

AMENDED MANAGEMENT AGREEMENT

This Amended Management Agreement (this "Agreement") is entered into this 20th day of SEPTEMBER, 2001, by and between Mark Twain St. Joseph's HealthCare Corporation, a California nonprofit public benefit corporation ("MTSJ"), and Catholic Healthcare West, a California nonprofit public benefit corporation ("CHW").

INTRODUCTION

WHEREAS, MTSJ is the lessee of an acute care hospital facility located at 768 Mountain Ranch Road, San Andreas, California, and known as Mark Twain St. Joseph's Hospital (the "Hospital"), pursuant to a lease agreement with the Mark Twain Healthcare District as lessor.

WHEREAS, MTSJ has previously entered into a Management Agreement with St. Joseph's Medical Center of Stockton ("St. Joseph's"), dated December 31, 1989, which was subsequently assigned to St. Joseph's Regional Health System ("SJRHS"). SJRHS and St. Joseph's are to be merged into Catholic Healthcare West II ("CHW II"), an affiliate of SJRHS and CHW, and the parties desire to formally amend the Management Agreement and provide for the assignment to CHW of SJRHS's rights and obligations under this Agreement.

WHEREAS, MTSJ desires to contract CHW for the provision of its experience, skills, supervision and certain personnel in the operations of the Hospital and in all other operations of MTSJ. Control of the Hospital will remain with MTSJ's Board of Trustees (the "Board"), subject to the lease agreement and other applicable law.

WHEREAS, except as otherwise delegated to the MTSJ corporation Board of Trustees, the District retains ultimate oversight responsibility and authority to assure that the District's health care facilities and assets are operated and maintained for the benefit of the communities served by the District.

WHEREAS, in entering into this Agreement, the parties intend to maximize the opportunities for MTSJ to benefit from the CHW system-wide administrative, clinical and other practices that optimize its operations.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the obligations undertaken by the parties under this Agreement, MTSJ and CHW agree as follows:

1. RETENTION OF SERVICES

Subject to the terms and conditions of this Agreement, MTSJ hereby engages CHW to manage and operate the Hospital, and CHW hereby accepts such engagement and agrees to render such services as are set forth in this Agreement.

2. AUTHORITY, DUTIES AND RESPONSIBILITIES OF CHW

2.1 General Authority. CHW, as manager of the Hospital, shall have authority and responsibility to conduct, supervise and manage the day-to-day operations of the Hospital in accordance with the policies and procedures of the Board. In the absence of specific direction or written policies of the Board, CHW shall be expected to exercise reasonable judgment in its management activities. CHW specifically shall have responsibility and commensurate authority, subject to direction of the Board, for the activities set forth below. Except as otherwise expressly provided herein, all services described in this Section 2 shall be provided to MTSJ on the same basis that such services are provided to other CHW hospitals without discrimination based on the fact that the Hospital is not a wholly owned division or subsidiary of CHW.

2.2 Rates and Charges. CHW shall recommend to the Board for its approval, and shall maintain and administer, the overall structure of rates and charges applicable from time to time.

2.3 Human Resources. CHW shall provide assistance for all human resource functions at the Hospital to ensure that the supervision and management of Hospital employees meets the mission and operational requirements of the Hospital. MTSJ shall be responsible for the payment of all wages, salaries, benefits and all other amounts due and owing to such employees.

2.4 Billing and Financial Services. CHW shall be responsible for a comprehensive system of Financial Services including issuance of bills for services and materials furnished at the Hospital and for the collection of accounts and monies owed with respect thereto:

(a) CHW shall serve as the billing and collection agent of MTSJ for all services and supplies provided by MTSJ to the patients of Hospital. The revenues and the accounts receivable from all such billings shall be the property of MTSJ.

(b) CHW shall maintain accounting records which will appropriately set forth the charges billed and collected for each service and supply rendered by Hospital. MTSJ shall be entitled to examine and/or copy CHW's accounting books and records (as maintained by CHW) at any time for the purpose of auditing and verifying the amounts billed and collected by CHW for services rendered by Hospital.

(c) CHW shall use its commercially reasonable best efforts to collect the fees and charges billed on behalf of MTSJ. The level and quality of billing and collection services furnished by CHW pursuant to this Section 2.4 shall be equivalent to and shall meet applicable standards in the hospital industry with respect to the collection of accounts.

