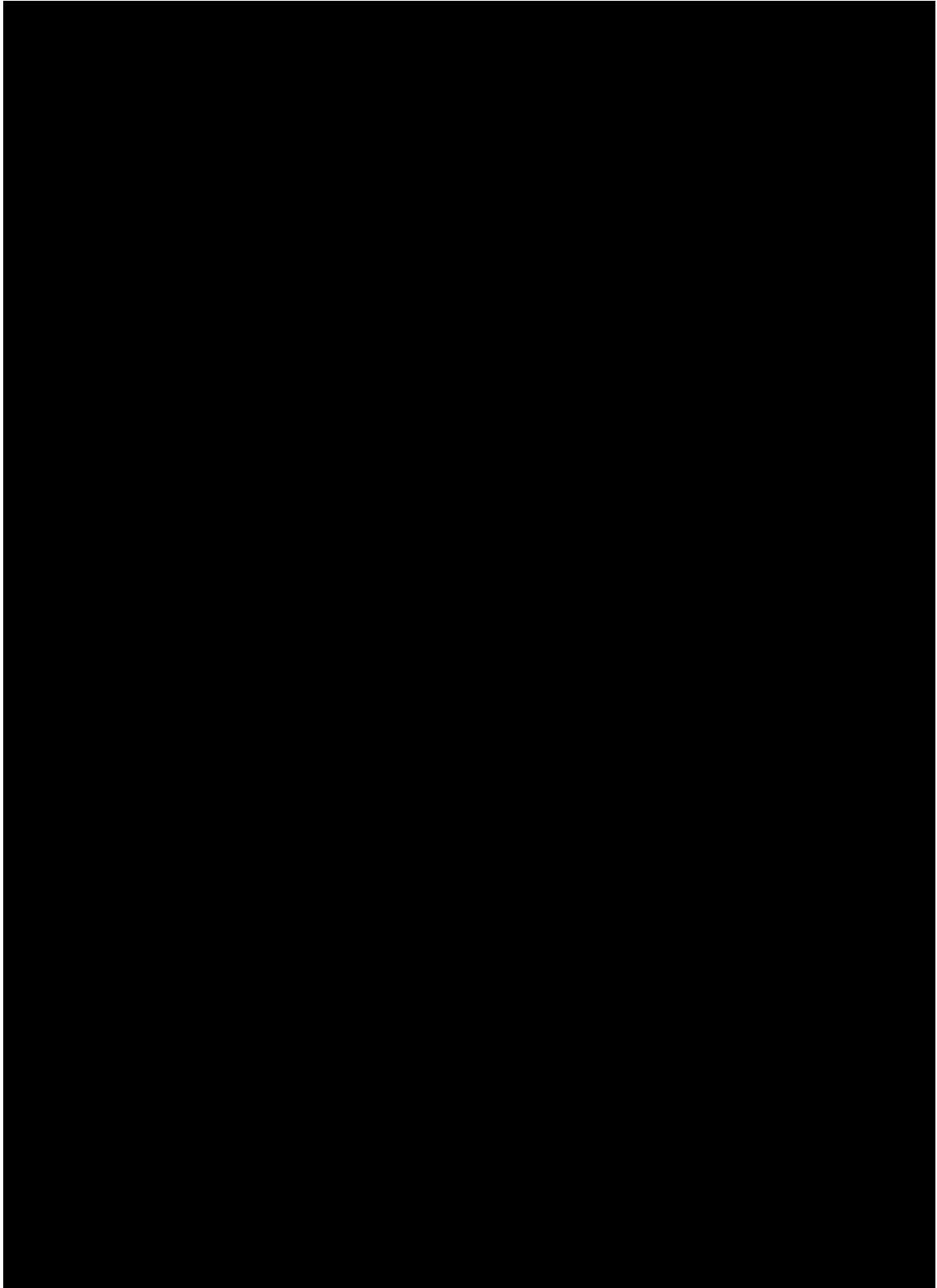


Exhibit D

Existing GH Board Approval Requirements



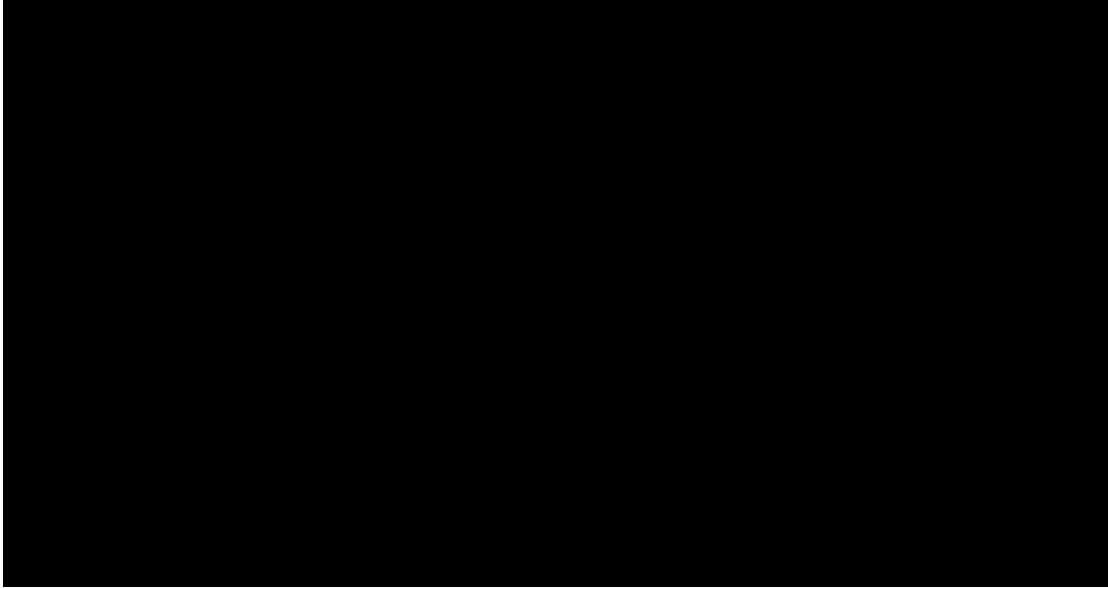
**Exhibit E**  
**List of Disclosure Schedules Excluded from the Quarterly Schedule Supplement**

The following schedules shall not be included in the Quarterly Schedule Supplement but will, for the avoidance of doubt, be included in the Disclosure Schedules provided as of the Execution Date in accordance with Section 9.2.1 of the Agreement as well as those provided prior to Closing in accordance with Section 9.2.2.2 of the Agreement:

- 7.1.2 – List of Entities
- 7.1.4 – List of Partial Subsidiaries
- 7.9.2 / 7.9.3 – List of Leased Real Property
- 7.10.1 – List of Benefit Plans
- 7.12.2(b) – List of Environmental Permits
- 7.17 – List of Insurance Policies
- 7.20.1 – List of Owned IP
- 7.23 – List of Endowment or Restricted Funds
- 7.25 – List of Insurance Entities
- 7.34.1 – List of Education Approvals

