

APPENDIX G-1

Operations Transfer Agreement

OPERATIONS TRANSFER AGREEMENT

THIS OPERATIONS TRANSFER AGREEMENT (this "**Agreement**"), is made and entered into as of the ^{13th} day of April, 2023, by and between Mascoma Community Healthcare, Inc., a New Hampshire non-profit corporation (the "**Transferor**"), and HealthFirst Family Care Center, Inc., a New Hampshire non-profit corporation (the "**New Operator**").

BACKGROUND

A. Transferor owns and operates a health care facility (the "**Facility**") known as Mascoma Community Health Center located 18 Roberts Road, Canaan, NH 03741 (the "**Business**").

B. New Operator owns and operates a Federally Qualified Health Center ("**FQHC**") based in Franklin and Laconia, New Hampshire.

C. Transferor intends to enter into a Lease Agreement and an Equipment Lease Agreement (the "**Lease Agreements**") through which New Operator will lease the Facility and Transferor's equipment and furniture in the Facility from Transferor.

D. Upon execution of the Lease Agreements, and contingent upon the receipt of certain required regulatory approvals, New Operator shall assume operations of the Facility and run the Facility as one of New Operator's FQHC sites of service.

E. In connection therewith, New Operator and Transferor desire to enter into this Agreement pursuant to which, on the Operations Transfer Date (as defined below), New Operator will assume operations of the Facility as provided herein.

NOW, THEREFORE, in consideration of the mutual promises of the Parties, and of the other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

OPERATIONS TRANSFER

1.1 Transfer Date. The operations transfer (the "**Operations Transfer**") contemplated under this Agreement shall occur on or about July 1, 2023 (the "**Operations Transfer Date**").

1.2 Records Custodian; Access to Records.

(a) All medical, financial, corporate, and other operational records of the Transferor will remain the property and/or responsibility of Transferor and Transferor shall maintain such records as required by all applicable Laws including, but not limited to, state and federal privacy laws. Notwithstanding the foregoing, Transferor will honor patient HIPAA-compliant requests to transfer their medical records to New Operator, which will become the custodian of those medical records upon transfer.

(b) The Parties each agree to comply with the applicable provisions of the Administrative Simplification sections of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. §1320d through d-8 (“**HIPAA**”), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 CFR Parts 160 and 164 (the “**Federal Privacy Regulations**”) and the federal security standards as contained in 45 CFR Parts 160, 162 and 164 (the “**Federal Security Regulations**”). The Parties agree not to use or further disclose any “protected health information,” as defined in HIPAA (collectively, the “**Protected Health Information**”), concerning a patient other than as permitted by, or in connection with the performance of, this Agreement or permitted under the requirements of HIPAA or regulations promulgated under HIPAA regarding such Protected Health Information, including, without limitation, the Federal Privacy Regulations, Federal Security Regulations and any related state rules or regulations. The Transferor may retain and utilize copies of the medical records after the Operations Transfer Date for any uses required by Transferor including but not limited to billing, accounting, responding to auditors and storage for patients provided such uses are consistent with federal and state laws and regulations.

1.3 Transferor’s Obligations. Notwithstanding anything to the contrary contained herein, in no event shall New Operator assume, perform or be responsible for any debts, liabilities or obligations, of Transferor arising or relating to the period on or before the Operations Transfer Date, including, without limitation, the following (collectively, “**Excluded Liabilities**”): (a) any Obligation of Transferor under any provider or other agreement relating to the Facility, including, any amounts determined as a result of an audit or denial of a claim to be due by Transferor because Transferor has been overpaid during the period prior to the Operations Transfer Date or has received payments for which it is not entitled or any violation or non-compliance with any healthcare or other Laws by Transferor or relating to the Facility prior to the Operations Transfer Date; (b) any malpractice or other claim to the extent such claim is based upon acts or omissions of or on behalf of Transferor; (c) any claim for breach of contract to the extent based on acts or omissions of Transferor; (d) any accounts payable, Taxes, or other Obligation of Transferor to pay money; (e) any Obligations regarding any funds of any Patient; or (f) any other Obligation of Transferor or the Facility with respect to the Facility, its employees, or the Business arising or relating to the period on or prior to the Operations Transfer Date, or based upon any facts, circumstances or events occurring on or before the Operations Transfer Date or any acts or omissions of Transferor (or on behalf of Transferor).

1.4 Continued Insurance Coverage. If Transferor’s current professional and general liability insurance policies are written on a “claims-made” basis, Transferor shall purchase and maintain “extended reporting” coverage under that policy for a term of not less than three (3) year commencing on and immediately after the Operations Transfer Date and provide evidence of such insurance to New Operator upon request.

1.5 Accounts Receivable.

(a) Transferor shall retain all right, title and interest in and to all unpaid accounts receivable with respect to the Facility that relate to all periods before the Operations Transfer Date. Subject to the allocations described in Section 1.7(b), all right, title, and interest in accounts receivable arising from the operation of all Facility on or after the Operations Transfer Date shall be the property of the New Operator.