(d) CHW and MTSJ shall jointly develop and agree upon administrative guidelines, policies and procedures relating to referral of delinquent patient accounts to collection agencies, and CHW shall be entitled to act in accordance with said guidelines. Until

said guidelines are developed and adopted, prior to referring any bill to a collection or litigation CHW shall provide MTSJ with thirty (30) days prior written notice. MTSJ shall be deemed to have granted approval to CHW to refer or bill to collection if no response is received by CHW within the aforementioned thirty (30) day period. CHW shall select and retain any and all collection agents and attorneys, subject to the afore-described limitations.

(e) Notwithstanding the foregoing, MTSJ expressly reserves the authority to determine whether to cancel, reduce, discount or write-off any and all accounts or charges billed on its behalf by CHW as permitted by law.

2.5 Accounting and Financial Records. CHW shall assist in the establishment and administration of accounting procedures and controls for the operation of the Hospital consistent with industry standards and shall establish and administer systems for the development, preparation and safekeeping of records and books of account relating to the business and financial affairs of the Hospital. Included in the foregoing shall be the following:

- i. arrange for the preparation and delivery to MTSJ within one hundred fifty (150) days after the end of each fiscal year of MTSJ of an annual audited financial statements by a certified public accounting firm, the expenses of such audit to be paid by MTSJ;
- ii. preparation and submission of cost reports, supporting data and other materials required in connection with reimbursement under Medicare, Medicaid, Blue Cross and other third-party payor contracts and programs in which MTSJ may from time to time participate. The cost for the preparation of such reports shall be borne by CHW.

2.6 Purchases and Leases. CHW shall, pursuant to MTSJ's budget and capital expenditure policies, assist in the development of materials and purchasing systems for equipment, drugs, supplies and all materials and services that CHW deems to be necessary in the operation of the Hospital. To the extent available and subject to applicable law, CHW shall offer

to MTSJ the opportunity to participate in CHW purchasing contracts. Any purchase agreement that obligates MTSJ beyond the term of this Agreement, and any purchase or lease of capital equipment procured by CHW that obligates MTSJ beyond the term of the Agreement, shall be subject to prior approval by the Board.

2.7 **Performance Improvement.** In conjunction with the responsibilities of the medical staff of the Hospital, CHW shall assist with the evaluation of performance improvement aspects of the Hospital operations, and the implementation, with Board approval, of performance improvement programs designed to meet standards imposed by appropriate certifying agencies and in accordance with MTSJ's policies.

2.8 **Budget.** CHW shall assist MTSJ annually in developing a capital expenditure and an operating budget for the next succeeding fiscal year, together with a cash flow projection and an explanation of anticipated changes in Hospital operations, which shall be consistent with CHW budget development processes and goals and objectives.

2.9 **Contract Negotiations.**

(a) **Third Party Payor Contracts.** CHW shall negotiate on behalf of MTSJ participation in third party payor programs and the terms and conditions of such third party payor contracts, including without limitation agreements with Medicare, Medicaid and Blue Cross. Such contracts shall be developed in consultation with Hospital staff and shall be subject to approval by the Board of Trustees.

(b) **Professional Contracts.** CHW shall provide assistance in negotiating contracts with medical professionals and other service providers as is necessary for the proper and efficient functioning of the Hospital.

2.10 **Regulatory Requirements.** CHW shall assist MTSJ in complying with changes in licensing and accreditation requirements of the State of California and of the Joint

Commission on Accreditation of Healthcare organizations with respect to the Hospital, and in instituting all necessary corrective and interim survey procedures.

2.11 Strategic Plan. Each year, CHW shall present to MTSJ for its approval a Strategic Plan outlining CHW's recommended operating goals and objectives for the Hospital.

2.12 Management of Long Term Debt Obligations of MTSJ. CHW shall assist MTSJ by managing and administering the long term debt obligations under the Loan Agreement dated as of May 1, 1996, between MTSJ and the California Health Facilities Financing Authority and the Authority's issuance of its Insured Health Facility Refunding Revenue Bonds (Mark Twain St. Joseph's HealthCare Corporation) 1996 Series A.