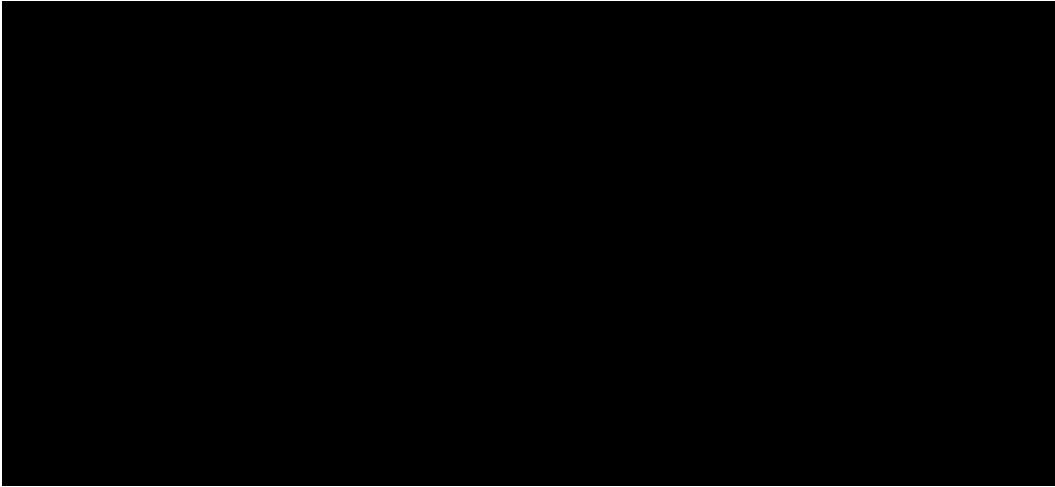
**Schedule 1(a)**

**Kaiser Knowledge Persons**

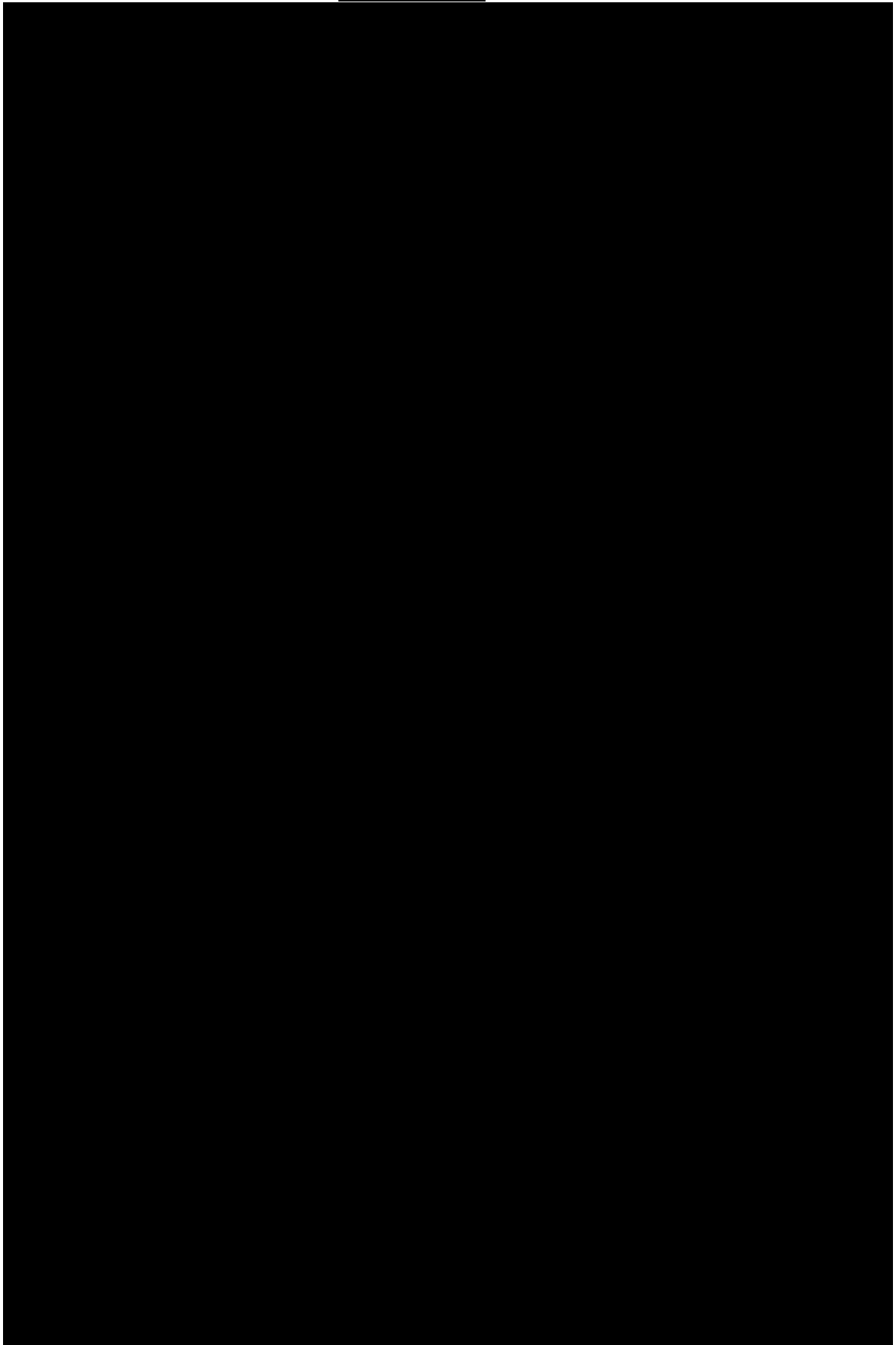