(b) Payments received by Transferor or New Operator after the Operations Transfer Date with respect to the Facility from third party payors shall be handled as follows:

(i) if the accompanying remittance advice indicates, or if the parties agree, that the payments relate solely to services provided before the Operations Transfer Date, (A) if such payments are received by New Operator, New Operator shall promptly remit such payments to Transferor not later than ten (10) days after such payment is received, and until so forwarded, shall be held in trust for the benefit of Transferor and (B) if such payments are received by Transferor, Transferor shall retain the payments;

(ii) if the accompanying remittance advice indicates, or if the parties agree, that the payments relate solely to services provided after the Operations Transfer Date, (A) if such payments are received by New Operator, New Operator shall retain the payments and (B) if such payments are received by Transferor, Transferor shall promptly remit such payments to New Operator not later than ten (10) days after such payment is received, and until so forwarded, shall be held in trust for the benefit of New Operator;

(iii) if the accompanying remittance advice, or if the parties agree, that the payments relate to services provided both before and after the Operations Transfer Date, (A) if such payments are received by New Operator, New Operator shall promptly following receipt of such payment (but in any event, not later than ten (10) days after such payment is received) forward to Transferor the amount of such payment relating to services provided before the Operations Transfer Date, and (B) if such payments are received by Transferor, Transferor shall promptly following receipt of such payment (but in any event, not later than ten (10) days after such payment is received) forward to New Operator the amount of such payment relating to services provided following the Operations Transfer Date; and

(iv) if the accompanying remittance advice does not indicate the period to which a payment relates or if there is no accompanying remittance advice and if the parties do not otherwise agree as to how to apply such payment, then, for payments received during the ninety (90) day period after the Operations Transfer Date, the payment shall be deemed first to apply against the oldest outstanding account receivable due from such payor until the balance owed by the vendor, patient or insurance company prior to the Operations Transfer Date is paid in full.

(c) Any payments received by Transferor or New Operator from or on behalf of private pay patients with outstanding balances as of the Operations Transfer Date will be applied as designated paragraph (b)(iv) above.

(d) New Operator and Transferor shall forward to the other party via email or facsimile any and all remittance advices, explanation of benefits, denial of payment notices and all other correspondence received by the party that relate to services provided by the other party. The documents shall be forwarded within fifteen (15) days following receipt in accordance with the notice provisions contained herein.

(e) If the parties mutually determine that any payment hereunder was misapplied by the Parties, the party which erroneously received said payment shall remit the same to the other

within ten (10) days after said determination is made.

(f) Prepaid payments received by the Transferor before the Operations Transfer Date with respect to the Facility applicable to any period following the Operations Transfer Date shall be paid to the New Operator on the Operations Transfer Date.

1.6 Patient Credit Balances. On or before the Operations Transfer Date, Transferor shall refund any and all credit balances on patient accounts including, but not limited to, refunds due to patients.

1.7. Representations and Warranties of Transferor. Transferor hereby represents and warrants to New Operator, as of the date of this Agreement and the Operations Transfer Date, as follows:

(a) Transferor is a New Hampshire non-profit corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire and Transferor has full power and authority and possesses all material governmental Consents necessary to enable it to own, license, possess, lease or otherwise hold its properties and assets and to carry on the Business and to operate the Facility as presently conducted.

(b) Transferor has the full right, power and authority to execute this Agreement and to consummate the Leases and the other transactions contemplated by this Agreement. The Persons executing this Agreement on behalf of Transferor are authorized to do so. Transferor has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid and binding obligation of Transferor, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other equitable principles affecting creditors' rights generally. The execution and delivery by Transferor of this Agreement and the other documents contemplated hereby do not, and the consummation of transactions contemplated by this Agreement and compliance by Transferor with the terms hereof, do not and will not, conflict with, or result in any violation of, or default under (with or without notice or lapse of time, or both), or result in the creation of any lien or encumbrance upon any of the assets or properties of Transferor under, any provision of: (i) any Contract to which Transferor is a party or by which any of its assets or properties is bound; or (ii) any judgment, writ, order or decree or Law that is applicable to Transferor or its assets or properties. Except as provided in **Schedule 1.7(b)** attached hereto, no Consent of, or registration, declaration or filing with (A) any Governmental Authority, or (B) any other Person, is required to be obtained or made by or with respect to Transferor, in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby. All of the Consents set forth on **Schedule 1.7(b)** will have been obtained by Transferor by the Operations Transfer Date.

(c) There are no Consents necessary or required to own, operate or use the Facility or to operate the Business (the "**Facility Permits**"). To the extent required by law, Transferor has a current certificate of occupancy (not required by the Town of Canaan at the time of construction) and it and/or Transferor's agents have all the other Required Consents and Facility Permits necessary or required for the ownership and operation of the Facility and the Business. All Facility Permits are in full force and effect and, to the knowledge of Transferor, are not subject to any claim, default, condition, sanction or penalty. Transferor has delivered to New Operator true,

correct and complete copies of the most recent Facility Permits necessary or required for the ownership and operation of any of the Facility and the Business. These include but are not limited to Canaan Building Permit, Public Water System, Sub-surface waste disposal system design and use permits, sub-division permit, and waivers or use restrictions by adjoining property owners. To Transferor's knowledge, the transfer of any of the Facility and the transfer of the operation thereof will not require any changes to any assets or properties of Transferor in order for New Operator, or its designee to obtain any Consents in its name or the name of its designee to own, manage or operate the Facility as an community out-patient health center and/or all other healthcare uses of the Facility currently conducted by Transferor.

(d) There are no deficiencies described in any inspection survey or report of the Facility conducted by any Governmental Authority that have not been corrected or otherwise remedied.

(e) As of the date hereof, there are no actions, suits, material labor disputes or arbitrations, legal or administrative proceedings or investigations pending against Transferor in connection with or relating to the Business or the Facility, and to the knowledge of Transferor, no actions, suits, material labor disputes or arbitrations, legal or administrative proceedings or investigations are contemplated or threatened against Transferor in connection with or relating to the Business or the Facility, nor is any basis known by Transferor to exist for any such action or for any governmental investigations relating to the Business or the Facility save and except for a current malpractice claim against a prior dentist and two potential vendor claims that are currently contested with potential claims of \$18,572.98 for services by Orchard Medical and \$11,431.26 in potential claims by Compliatric. Unless otherwise listed herein, there are no pending actions against Transferor or relating to the Facility, or the Business and no such actions have been commenced within the last three (3) years.