3. CHIEF EXECUTIVE OFFICES AND OTHER PERSONNEL

3.1 Chief Executive Officer. CHW shall provide an on-site, full time chief executive officer for the Hospital (the "Chief Executive Officer"), or other title consistent with CHW organization, whose initial appointment shall be approved by MTSJ (such approval shall not unreasonably be withheld). The Chief Executive Officer shall be a CHW employee but shall not be a member of the CHW Board of Directors. The Chief Executive Officer shall serve at the pleasure of both MTSJ and CHW. Termination of the Chief Executive Officer shall require the approval of both MTSJ and CHW. In case of termination, CHW shall be responsible for providing an adequate replacement, subject to the reasonable approval of MTSJ. The Chief Executive Officer shall report to the Board and CHW Divisional Executive consistent with CHW structure. The Chief Executive officer shall have responsibility for the day-to-day management and administration of the Hospital. The Chief Executive Officer's compensation, including all employee benefits, shall be deemed an administrative cost in accordance with Section 5, chargeable to MTSJ.

3.2 Chief Financial Officer. CHW shall provide an on-site, full-time accounting and financial officer (the "Chief Financial Officer"). The Chief Financial Officer shall be an employee of CHW, and shall report to the Chief Executive Officer and the CHW Division Chief Financial Officer consistent with CHW structure. The Chief Financial Officer shall serve at the pleasure of both MTSJ and CHW. Termination of the Chief Financial Officer shall require the approval of both MTSJ and CHW. In case of termination, CHW shall be responsible for providing an adequate replacement, subject to the reasonable approval of MTSJ. The Board shall participate in the annual performance review of the Chief Financial Officer. The Chief Financial Officer's compensation, including all employee benefits, shall be deemed an administrative cost in accordance with Section 5, chargeable to MTSJ.

3.3 Hospital Personnel. The employees' compensation, including all employee benefits, shall be the responsibility of MTSJ and all such employees shall be and be treated as the employees of MTSJ for all purposes.

4. DIVISION OF AUTHORITY AND RESPONSIBILITY

4.1 General Board Authority. The Board shall retain all authority placed on it by law and the MTSJ bylaws, as may be amended from time to time. Such retained authority shall include, but not be limited to, the Board's right and authority to approve the Hospital's medical staff bylaws, rules and regulations and fair hearing plan, and to make all decisions related to appointment or reappointment to medical staff membership or the granting of clinical privileges, or related to the denial, revocation, suspension or other adverse decision with respect to such membership or clinical privileges, as set forth in the medical staff bylaws of the Hospital.

4.2 MTSJ Responsibilities. MTSJ is responsible for, among other things, approval of the annual MTSJ budgets, approval of the appointment of the Chief Executive Officer (as set forth in Section 3.1 above), the Hospital's rates and charges, employee wages and

benefits, third-party contract terms, and the cancellation, reduction or discounting of patient accounts, compliance with the terms of the Lease and carrying out any and all responsibilities required by law or by contract.

4.3 Medical Staff; Medical and Professional Matters. The medical staff of the Hospital shall be organized and shall function according to its bylaws, as may be amended from time to time. CHW shall consult with the medical staff and with MTSJ as may from time to time be appropriate.

4.4 Licensing; Accreditation. MTSJ covenants that it shall take all reasonable steps necessary to keep the Hospital fully licensed and duly accredited by the Joint commission for Accreditation of Healthcare organizations. CHW shall cooperate in such endeavors. MTSJ further covenants that it willfully will do nothing to jeopardize Medicare, Medi-Cal and other third-party reimbursement agreements.

4.5 Insurance. CHW shall make recommendations as to insurance programs to be selected by MTSJ. Except to the extent otherwise agreed to by CHW, MTSJ shall maintain insurance covering all risks normally insured by hospitals including without limitation, comprehensive general liability, professional (malpractice) liability, personal injury liability insurance and all required statutory coverage, including worker's compensation. MTSJ shall cause all policies maintained pursuant to this Section to name CHW, its directors, officers, agents and employees (including the Chief Executive officer) as additional named insureds, and to carry a clause requiring a thirty (30) day notice to CHW prior to cancellation of or a major change in coverage. MTSJ shall provide CHW with certificates from the carriers evidencing such coverage and the foregoing named insured and notice provisions.

4.6 Access to the Hospital. MTSJ shall, during the term of this Agreement, give CHW sufficient access to the Hospital, its records, offices and facilities, in order that CHW may carry out its duties under this Agreement.

4.7 Independent Contractor. MTSJ acknowledges that CHW appointment and actions under this Agreement are undertaken in the capacity of an independent contractor of the Hospital. MTSJ and CHW acknowledge and agree that one is neither the employee nor the employer of the other, than they are neither partners nor joint venturers, and that neither shall assume or create any obligation of any kind, express or implied, in the name of or on behalf of the other in any manner whatsoever without the express written authorization of the party to be bound, except as is otherwise provided in this Agreement.