**Schedule 1(b)**

**GH Knowledge Persons**

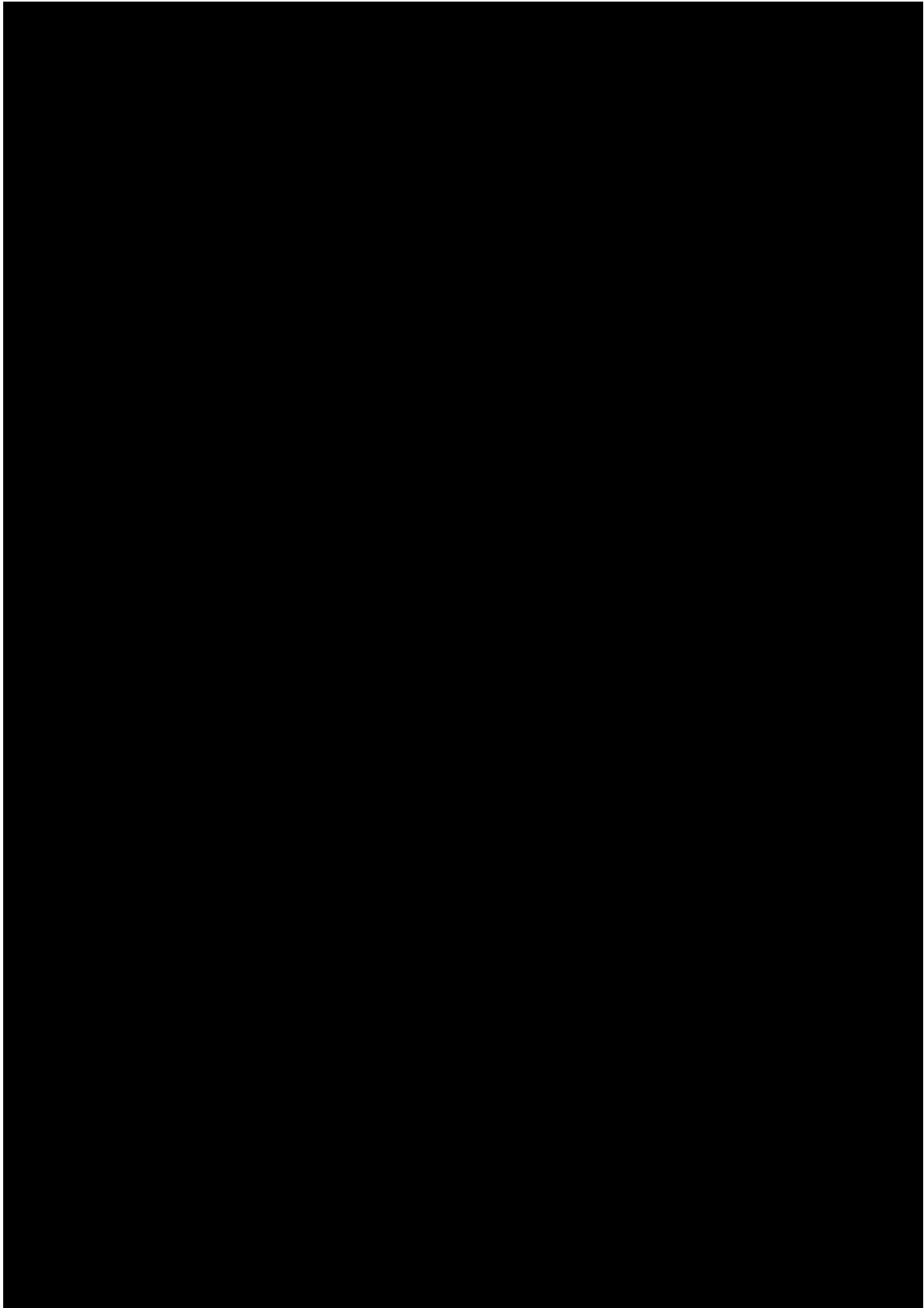


Schedule 4.4.2