(f) To the knowledge of Transferor, Transferor has substantially complied with each, and is not in violation of any, Laws to which it or the Facility or the Business is subject, and has not failed to obtain any Required Consent, Facility Permit, or other governmental authorization or inspection necessary to the ownership or use of its assets or to the conduct of the Business.

(g) Transferor is in compliance in all material respects with all Laws including those respecting employment and employment practices, terms and conditions of employment, compensation, wages and hours, health and safety, labor relations and plant closings, including all applicable foreign laws, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act, the Fair Labor Standards Act, the National Labor Relations Act, Occupational Safety and Health Act, Title VII of the Civil Rights Act of 1964, as amended, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, and ERISA. Neither the Facility nor Transferor (or any Person acting on its behalf) is a party to any union or collective bargaining agreement.

(h) Transferor has complied with and performed all of its respective obligations required to be performed under all material Service Contracts relating to or in connection with the Facility or the Business or to which Transferor is a party or by which it is bound (whether as an original party or as an assignee or successor) as of the date hereof, and is not in default in any material respect under any Service Contract, undertaking, commitment or other obligation; and, to

Transferor's knowledge, no event has occurred which, with or without the giving of notice, lapse of time or both, would constitute a default thereunder in any material respect. This section shall not apply to any service contracts currently in force which may require a buy out in the event that the New Operator wishes to cancel those agreements. Transferor will use its best efforts to seek vendor voluntary termination of those contracts. These contracts include eClinicalworks, \$1,800 risk, Trizetto, \$9,480 risk, Apteryx \$1,050 risk, for a total risk of no more than \$12,330.

(i) Until the Operations Transfer Date, Transferor will continue to employ the employees at the Facility, subject to Transferor's normal employment practices, and will be responsible for and shall comply with all employment Laws effecting or with respect to such employees, and will indemnify, defend and hold harmless New Operator from any and all Obligations with respect thereto. Transferor's employees are not members of any union or party to or subject to any collective bargaining agreement.

(j) No representation or warranty by Transferor in this Agreement, any Exhibit attached hereto or in any list, certificate, document or written statement delivered by Transferor to New Operator pursuant hereto, to the knowledge of Transferor, contains any untrue statement of fact or omits to state any material fact necessary to make any statement herein or therein, in the light of the circumstances under which it was made, not misleading.

1.8. Representations and Warranties of New Operator

New Operator hereby represents and warrants to Transferor, as of the date of this Agreement and the Operations Transfer Date, as follow:

(a) New Operator is a New Hampshire non-profit corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire and has full power and authority to own, lease or otherwise hold its respective properties and assets and to carry on its respective businesses as presently conducted.

(b) New Operator has full power and authority to execute this Agreement and to consummate this Agreement and the other transactions contemplated hereby. The execution and delivery by New Operator of this Agreement and the performance by New Operator under this Agreement, and the consummation by New Operator of the transactions contemplated hereby have been duly authorized by all necessary action. New Operator has duly executed and delivered this Agreement, and this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other equitable principles affecting creditors' rights generally. The Person signing this Agreement on behalf of New Operator is authorized to do so.

(c) Except as indicated on **Schedule 1.8(c)** attached hereto, to the knowledge of New Operator, no notice to, filing or registration with, or Consent of, any Person, entity or governmental or regulatory agency is necessary or required to be obtained by New Operator in connection with the execution, delivery or consummation by New Operator of this Agreement or the consummation of the transactions contemplated hereby.

(d) Effective on the Operations Transfer Date, assuming Transferor and New Operator receive the required Consents, New Operator shall run and operate the Facility as an FQHC site of service and provide healthcare services to Facility patients subject to New Operator's good faith determination in the future that continued operation of the Premises as an FQHC is not financially feasible.

ARTICLE 2

EMPLOYEES

2.1 Termination of Employees. Transferor shall terminate all of the Facility employees effective as of 11:59 p.m. on the day immediately before the Operations Transfer Date. Unless otherwise agreed by Transferor and New Operator, on the Operations Transfer Date, Transferor shall pay directly to such employees any unpaid wages, all earned and accrued employee wages and benefits (including, without limitation, vacation, sick pay, holiday pay and paid time off). Nothing herein shall prevent Transferor and New Operator from agreeing that New Operator will extend personnel benefits carried over from Transferor for a limited period of time provided that Transferor agrees to pay for the cost of that extension.

2.2 Rehiring of Employees. Transferor shall provide New Operator with a list of all employees employed by Transferor or any Affiliate of Transferor at the Facility at least thirty (30) days before the Operations Transfer Date and shall permit New Operator, in cooperation and coordination with Transferor, to meet with Transferor, its and their representatives and the employees requested by New Operator and to advise them of New Operator's proposed plans with respect to the hiring of the employees and the benefits which will be offered to the employees as employees of New Operator. New Operator shall offer to hire, on an "at-will basis," all of the active employees who work at the Facility on the Operations Transfer Date who meet its hiring standards. Such employees whom New Operator elects to hire are referred to as the "*Hired Employees*".

