

Hold Separate Monitor Agreement

[Redacted Public Version]

HOLD SEPARATE MONITOR AGREEMENT

This Hold Separate Monitor Agreement ("Agreement") entered into by and between Community Health Systems, Inc. ("CHS" or "Respondent") and Curtis S. Lane (the "Hold Separate Monitor") provides as follows:

WHEREAS, the United States Federal Trade Commission (the "Commission"), has accepted for Public Comment an Agreement Containing Consent Orders, incorporating a Decision and Order and an Order to Hold Separate and Maintain Assets ("Hold Separate Order") (collectively, the "Orders"), which, among other things, requires Respondent to (i) provide for the appointment of a Hold Separate Monitor to ensure Respondent's compliance with its obligation under the Orders; (ii) hold the Hold Separate Businesses separate and apart from Respondent's other businesses; and (iii) divest or transfer certain defined assets and maintain the viability, marketability, and competitiveness of those assets pending such divestiture or transfer.

WHEREAS, the Commission has appointed Mr. Curtis Lane as Hold Separate Monitor pursuant to the Hold Separate Order to monitor Respondent's compliance with the terms of the Orders, and Mr. Lane has consented to such appointment;

WHEREAS, the Hold Separate Order further provides that Respondent shall execute a Hold Separate Monitor Agreement, subject to the approval of the Commission, that confers all the rights, powers, and authority necessary to permit the Hold Separate Monitor to carry out his duties and responsibilities pursuant to the Orders;

WHEREAS, this Agreement conforms with the requirements of the Orders and does not contradict the Orders; and

WHEREAS, the parties to this Agreement intend to be legally bound, subject only to the Commission's approval of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Capitalized terms used herein and not specifically defined herein shall have the respective definitions given to them in the Orders.
2. The Hold Separate Monitor shall have all of the powers, responsibilities and protections conferred upon the Hold Separate Monitor by the Hold Separate Order, including but not limited to:

- a. monitoring the organization and operations of the Hold Separate Business;
 - b. supervising the management of the Hold Separate Business through the Managers;
 - c. maintaining the independence of the Hold Separate Business; and
 - d. monitoring Respondent's compliance with their obligations as required by the Orders.
3. By the date required by the Hold Separate Order, Respondent shall transfer to and confer upon the Hold Separate Monitor all rights, powers and authority necessary to permit the Hold Separate Monitor to perform his duties and responsibilities pursuant to the Hold Separate Order and consistent with the purposes of the Hold Separate Order.
4. Subject to applicable laws and regulations, the Hold Separate Trustee shall have full and complete access to the personnel, books, records, document and facilities of the Hold Separate Business, and to any other relevant information as the Hold Separate Monitor may reasonably request including, but not limited to, all documents and records kept by Respondent in the ordinary course of business that relate to the Hold Separate Business. Respondent shall develop such financial or other information as the Hold Separate Monitor may reasonably request and shall cooperate with the Hold Separate Monitor. The Hold Separate Monitor shall give Respondent reasonable notice of any request for such access or such information. The Hold Separate Monitor shall attempt to schedule any access or requests for information in such a manner as will not unreasonably interfere with Respondent's operations. At the request of the Hold Separate Monitor, Respondent shall promptly arrange meetings and discussions, including tours of relevant facilities, at reasonable times and locations between the Hold Separate Monitor and employees of Respondent who have knowledge relevant to the proper discharge of his duties and responsibilities under the Hold Separate Order.
5. The Hold Separate Monitor shall.
- a. have authority to employ, at the expense of Respondent, such consultants, accountants, attorneys and other representatives and assistants (the "Third Parties") as are reasonably necessary to carry out the Monitor's duties and responsibilities;
 - b. carry out the Hold Separate Monitor's duties and responsibilities as outlined in Paragraph 2, including submitting periodic reports to the Commission concerning the efforts to accomplish the purposes of the Hold Separate Order and Respondent's compliance with its obligations under the Orders;
 - c. maintain the confidentiality of all Confidential Business Information, and

any other information provided to the Hold Separate Monitor by Respondent, any Prospective Acquirer, any Acquirer, any Commission-approved Acquirer, or the Commission, and shall use such information only for the purpose of performing his duties and responsibilities as Hold Separate Monitor and not for any other purpose, including, but not limited to, any other business or personal purpose. The Hold Separate Monitor may disclose Confidential Business Information only to:

- (i) persons engaged, employed by, or working with, the Hold Separate Monitor under this Agreement;
 - (ii) any Acquirer or Commission-approved Acquirer to the extent such information is of a non-privileged nature; and
 - (iii) persons employed at the Commission who are working on this matter.
- d. require any consultants, accountants, attorneys, and other representatives and assistants retained by the Hold Separate Monitor to assist in carrying out his duties and responsibilities as Hold Separate Monitor to execute a confidentiality agreement that requires such persons to treat confidential information, including any Confidential Business Information, with the same standards of care and obligations of confidentiality to which the Hold Separate Monitor must adhere under this Agreement. Provided, however, that such confidentiality agreement shall not restrict the Hold Separate Monitor from providing any information to the Commission. The Hold Separate Monitor shall maintain a record of persons engaged by the Hold Separate Monitor under this Agreement to whom Confidential Business Information has been disclosed;
- e. maintain the confidentiality after the termination of this Agreement of all other aspects of the performance of the Hold Separate Monitor's duties and responsibilities under this Agreement and shall not disclose any confidential or proprietary information relating thereto; and
- f. upon the termination of the Hold Separate Monitor's duties and responsibilities under this Agreement, promptly return to Respondent all materials provided to the Hold Separate Monitor by Respondent that are confidential and that they are entitled to have returned to them under the Orders, and shall destroy any materials prepared by the Hold Separate Monitor that contain or reflect any confidential information of Respondent provided that the Commission does not require the Hold Separate Monitor to maintain such materials. Nothing herein shall abrogate the Hold Separate Monitor's duty of confidentiality as outlined above.