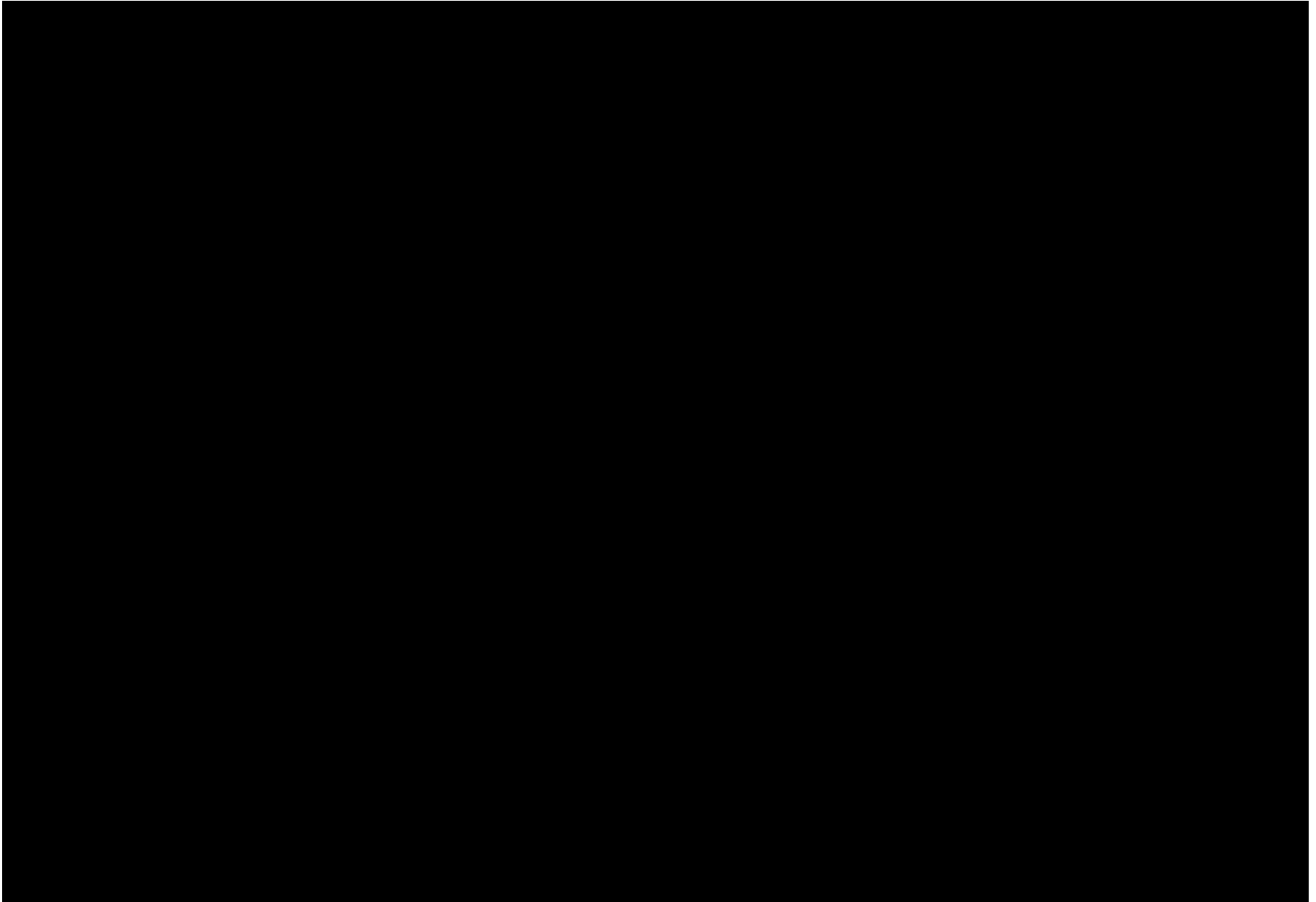
**Schedule 4.3.10**

**Existing GH Branding Commitments**





**Schedule 6.1.2 – Cash Flow