5. MANAGEMENT FEE

(a) On an annual basis as part of the annual budget process described in Section 2.8, CHW shall prepare an estimate of its proposed fees and costs to be incurred in providing all of the management services described under this Agreement, which estimate shall include the costs of personnel incurred by CHW and assigned to MTSJ under Section 3. Said estimate shall be subject to approval by the Board as part of the budget approval process in accordance with Section 4.2. As part of this approval process, as well as prior to submission of any MTSJ cost report, MTSJ shall review any documents or materials relied upon by CHW in calculating the costs of its services, including any cost reports and audits pertaining to any allocated overhead or "home office" costs.

(b) The management fee approved in accordance with subsection (a) of this Section shall be paid in twelve (12) equal monthly installments. Within fifteen (15) days following the conclusion of the prior month during each month that this Agreement is in effect, MTSJ shall pay to CHW the monthly installment of the approved management fee.

(c) CHW shall make available special consulting services to meet special management service needs not included in the regular management fee described in subsection (a) that may arise from time to time because of new regulatory requirements or unusual or unexpected needs. MTSJ and CHW shall agree, in advance, to a method or formula for the cost to be paid by MTSJ for such special consulting services.

6. **TERM**

This Amended Agreement shall commence on July 1, 2001, and shall terminate on December 31, 2019, unless sooner terminated pursuant to the terms of this Agreement.

7. **TERMINATION OF AGREEMENT**

This Agreement shall terminate upon the occurrence of any of the following events:

(a) **Insolvency.** If (i) either party shall (A) apply for or consent to the appointment of a receiver, trustee, liquidator or similar official for all or a substantial part of its assets, (B) file a voluntary petition in bankruptcy or admit in writing its inability to pay its debts as they come due, (C) make a general assignment for the benefit of creditors, (D) file a petition or answer seeking an order for relief, a reorganization or an arrangement with creditors or take advantage of any insolvency law, (E) become subject to a order, judgment or decree entered by any court, on the application of a creditor or otherwise, adjudging such party bankrupt or insolvent or appointing or providing for the taking of possession by a receiver, trustee, liquidator or similar official, and any such order, judgment or decree shall continue unstayed and in effect for thirty (30) consecutive days, or otherwise cease to meet its financial obligations in the ordinary course of business and (ii) the other party provides notice of termination to such party;

(b) **Licensing.** If any licenses or third-party provider reimbursement agreements essential for the Hospital's operation are at any time suspended, terminated or

revoked for a period of thirty (30) consecutive days, and CHW provides a thirty (30) days notice of termination of MTSJ;

(c) Destruction. If the Hospital, or any substantial part thereof, is damaged or destroyed by fire or other casualty, and MTSJ fails to undertake diligent and time repair, restoration, rebuilding or replacement of any such damage or destruction, such to be completed within one hundred and eighty (180) days thereafter, and CHW provides thirty (30) days notice of termination to MTSJ;

(d) Litigation. If there is the threat or institution of any civil or criminal action against MTSJ or CHW, which would in the good faith judgment of CHW, if successfully prosecuted, substantially impair either the services required under this Agreement or the business reputation of CHW, and CHW provides a thirty (30) days notice of termination to MTSJ;

(e) Lease. If the Lease is terminated;

(f) Breach. If MTSJ fails to make payments required under Section 5 and such payments remain unpaid for thirty (30) days after they are due, or either party otherwise violates any of the covenants or agreements required by this Agreement and such violation remains uncorrected for forty-five (45) days after written notice from the other party specifying the violation, or if the violation is such that cannot reasonably be cured within such forty-five (45) day period and the applicable party is not diligently pursuing a cure.

8. INDEMNIFICATION

MTSJ and CHW each agrees to indemnify and hold harmless the other from and against all losses, damages, costs and expenses caused by the grossly negligent or willful acts or omissions of the other party. CHW shall not, by entering into and performing this Agreement, become liable for, and MTSJ shall indemnify it against, any of the existing or future obligations, liabilities or debts of the Hospital. CHW will in its role as manager have only an obligation to

exercise reasonable care in the management and handling of the funds generated from the operation of the Hospital and long-term indebtedness. Subject to the provisions of sections 7(a)-(e), neither party shall be liable to the other for any delays or damages or any failure to act (other than payment of monies) as a result of, occasioned or caused by reason of federal or state laws or the rules, regulations or orders of any public body or official purporting to exercise authority or control respecting the operations covered hereby, or as a result of, occasioned or caused by strikes, action of the elements, acts of God or other causes beyond the control of the parties, and delay as a result of the above causes shall not be deemed to be a breach of or failure to perform under this Agreement.