6. Respondent will pay the Hold Separate Monitor in accordance with the fee schedule attached hereto as **Confidential Exhibit A** for all time spent in the performance of the Hold Separate Monitor's duties and responsibilities as Hold Separate Monitor, and all reasonable and necessary travel time. In addition, Respondent will pay (i) all out-of-pocket expenses incurred by the Hold Separate Monitor in the performance of the Hold Separate Monitor's duties, including any travel, and (ii) all fees and disbursements incurred by such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Hold Separate Monitor's duties. The Hold Separate Monitor shall have full and direct responsibility for compliance with all applicable laws, regulations and requirements pertaining to work permits, income and social security taxes, unemployment insurance, worker's compensation, disability insurance, and the like.
7. Respondent hereby confirm its obligation to indemnify the Hold Separate Monitor and any Third Parties retained by him in the fulfillment of the Monitor's duties and responsibilities and hold the Hold Separate Monitor and the Third Parties harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Hold Separate Monitor's duties hereunder, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from malfeasance, gross negligence, willful or wanton acts, or bad faith by the Hold Separate Monitor.
8. In the performance of his functions and duties under this Agreement, the Hold Separate Monitor shall exercise the standard of care and diligence that would be expected of a reasonable person in the conduct of his or her own business affairs.
9. In the event that a disagreement or dispute should arise between Respondent and the Hold Separate Monitor concerning Respondent's obligations under the Hold Separate Order, and in the event that such disagreement cannot be resolved by the parties, either party may seek the assistance of the Commission's Compliance Division to resolve this issue.
10. If the Hold Separate Monitor becomes aware during the term of this Agreement that he has or may have a conflict of interest that may affect or could have the appearance of affecting the performance of any of his duties or responsibilities under this Agreement, the Hold Separate Monitor shall promptly inform Respondent and the Commission of any such conflict.
11. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by the substantive laws of New York (regardless of any other jurisdiction's choice of law principles), including all matters of construction, validity and performance. The Hold Separate Order shall govern this Agreement and any provisions herein which conflict or are inconsistent with it may be declared null and void by the Commission and any provision not in conflict shall survive and

remain a part of this Agreement.

12. This Agreement shall terminate upon the earlier of: (a) the day after the last of the Closing Dates; (b) Respondent's receipt of written notice from the Commission that the Commission has determined that the Hold Separate Monitor has ceased to act or failed to act diligently and consistent with the purposes of the Hold Separate Order; (c) when Respondent's last obligation under the Orders that pertains to Monitor's service has been fully performed; or (d) with at least thirty (30) days advance notice to be provided by the Hold Separate Monitor to Respondent and the Commission, upon resignation of the Hold Separate Monitor. If this Agreement is terminated for any reason, the confidentiality provisions set forth above will remain in force.
13. It is understood that the Hold Separate Monitor will be serving under this Agreement in a fiduciary capacity for the benefit of the Commission and that the relationship of employer and employee shall not exist between the Hold Separate Monitor and Respondents.
14. It is understood that the Hold Separate Monitor will be serving under this Monitor Agreement as an independent contractor and that the relationship of employer and employee shall not exist between the Hold Separate Monitor and Respondents.
15. Nothing in this Agreement shall require Respondents to disclose any material information that is subject to a legally recognized privilege or that Respondents are prohibited from disclosing by reason of law.
16. This Agreement may not be assigned or otherwise transferred by Respondents or the Hold Separate Monitor without the consent of Respondents and the Hold Separate Monitor and the approval of the Commission. Any such assignment or transfer shall be consistent with the terms of the Hold Separate Order.
17. No amendment, modification, termination or waiver of any provision of this Agreement shall be effective unless made in writing, signed by all parties, and approved by the Commission. Any such amendment, modification, termination or waiver shall be consistent with the terms of the Hold Separate Order.
18. This Agreement is subject to the prior approval of the Commission.
19. This Agreement, and those portions of the Orders incorporated herein by reference, constitute the entire agreement of the parties and supersede any and all prior agreements and understandings between the parties, whether written or oral, with respect to the subject matter hereof.
20. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

21. Although this Agreement may be signed prior to the Closing Date of the Acquisition, it is not in force or effective until consummation of the Acquisition, as Acquisition is defined in the Decision and Order accepted for public comment by the Federal Trade Commission in the Matter of Community Health Systems, Inc. and Health Management Associates, Inc.

Date: JANUARY 7, 2014

Date: _____

By: _____
Curtis Lane

By: _____
Rachel A. Seifert
Executive Vice President &
General Counsel,
Community Health Systems, Inc.

21. Although this Agreement may be signed prior to the Closing Date of the Acquisition, it is not in force or effective until consummation of the Acquisition, as Acquisition is defined in the Decision and Order accepted for public comment by the Federal Trade Commission in the Matter of Community Health Systems, Inc. and Health Management Associates, Inc.

Date: _____

By: _____
Curtis Lane

Date: 11/17/12

By: _____
Rachel A. Seifert
Executive Vice President &
General Counsel,
Community Health Systems, Inc.

Confidential Exhibit A

[Redacted From the Public Record Version, But Incorporated By Reference]