Expectations**



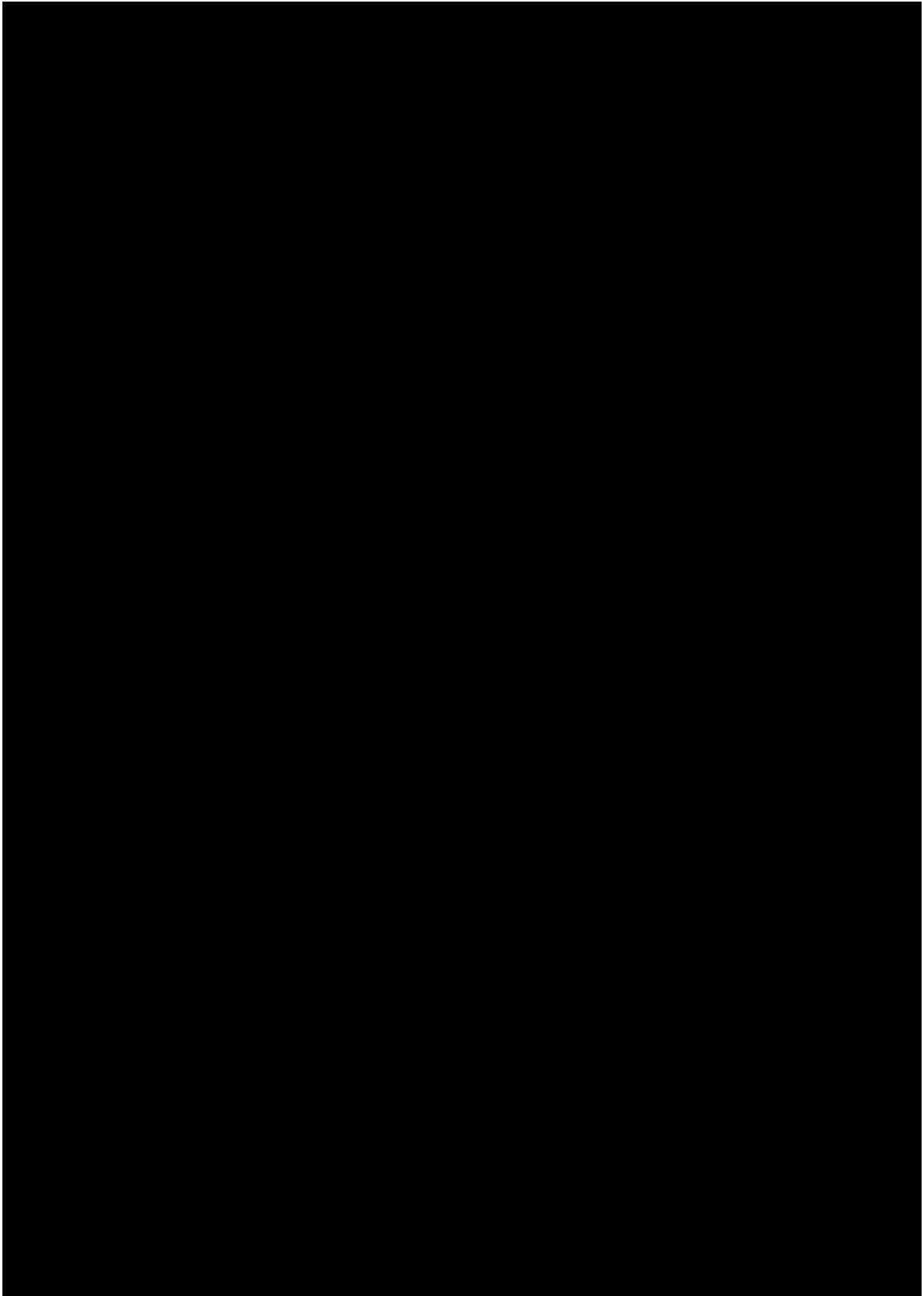
**Schedule 8.2.3**

**RH Conflicts with Other Agreements**

None.