9. CAPITAL LOANS

Subject to the development and execution of appropriate loan documents, CHW shall extend to MTSJ a line of credit of up to \$500,000 to cover losses incurred with respect to the operation of the Hospital, if any, during this Agreement. Advances under this line of credit shall not exceed \$500,000 in any one year. Any amounts drawn on the line of credit by MTSJ shall be repayable in equal installments over five (5) years and shall bear interest at a rate equal to one percent (1%) above the prime lending rate, but not in excess of the maximum legal rate. In the event of termination of this Agreement, fifty percent (50%) of any amounts drawn on the line of credit by MTSJ immediately shall be payable within thirty (30) days and the remaining fifty percent (50%) shall be payable, with interest, at the end of the first year after termination. As collateral security for the unconditional payments of amounts owed by MTSJ under this line of credit, MTSJ hereby: (a) grants to CHW a subordinated security interest in and to all of MTSJ's now owned or after acquired accounts receivable; and (b) agrees to grant a security interest in and to the Health Facilities (as that term is defined in the Indenture), whether now owned or after acquired, upon the request of CHW, but only to the extent permitted under the Indenture. MTSJ

agrees that such security interests shall continue until the amounts due under the line of credit have been fully paid.

10. PROPRIETARY ITEMS

MTSJ recognizes that certain operational and procedural manuals have been developed by CHW and that CHW may institute in the Hospital certain procedures and methods developed by CHW or unique to it. MTSJ agrees that such operational and procedural manuals and similar unique and characteristic procedures and methods employed by CHW in the performance of this Agreement are proprietary in nature and shall remain the property of CHW at the termination of this Agreement and shall not at any time be utilized, distributed, copied or otherwise employed by MTSJ except in the operation of the Hospital during the term of this Agreement, subject to the requirements of the Indenture, or unless otherwise approved in writing by CHW.

11. NONCOMPETE CLAUSE

During the term of this Agreement, CHW shall not, directly or indirectly, participate or engage in any health care or health care related program, transaction-or activity in Calaveras County (except with MTSJ) that competes with MTSJ, unless CHW first obtains the approval of the Board of Directors of the District.

12. RECORDS

CHW shall maintain and make all books and records pertaining to medical care rendered at the Hospital and to financial arrangements respecting patients, available for examination, inspection or copying:

(a) by the U.S. Department of Health and Human Services, OSHPD and such other governmental agencies to the extent required by law;

(b) at all reasonable times at its office, or at such other mutually agreeable location in the State of California;

(c) in a form maintained in accordance with general standards applicable to such bookkeeping or recordkeeping; and

(d) for a term of five (5) years from the close of the last fiscal year during which this Agreement is in effect.

13. DISPUTED RESOLUTION

13.1 Mediation. In the event of any dispute or disagreement between the parties with respect to the agreement, either party may initiate mediation by giving written notice thereof to the other party hereto. Both parties shall attend and participate in the mediation, which shall be binding upon the parties if a mutually agreeable resolution is achieved. All mediation proceedings shall be attended by representatives of MTSJ and CHW with reasonable authority to resolve the dispute. The costs and expenses associated with the mediator and the mediation shall be paid equally by MTSJ and CHW regardless of the result of the mediation proceeding.

Further, each party shall bear its own attorneys fees and costs in connection with the mediation process. The mediation proceeding shall be subject to California Evidence Code Sections 1152 and 1115 through 1128, inclusive.

13.2 Arbitration. If a dispute is not resolved through the mediation process described in Section 13.1 above, then either party may commence arbitration by giving a written notice to the other party demanding non-binding arbitration. There shall be one (1) impartial third-party arbitrator. If the parties are unable to agree upon a mutually acceptable arbitrator within thirty (30) days after the demand for arbitration is given, then the parties stipulate to the arbitration before a single impartial third party arbitrator who is a retired judge on a panel of JAMS/Endispute, Inc. and who is selected by the then serving chief administrative officer of JAMS/Endispute, Inc.

As soon as reasonably practicable, but not later than thirty (30) days after the hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the parties and their respective legal counsel.