2.3 ERISA and COBRA. Transferor acknowledges and agrees that New Operator is not assuming any of Transferor's Obligations to its employees under the Employee Retirement Income Security Act of 1974 ("*ERISA*"), Section 4980B of the Internal Revenue Code ("*COBRA*") or otherwise and, in addition to the Obligations of Transferor with respect to the Hired Employees, Transferor shall retain all Obligations for the Facility employees (and their eligible dependents) who are not Hired Employees. New Operator will work with Transferor in good faith to attempt to provide service credit to Transferor's employees who become New Operator's employees, and to waive vesting periods, deductibles and other requirements to the extent possible under New Operator's retirement or other employee benefits plans and as permitted by law, in an effort to transition Transferor's employees to New Operator's employee benefits with minimal disruption, cost and delay to the employees and without New Operator incurring additional expense.

ARTICLE 3

PRORATIONS & EXCLUDED ITEMS

3.1 Prorations. The following prorations shall be made between Transferor and New Operator computed as of the Operations Transfer Date.

(a) Utilities. Propane, electricity, and other utilities (the “*Utility Expenses*”) and the operating expenses under contracts that will not be canceled as of the Operations Transfer Date shall be prorated as of the date immediately preceding the Operations Transfer Date either by proration (propane) or closing bills with individual closing bills to be paid by Transferor and New Operator. If the Parties are unable to obtain final meter readings as of the Operations Transfer Date, such expenses shall be estimated as of the Operations Transfer Date on the basis of the prior operating history of the Facility, and the Parties mutually agree to cooperate in transferring all utility accounts to New Operator’s name as of the Operations Transfer Date.

(b) Adjustment to Prorations. In the event that any prorations, apportionments or computations made under this Section 3.1 shall require final adjustment after the Operations Transfer Date, then the Parties shall use their best efforts to make the appropriate adjustments promptly when accurate information becomes available and either Party shall be entitled to an adjustment to correct the same, provided that it makes written demand on the one from whom it is entitled to such adjustment. Any corrected adjustment or proration shall be paid in cash to the Party entitled thereto. The obligations of New Operator and Transferor under this Section shall survive the Operations Transfer.

3.2 Excluded Items. For the avoidance of doubt, Transferor shall not be obligated to transfer cash, cash equivalents, or securities to the New Operator.

ARTICLE 4

OPERATIONS AND UNDERTAKINGS

4.1 Conduct of Business. From the date of this Agreement and until the Operations Transfer Date, and after the Operations Transfer Date through the termination of the Lease Agreements in the case of Sections 4.1(b)(ii) and (iii) only:

(a) Transferor shall operate and conduct the Business in the usual, customary and ordinary course of its business. Without limiting the generality of the foregoing, from the date of this Agreement until the Operations Transfer Date, Transferor shall:

(i) Maintain the Business and the Facility in existence and in good standing and in compliance with all Laws;

(ii) Maintain all Facility Permits and other Consents necessary for the ownership and operation of the Facility in full force and effect, and timely file all reports, statements, renewal applications and other filings, and timely pay all fees and charges in connection therewith that are required to keep such Consents in full force and effect;

(iii) Maintain in full force and effect substantially the same public liability and casualty insurance coverage and other insurance policies now in effect with respect to its assets and the Business;

(iv) Transferor will continue to employ the employees at the Facility, subject to such Transferor's employment practices, and shall comply with all employment Laws effecting or with respect to such employees; and

(v) Provide for and/or cure deficiencies and all violations which may be cited by the State of New Hampshire or any other Governmental Authority having jurisdiction over the Facility.

(b) Transferor shall not, directly or indirectly:

(i) Induce, before the Operations Transfer Date, any employee or independent contractor of Transferor whom or which New Operator desires to employ or engage to not transfer to New Operator after the Operations Transfer Date;

(ii) Induce, solicit or entice with offers of employment or otherwise employees or independent contractors of New Operator (including, without limitation, the Hired Employees) to leave New Operator's employ or to terminate or discontinue a relationship with New Operator.

(iii) Induce, solicit or entice any patient to discontinue his/her/their relationships with Transferor before the Operations Transfer Date or New Operator after the Operations Transfer Date;

(iv) Sell or otherwise dispose of, or agree to sell or dispose of, any of Transferor's assets, except for Inventory in the usual and normal course of business and/or remove any assets from the Facility unless the same is replaced by property of substantially equal or greater value;

(v) other than in the ordinary course of business: (A) make or grant any bonuses or increase any employee salaries, wages or other compensation, (B) sponsor or become obligated to contribute to any Employee Benefit Plan or other arrangement (other than those in effect on the date hereof for which Transferor is solely liable) or amend any Transferor Employee Benefit Plan to increase benefits, or (C) make any commitment or incur any liability to any labor organization;

(vi) Make any commitments or representations to any applicable Governmental Authority, any adjoining or surrounding property owners, any civic association, any utility or any other person or entity that would in any manner be binding upon New Operator or upon the Business; or

(vii) Take any action before the Operations Transfer Date which would breach any of the representations and warranties contained in this Agreement or otherwise take any action outside of the ordinary course of business of Transferor.

4.2 Notice. From the date of this Agreement to the Operations Transfer Date, promptly (but in any event within two (2) Business Days) after Transferor's discovery or receipt of notice of (a) any default under any Contract, (b) any violation or non-compliance with any applicable Law, (c) any threatened or pending action by any Governmental Authority, (d) any claim made by any

Governmental Authority or third party relating to any environmental Laws, or (e) any other matter or event that has or could have a Material Adverse Change upon the Business, Transferor shall deliver to New Operator a copy of all non-privileged correspondence, notice or legal pleading in connection therewith, together with notice of Transferor specifying the nature and period of the existence thereof and what actions Transferor has taken and proposes to take with respect thereto.