**Schedule 9.1**

**GH Pre-Closing Operations**



## Schedule 10.4

### RH Governmental Approvals

#### **A. Non-Education Related Government Approvals**

1. U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (“CMS”) (if deemed a change of ownership by CMS)
2. Pennsylvania Department of Human Services (Medicaid & CHIP)
3. Pennsylvania Department of Health (Hospital Licenses)
4. Pennsylvania Department of Environmental Protection with respect to GH’s radioactive materials license (PA-0006)
5. New Jersey Department of Banking and Insurance with respect to Geisinger Health Plan’s Health Maintenance Organization/Dental Plan Organization license (Medicare only, Ocean and Monmouth Counties only) (99309619)

#### **B. Education Government Approvals**

\*An Education Consent will not be required to be obtained from or effectuated with an Education Agency if the Education Agency confirms in writing that an Education Consent in relation to the Transaction is not required, except that the Parties agree that an abbreviated pre-acquisition review application shall be submitted to the U.S. Department of Education (ED) and a response to such abbreviated pre-acquisition review application shall have been received from ED (unless ED does not make the abbreviated pre-acquisition review application process available), as described below.

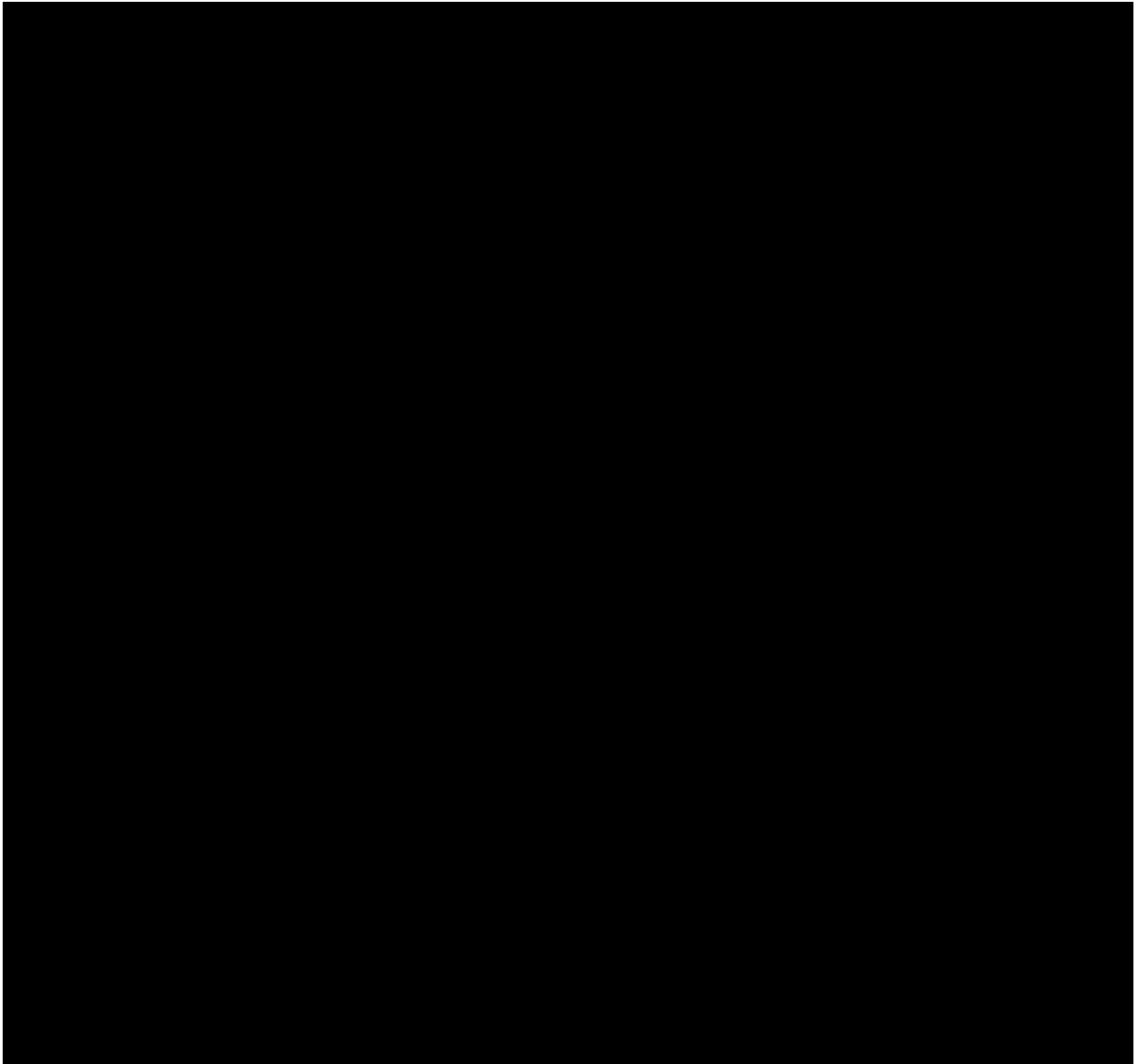
1. **United States Department of Education (ED):** (i) Notice to ED no later than 90 days prior to Closing as required by the version of 34 C.F.R. § 600.20(g) that takes effect on July 1, 2023 and (ii) the submission to ED of an abbreviated pre-acquisition review application and the receipt of a response from ED to the abbreviated pre-acquisition review application (unless ED does not make the abbreviated pre-acquisition review application process available) (GCSOM and GLHSON\*\*). ED shall not have delivered a written notice that ED does not expect to approve the change in ownership and control of the School after Closing.
2. **Middle States Commission on Higher Education (MSCHE):** Approval (GCSOM).
3. **Liaison Committee on Medical Education (LCME):** Approval (GCSOM).
4. **Accreditation Commission for Education in Nursing (ACEN):** Approval (GLHSON\*\*), Notice to ACEN no later than 120 days prior to Closing if GCSOM achieves Candidacy status (GCSOM).
5. **Pennsylvania Department of Education (PA DOE):** Approval (GCSOM).
6. **Pennsylvania Board of Nursing (PA BON):** Approval (GLHSON\*\* and GCSOM).