14. MISCELLANEOUS

14.1 Assignment; Successors and Assigns. CHW shall not assign its rights and obligations under this Agreement without the consent of MTSJ; provided, however, CHW shall be permitted to assign its rights and obligations under this Agreement to CHW II. For purposes of this restriction, assignment shall include a merger of one corporation into another surviving corporation pursuant to the California Corporations Code. Any attempted assignment or merger to which such consent has not been obtained shall not operate to transfer the rights and responsibilities to the assignee or surviving entity. MTSJ shall have the right to assign its interest in this Agreement only in connection with any sale or transfer of the Hospital; provided, however, that the transferee (other than a mortgagee or any person who acquires title to the Hospital from a mortgagee or by exercise of the power of sale in the mortgage or in any sale in lieu of foreclosure thereof or in connection with the foreclosure thereof) shall expressly assume in writing the obligations of MTSJ to CHW as set forth in this Agreement. The terms, provisions, covenants, obligations and conditions of this Agreement shall be binding upon and shall inure to the benefit of the successors in interest and the assigns of the parties, provided that no assignment, transfer, pledge or mortgage by or through either party, as the case may be, in violation of the provisions of an indenture, and this Agreement shall vest any rights in the assignee, transferee, pledgee or mortgagee.

14.2 Notices. All notices provided for in this Agreement shall be in writing and shall be deemed given when it is either delivered personally or deposited in the U.S. registered or certified mail, return receipt requested, to the address set forth below:

MTSJ: Mark Twain St. Joseph's
HealthCare Corporation
768 Mountain Ranch Road
San Andreas, CA 95249
Attn: Chairman, Board of Trustees

Catholic Healthcare West: CHW
1700 Montgomery Street
San Francisco, CA 94111

or to such address and to the attention of such other person or officer as either party may designate in writing.

14.3 Waiver/Breach. The waiver of a breach of any term or condition of this Agreement shall not be deemed to constitute a waiver of a subsequent breach of the same, or a breach or subsequent breach of any other terms or condition.

14.4 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

14.5 Headings. The headings to the various sections of this Agreement have been inserted for convenience or reference only and shall not modify, define, limit or expand the expressed provisions of this Agreement.

14.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and each such counterpart shall together constitute but one an the same Agreement.

14.7 Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any dispute, proceeding, action or lawsuit of any kind arising from this Agreement shall be determined and/or litigated in a forum located in Calaveras County, California or in a federal court serving Stanislaus County.

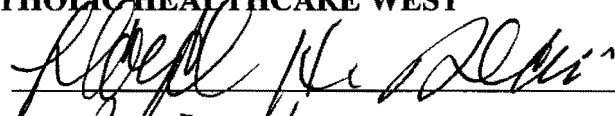
14.8 Further Assurances. Both parties promptly shall execute and deliver to the other such further documents and assurances and take such actions as the other party may reasonably request in order more fully to carry out the intent and purpose of this Agreement.

14.9 Authorization. The execution and performance of this Agreement by MTSJ and by CHW have been authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of MTSJ and CHW in accordance with its terms.

14.10 Entire Agreement. MTSJ and CHW each warrants and represents that prior to the execution of this Agreement each of the parties (i) has fully informed itself as to the terms, contents, provisions and effects of this Agreement; (ii) has had the benefit of the advice of an attorney and such other consultants deemed appropriate by each such party; and (iii) has neither made nor accepted any promise or representation of any kind, whether written or oral, that is to form a basis of this Agreement, except as is expressly stated herein. Acceptance of this Agreement by MTSJ and CHW, shall constitute, exclusively and entirely, the agreement among the parties. All prior representations or agreements, written or verbal, between the parties are merged herein and superseded hereby. Additionally, this Agreement is subject to the requirements of the Indenture, the Regulatory Agreement and the Contract of Insurance. No changes or additions to this Agreement shall be recognized unless made in writing and signed by the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

CATHOLIC HEALTHCARE WEST

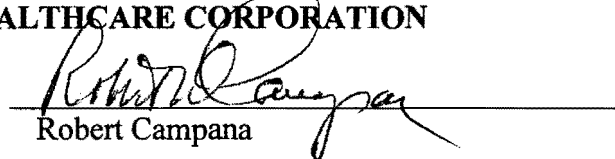
By: 

Title: President / C.E.O.

ATTEST:



**MARK TWAIN ST. JOSEPH'S
HEALTHCARE CORPORATION**

By: 
Robert Campana

Title: Chairman

ATTEST:


Colleen Smart