4.3 Noncompetition, Non-solicitation.

(a) As used in this Section 4.3, the following terms shall have the following meanings:

(i) “*Non-Compete Period*” shall mean the period beginning on the Operations Transfer Date and remaining in effect co-terminus with the Lease Agreements; and

(ii) “*Non-Compete Territory*” shall mean a twenty (20) mile radius around the Facility, with such Facility being at the center.

(b) Noncompetition. During the Non-Compete Period, Transferor and its shareholders, directors, officers, trustees, and board members will not directly or indirectly, own, operate, lease, manage, control, participate in, consult with, advise, permit its or his name to be used by, provide services for, or in any manner engage in any business, by itself or himself or in association with any person, or through any entity), that engages in any service, operation or business that competes with any product or service offered, sold or being provided at the Facility as of or within three (3) months before the Operations Transfer Date or relating in any manner to the Business within the Non-Compete Territory, or otherwise compete with New Operator’s operation of the Business in the Non-Compete Territory. Efforts on the part of Transferor to provide services to New Operator, raise funds for use in the Leased Premises, recruit patients for the New Operator, provide general public health education, and provide community support services for patients of the New Operator shall not constitute competition and thus will not be prohibited by this Section 4.3(b).

(c) Non-solicitation. During the Non-Compete Period, Transferor and its shareholders, directors, officers, trustees, and board members will not, directly or indirectly: (1) induce or attempt to induce any employee, consultant or contractor of the Business to leave the employ or engagement of the Business, or in any way interfere with the relationship between the Business and any employee thereof, including inducing or attempting to induce any employee to interfere with the Business or operations of Transferor, (2) hire any person who is an employee, consultant or contractor of the Business at any time during the Non-Compete Period, or (3) induce or attempt to induce any customer or supplier or other material business relation of the Business not to do, or to cease doing, business with the Business, or in any way interfere with the relationship between any such customer, supplier or business relation and the Business. Nothing herein shall prohibit employment of New Operator employees by Transferor outside of normal scheduled hours of the New Operator where such employees are essential to accounting or media programs related to the past operation or future operation of Mascoma Community Healthcare, Inc., provided that such employment is acceptable to New Operator and is not in conflict with any programs, operations, or release, or rely on confidential information, of current New Operator.

(d) Restrictions Reasonable. Transferor for itself, and/or its affiliates, directors,

owners, shareholders, trustees, board members or officers, agrees and acknowledges that: (i) because of the unique nature of the Facility, New Operator and Transferor have expressly negotiated the terms of this Section 4.3; (ii) the covenants set forth in this Agreement are reasonably limited in both time and geographical scope and in all other respects; (iii) the covenants set forth in this Agreement are reasonably necessary for the protection of New Operator, (iv) New Operator would not have entered into the Agreement but for the covenants contained in this Section 4.3; and (v) the covenants contained herein have been made as a material incentive to the Parties thereto to enter into this Agreement.

(e) Judicial Modification of Restrictions. If, at the time of enforcement of this Agreement, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under the circumstances then existing, the Parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by Law.

(f) Injunctive Relief. Transferor, its affiliates, family members, directors, owners, shareholders, members and officers recognize and affirm that in the event of a breach of any provision of this Agreement, money damages would be inadequate and New Operator would have no adequate remedy at law. Accordingly, Transferor, its affiliates, directors, owners, shareholders, members and officers agree that in the event of a breach or a threatened breach by any such party of any of the provisions of this Agreement, New Operator, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security).

4.4 Survival. The provisions of this Article IV shall survive the Operations Transfer without limitation.

ARTICLE 5

CONDITIONS PRECEDENT TO THE OPERATIONS TRANSFER

5.1 Conditions Precedent to New Operator's Obligations. New Operator's obligation to consummate the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction in the sole discretion of New Operator, before or on the Operations Transfer Date, of each of the following conditions (any of which may be waived in writing in whole or in part by New Operator):

(a) The representations and warranties of Transferor contained in this Agreement, the Schedules and Exhibits attached hereto and any list, certificate, document or written statement specifically referred to herein or furnished by Transferor to New Operator as of the Operations Transfer Date including but not limited to, the information provided to New Operator regarding the number of patient visits at the Facility for the six-month period prior to the Effective Date, shall be true and correct on and as of the date of this Agreement and shall be true and correct in all material respects on and as of the Operations Transfer Date with the same effect as though such representations and warranties were made on and as of the Operations Transfer Date. Transferor

shall have performed or complied in all material respects with each of its agreements and covenants required by this Agreement to be performed or complied with by it prior to or on the Operations Transfer Date.

(b) Transferor shall have received all Consents listed in **Schedule 1.8(c)** as of the Operations Transfer Date.

(c) The New Hampshire Governor and Council of the NH DHHS shall have approved the emergency funding guarantee related to New Operator's operation of the Facility.

(d) From and after this Agreement until the Operations Transfer Date, there shall have been no Material Adverse Change in the Business of Transferor, its assets, properties or results of operations.

(e) Transferor shall have furnished New Operator with all other available documents, certificates and other instruments reasonably required to be furnished to New Operator by Transferor pursuant to the terms of this Agreement.

(f) No suit, action, proceeding, or investigation shall have been instituted or threatened by any Governmental Authority, and no injunction shall have been issued and then outstanding, to restrain, prohibit or otherwise challenge the legality or validity of the transactions contemplated by this Agreement.

(g) Transferor and New Operator shall have executed the Leases.