7. **Accreditation Council for Graduate Medical Education (ACGME):** Approval (Geisinger Health System residency and fellowship programs).

\*\*The planned closure of GLHSON is intended to be effective as of August 2023. Assuming this planned closure occurs prior to the Closing Date, no Pre-Closing Education Consents will be obtained or effectuated for GLHSON.

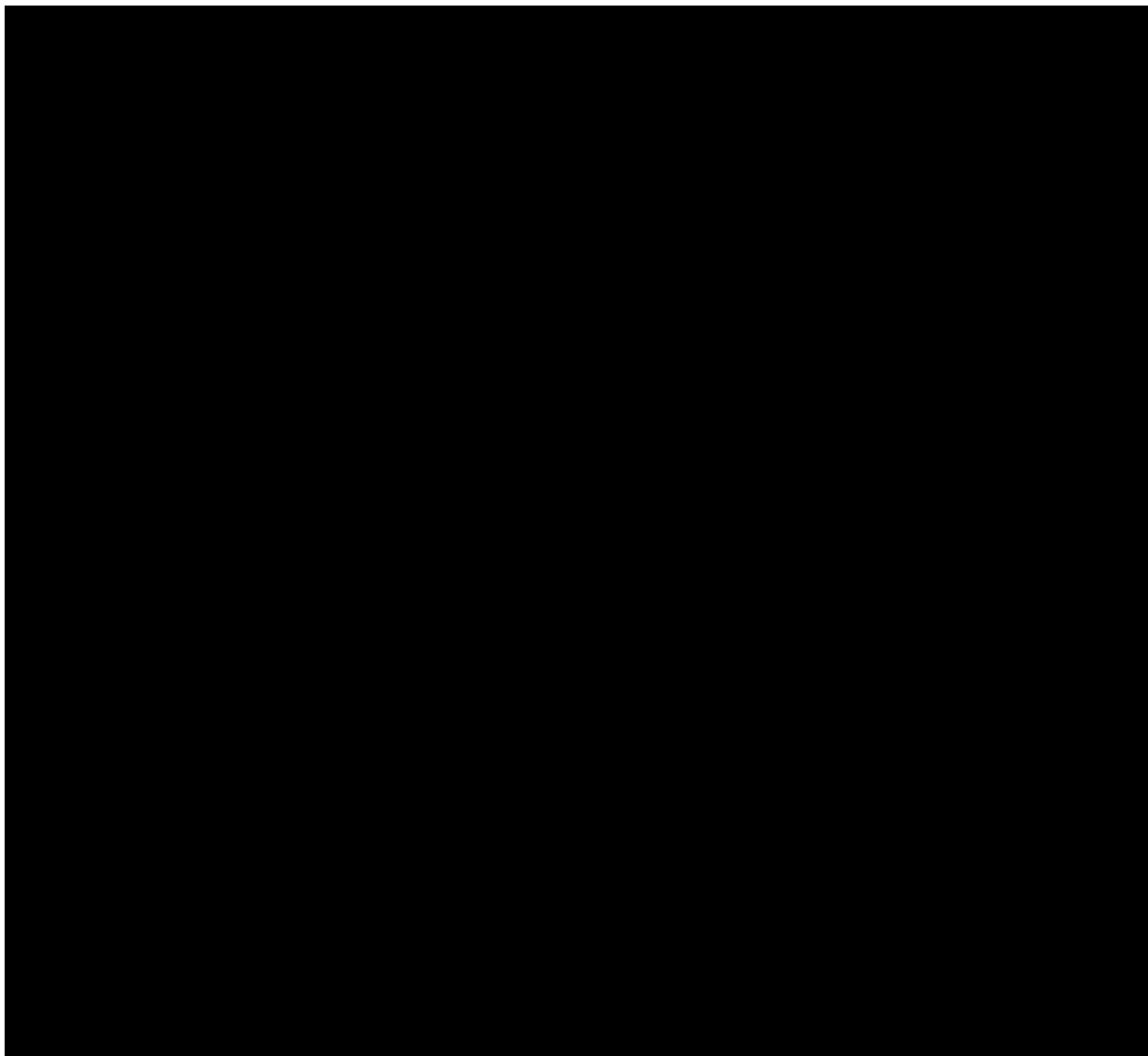
**C. Other Approvals<sup>1</sup>**

1. Pennsylvania Department of Health and Insurance Department with respect to Geisinger Health Plan's Health Maintenance Organization license
2. Pennsylvania Department of Insurance with respect to Geisinger Quality Options, Inc.'s Certificate of Authority – Risk Assuming Preferred Provider Organization license
3. Pennsylvania Department of Insurance with respect to Geisinger Indemnity Insurance Company's Preferred Provider Organization license



## **Schedule 11.5**

### **GH Governmental Approvals**

1. U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (“CMS”) (if deemed a change of ownership by CMS)
  2. Pennsylvania Department of Human Services (Medicaid & CHIP)
  3. Pennsylvania Department of Health (Hospital Licenses)
  4. Pennsylvania Department of Environmental Protection with respect to GH’s radioactive materials license (PA-0006)
  5. New Jersey Department of Banking and Insurance with respect to Geisinger Health Plan’s Health Maintenance Organization/Dental Plan Organization license (Medicare only, Ocean and Monmouth Counties only) (99309619)
- 



**Other Approvals**<sup>1</sup>

1. Pennsylvania Department of Health and Insurance Department with respect to Geisinger Health Plan's Health Maintenance Organization license
2. Pennsylvania Department of Insurance with respect to Geisinger Quality Options, Inc.'s Certificate of Authority – Risk Assuming Preferred Provider Organization license
3. Pennsylvania Department of Insurance with respect to Geisinger Indemnity Insurance Company's Preferred Provider Organization license

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<sup>1</sup> The following are being added to list the specific licenses that will be obtained in accordance with the specific closing condition of the Agreement (§11.7).