5.2 Conditions Precedent to Transferor's Obligations. Transferor's obligation to consummate the transactions contemplated by this Agreement is subject to the fulfillment or satisfaction in the sole discretion of Transferor, prior to or on the Operations Transfer Date, of each of the following conditions (any of which may be waived in writing in whole or in part by Transferor):

(a) The representations and warranties of New Operator contained in this Agreement shall be true and correct on and as of the date of this Agreement and shall be true and correct in all material respects on and as of the Operations Transfer Date with the same effect as though such representations and warranties were made on and as of the Operations Transfer Date.

(b) New Operator shall have performed or complied in all material respects with each of its agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Operations Transfer Date.

(c) New Operator shall have furnished Transferor with all other documents, certificates and other instruments reasonably required to be furnished to Transferor by New Operator pursuant to the terms of the Agreement.

(d) Transferor shall have received approval of (i) Transferor's lenders (USDA and Bar Harbor), (ii) the NH Department of Justice Charitable Trusts Unit; (iii) the New Hampshire Probate Court for the district in which the Facility is located; (iv) approval of the United States

Department of Agriculture (as to property lease and future conveyance); and (v) approval of the New Hampshire Governor and Council of the NH DHHS emergency funding guarantee related to New Operator's operation of the Facility; and (vi) all other regulatory approvals needed for Transferor to transfer operations of the Facility to New Operator.

(e) Transferor and New Operator shall have executed the Leases.

5.3 Waiver of Conditions Precedent. Except as otherwise provided herein, so long as a Party is not in default under this Agreement, if any condition to that Party's obligations to proceed with this Agreement has not been satisfied as of the Operations Transfer Date, the Party having the benefit of such condition may, in its sole discretion, terminate this Agreement by delivering written notice to the other Party on or before the Operations Transfer Date, or elect to close, notwithstanding the nonsatisfaction of such condition.

ARTICLE 6

INDEMNIFICATIONS

6.1 Indemnification by Transferor. Transferor shall indemnify, defend and hold harmless New Operator and each of the directors, officers, shareholders, agents, and employees of New Operator and all its Affiliates, from any and all Obligations, losses, demands, judgments, actions, suits, causes of action, claims, proceedings, investigations, citations, matters, damages, penalties, sanctions, costs, expenses, and disbursements (including, without limitation, reasonable attorneys' and consultants' fees and expenses), whether or not subject to litigation (individually, a "*Claim*" and, collectively, the "*Claims*"), of any kind or character imposed upon, arising out of, in connection with, incurred or in any way attributable or relating to the operation of the Business on or before the Operations Transfer Date, any Excluded Liabilities, the failure of Transferor to comply with any applicable Law or the breach, non-performance or default by Transferor of any representation, warranty, covenant or Obligation of Transferor contained in this Agreement or contained in any other agreement, certificate or document entered into in connection with this Agreement.

6.2 Indemnification by New Operator. New Operator shall indemnify, defend and hold harmless Transferor and each of the directors, officers, shareholders, agents, and employees of Transferor and all their Affiliates, from any and all Claims, of any kind or character imposed upon, arising out of, in connection with, incurred or in any way attributable or relating to the failure of New Operator to comply with any applicable Law or the breach, non-performance or default by New Operator of any representation, warranty, covenant or Obligation of New Operator that is contained in this Agreement or contained in any other agreement, certificate or document entered into in connection with this Agreement.

6.3 Survival. The provisions of this Article VI shall survive the Operations Transfer without limitation.

ARTICLE 7

DEFAULT/TERMINATION

7.1 **Rights.** On any default by a Party before the Operations Transfer, the non-defaulting Party may, by notifying the defaulting Party, either postpone the Operations Transfer for as long as is necessary for such default to be cured, but not beyond the Operations Transfer Date, or declare such default and exercise its rights as provided in this Section.

7.2 **Mutual Termination.** This Agreement may be terminated before or after the Operations Transfer Date upon the mutual written agreement of Transferor and New Operator.

7.3 **New Operator Default.** Transferor shall have a right to declare a default and terminate this Agreement upon the material breach of this Agreement by New Operator that is not cured within the shorter of: (i) sixty (60) days after written notice thereof by Transferor to New Operator or (ii) on or before the Operations Transfer Date.

7.4 **Transferor Default.** New Operator shall have a right to declare a default and terminate this Agreement upon the material breach or default of this Agreement by Transferor that is not cured within the shorter of: (i) sixty (60) days after written notice thereof by New Operator to Transferor or (ii) on or before the Operations Transfer Date.

7.5 **Termination Without Prejudice.** Termination of this Agreement shall be without prejudice to any rights that shall have accrued to the benefit of any Party before such termination. Such termination or expiration shall not relieve any Party from Obligations that are expressly indicated to survive termination of this Agreement. Notwithstanding the foregoing, in no event shall either Party be liable to the other for incidental or consequential damages or lost profits or opportunity.

7.6 **Termination of Lease Agreements.** This Agreement shall terminate automatically upon termination of the Lease Agreements.

ARTICLE 8

MISCELLANEOUS PROVISIONS

8.1 **Definitions.** For purposes of this Agreement the following terms shall have the means ascribed below:

“Affiliate” shall mean with respect to any Person, any Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

“Agreement” shall mean this Operations Transfer Agreement including all Exhibits and Schedules attached hereto or referred to herein.

“Business” shall have the meaning set forth in the first paragraph of the Background Section of this Agreement.

“Business Day” shall mean any day other than a Saturday or Sunday, or other day recognized as a holiday by the U.S. Government.