**Schedule 11.8**

**GH Required Consents**

None.



**Schedule 11.9**  
**Pre-Closing Education Consents\***

\*An Education Consent will not be required to be obtained from or effectuated with an Education Agency if the Education Agency confirms in writing that an Education Consent in relation to the Transaction is not required, except that the Parties agree that an abbreviated pre-acquisition review application shall be submitted to the U.S. Department of Education (ED) and a response to such abbreviated pre-acquisition review application shall have been received from ED (unless ED does not make the abbreviated pre-acquisition review application process available), as described below.

1. **United States Department of Education (ED):** (i) Notice to ED no later than 90 days prior to Closing as required by the version of 34 C.F.R. § 600.20(g) that takes effect on July 1, 2023 and (ii) the submission to ED of an abbreviated pre-acquisition review application and the receipt of a response from ED to the abbreviated pre-acquisition review application (unless ED does not make the abbreviated pre-acquisition review application process available) (GCSOM and GLHSON\*\*). ED shall not have delivered a written notice that ED does not expect to approve the change in ownership and control of the School after Closing.
2. **Middle States Commission on Higher Education (MSCHE):** Approval (GCSOM).
3. **Liaison Committee on Medical Education (LCME):** Approval (GCSOM).
4. **Accreditation Commission for Education in Nursing (ACEN):** Approval (GLHSON\*\*), Notice to ACEN no later than 120 days prior to Closing if GCSOM achieves Candidacy status (GCSOM).
5. **Pennsylvania Department of Education (PA DOE):** Approval (GCSOM).
6. **Pennsylvania Board of Nursing (PA BON):** Approval (GLHSON\*\* and GCSOM).
7. **Accreditation Council for Graduate Medical Education (ACGME):** Approval (Geisinger Health System residency and fellowship programs).

\*\*The planned closure of GLHSON is intended to be effective as of August 2023. Assuming this planned closure occurs prior to the Closing Date, no Pre-Closing Education Consents will be obtained or effectuated for GLHSON.