“Claims” and **“Claims”** shall have the meanings given in Section 6.1.

“COBRA” shall have the meaning set forth in Section 2.3.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder.

“Consents” shall mean all consents, approvals, accreditations, certificates of need, licenses, permits, orders or authorizations including, without limitation, of any Governmental Authority.

“Contract” shall mean any contract, lease, license, indenture, agreement, commitment or other legally binding arrangement to which Transferor is a party or by which any of its properties or assets is or are bound.

“Employee Benefit Plan” means any employee benefit plan as defined in Section 3(3) of ERISA, without regard to any exceptions contained in ERISA which provide that an Employee Benefit Plan is not subject to the provisions of ERISA, any “voluntary employees’ beneficiary association” within the meaning of Section 501(c)(9) of the Code, “welfare benefit fund” within the meaning of Section 419 of the Code, “qualified asset account” within the meaning of Section 419A of the Code, or “cafeteria plan” within the meaning of Section 125 of the Code, and any other plan, program, policy or arrangement for or regarding bonuses, commissions, incentive compensation, severance, vacation, deferred compensation, pensions, profit sharing, retirement, payroll savings, stock options, stock purchases, stock awards, stock ownership, phantom stock, stock appreciation rights, equity compensation, medical/dental expense payment or reimbursement, disability income or protection, sick pay, group insurance, self-insurance, death benefits, employee welfare or fringe benefits of any nature, including those benefiting retirees or former employees.

“ERISA” shall have the meaning set forth in Section 2.3.

“Excluded Liabilities” shall have the meaning set forth in Section 1.3.

“Facility” shall have the meaning set forth in the first paragraph of the Background Section of this Agreement.

“Facility Permits” shall have the meaning set forth in Section 1.7(c).

“Federal Privacy Regulations” shall have the meaning set forth in Section 1.2(b).

“Federal Security Regulations” shall have the meaning set forth in Section 1.2(b).

“Governmental Authority” shall mean any Federal, state, local or foreign government or any court of competent jurisdiction, administrative agency or commission or other governmental or quasi-governmental authority or instrumentality, domestic or foreign.

“Health and Welfare Benefits” shall mean, with respect to the Hired Employees, all such health, hospitalization, prescription, vision and other similar benefits which the Hired Employees received from Transferor on the date hereof.

“HIPAA” shall have the meaning set forth in Section 1.2(b).

“Hired Employees” shall have the meaning set forth in Section 2.2.

“Law” or **“Laws”** shall mean any law (including decisional law), statute, regulation, code, ordinance, interpretation of any Federal, state or local agency, government, authority, commission, board, bureau, administrative or other entity or body.

“Lease Agreements” shall have the meaning set forth in the third paragraph of the Background Section of this Agreement.

“Material Adverse Change” shall mean an adverse change in the business, assets, properties, liabilities (actual or contingent), operations, or condition (financial or otherwise) of Transferor.

“New Operator” shall mean HealthFirst Family Care Center, Inc., a New Hampshire non-profit corporation.

“Non-Compete Period” shall have the meaning set forth in Section 4.3.

“Non-Compete Territory” shall have the meaning set forth in Section 4.3.

“Obligations” shall mean any claim, debt, liability, judgment, commitment or obligation of any nature, whether secured, recourse, nonrecourse, liquidated, unliquidated, accrued, absolute, fixed, contingent, ascertained, unascertained, known, unknown or otherwise.

“Operations Transfer Date” shall have the meaning set forth in Section 1.1.

“Person” shall mean any individual, firm, corporation, partnership, limited liability company, trust, joint venture, Governmental Authority or other entity whatsoever.

“Protected Health Information” shall have the meaning set forth in Section 1.2(b).

“Taxes” or **“Tax”** shall mean all federal, state, local, foreign and other taxes, assessments, duties or similar charges of any kind whatsoever, including all corporate franchise, income, sales, use, ad valorem, receipts, value added, profits, license, withholding, payroll, employment, excise, property, payments in lieu of taxes (PILOT), net worth, capital gains, transfer, stamp, documentary, social security, payroll, environmental, alternative minimum, occupation, recapture, unclaimed property and other taxes, and including any interest, penalties and additions imposed with respect to such amounts.

“Transferor” shall mean Mascoma Community Healthcare, Inc.

“Transferor Employee Benefit Plan(s)” shall mean any benefit plan of Transferor currently in place.

“Utility Expenses” shall have the meaning set forth in Section 3.1(a).

8.2 Further Assurances. From and after the Operations Transfer, Transferor, on the one hand, and New Operator, on the other hand, agree to execute and deliver such further documents and instruments and to do such other acts and things (including the making of filings and reproperting items covering pre-transfer periods but which become available after the Operations Transfer), as New Operator or Transferor, as the case may be, may reasonably request in order to effectuate the transactions contemplated by this Agreement. In the event any Party shall be involved in litigation, threatened litigation or government inquires with respect to a matter involving Transferor, the other

parties shall also make available to such first Party, at reasonable times and subject to the reasonable requirements of their or its own business, such of their or its personnel as may have information relevant to the matters. Following the Operations Transfer, the parties will cooperate with each other in connection with Tax audits and in the defense of any legal proceedings.

8.3 Entire Agreement; Amendment. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof, and supersedes all prior and contemporaneous agreements other than Premises Lease and Equipment Lease, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. No Party shall be deemed to have waived the exercise of any right which it holds under this Agreement unless such waiver is made expressly and in writing. No delay or omission by any Party in exercising any right shall be deemed a waiver of its future exercise. No waiver made as to any instance involving the exercise of any right shall be deemed a waiver as to any other instance, or any other right.

8.4 Applicable Law. This Agreement shall be given effect and construed by application of the laws of the State of New Hampshire without regard to conflicts of laws. Any action arising out of, in connection with, or relating to, this Agreement shall be brought in the state or federal courts of the State of New Hampshire.

8.5 Assignment. This Agreement and each Party's respective rights hereunder may not be assigned at any time without the prior written consent of all the other Parties hereto, except that New Operator may assign this Agreement to an Affiliate of New Operator.

8.6 Notices. Any notice to be provided hereunder to a Party shall be in writing, and shall be deemed to have been provided forty eight (48) hours after being sent as certified or registered mail in the United States mails, postage prepaid, return receipt requested, or the next Business Day after having been deposited with a national courier service, or on having been sent by immediate electronic communication, in each case if receipt is acknowledged or confirmed or delivery is first refused, to the persons and addresses set forth below, as such address may be changed from time to time by notice to the other Party.

To Transferor : Board Chair
P.O. Box 550
Canaan, NH 03741

with a copy to: Mark S. McCue, Esq.
Hinckley Allen
650 Elm Street
Manchester, NH 03101-2596
mmccue@hinckleyallen.com

To New Operator: Russell Keene, CEO
HealthFirst Family Care Center, Inc.
841 Central Street
Franklin, NH 03235

with a copy to: Jason D. Gregoire, Esq.
Sheehan Phinney
75 Portsmouth Blvd., Ste. 110
Portsmouth, NH 03801
jgregoire@sheehan.com

8.7 Construction. All references made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders; and in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

8.8 Schedules. Each schedule, writing or document referred to as being attached as a Schedule is hereby made a part of this Agreement.

8.9 Severability. If any provision, clause or part of this Agreement, or the application thereof under certain circumstances, is held invalid or unenforceable by a final order of a court of competent jurisdiction, then the remainder of this Agreement, or the application of such provision, clause or part under other circumstances, shall not be affected thereby and the Parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term.

8.10 Counterparts; Headings. This Agreement may be executed in several counterparts, each of which shall be deemed original, but such counterparts shall together constitute but one and the same agreement.

8.11 Facsimile or Electronic Signatures. The exchange of copies of this Agreement and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or e-mail shall be deemed to be their original signatures for all purposes.

8.12 Equal Participation. Each Party hereto hereby acknowledges that all Parties hereto participated equally in the negotiation and drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one Party than against the other.

8.13 Attorneys' Fees. If either party hereto institutes any proceeding, claim or action, at law or in equity, in connection with or arising out of the terms, conditions, covenants and agreements contained in this Agreement, the non-prevailing party in any such action, claim or proceeding shall reimburse the prevailing party for reasonable attorneys' fees, costs and other expenses incurred in connection with such proceeding or action.

8.13 Attorneys' Fees. If either party hereto institutes any proceeding, claim or action, at law or in equity, in connection with or arising out of the terms, conditions, covenants and agreements contained in this Agreement, the non-prevailing party in any such action, claim or proceeding shall reimburse the prevailing party for reasonable attorneys' fees, costs and other expenses incurred in connection with such proceeding or action.

8.14 No Reliance. No third party, other than a successor by operation of law or an assignee permitted by this Agreement, is entitled to rely on any of the representations, warranties and agreements contained in this Agreement and no Party to this Agreement assumes any liability to any third party, other than an assignee permitted by this Agreement, because of any reliance on the representations, warranties and agreements contained in this Agreement.

8.15 Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

8.16 Survival. All representations, covenants and agreements of the Parties to be performed in this Agreement shall survive the Operations Transfer.

8.17 Expenses. Except to the extent otherwise provided herein, each of the Parties hereto shall pay the fees and expenses of their respective counsel, consultants and other expenses incident to the negotiation and preparation of this Agreement and consummation of the transactions contemplated by this Agreement.

8.18 Opening Mail. From and after the Operations Transfer Date, New Operator shall be authorized to open mail addressed to Transferor received at the Facility. All mail received at the Facility relating to Transferor's operation of the Facility before the Operations Transfer Date shall be promptly delivered to Transferor by New Operator at the address set forth in Section 8.6.


8.19 No Joint Venture; No Third Party Beneficiaries. Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof. The parties hereto do not intend that any third party shall have any rights under this Agreement except as expressly provided.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Operations Transfer Agreement as of the day and year first above written.

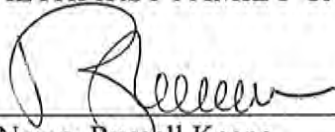
TRANSFEROR:

MASCOMA COMMUNITY
HEALTHCARE, INC.

By: 
Name: Sandra Hayden
Title: Board Chair

NEW OPERATOR:

HEALTHFIRST FAMILY CARE CENTER, INC.

By: 
Name: Russell Keene
Title: CEO

Schedule 1.7(b)
Transferor Consents

1. Approval from the United States Department of Agriculture.
2. A No Further Action Determination by the Charitable Trusts Unit of the New Hampshire Department of Justice after review of Transferor's Change of Control Notice under RSA 7:19-b.
3. Approval of Transferor's cy pres petition by the 2nd Circuit – Probate Division – Haverhill.

Schedule 1.8(c)
New Operator Consents

1. Approval by U.S. Department of Health and Human Services' Health Resources and Services Administration to run the Facility as an FQHC site of New Operator.
2. Approval by the New Hampshire Governor and Executive Council of the emergency funding guarantee related to New Operator's occupancy and operation of the Facility.