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Mar 22 2018

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

NORTHWEST ALABAMA TREATMENT CENTER, INC.
4204 EDMONTON DRIVE
BESSEMER, AL 35022
Tel.# (205) 425-1200

March 22, 2018

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
100 N. Union St.
Suite 870
Montgomery, AL 36104
(Sent by Email)

Re: Change of Ownership - NWATC & TTC, LLC

Mr. Lambert:

I understand you want an explanation as to why myself as agent for NWATC is now selling our treatment center to TTC, LLC instead of Behavioral Health Group. NWATC has signed a new agreement with Behavioral Health Group to convert the sale from a "Stock Purchase" to an "Asset Purchase." As part of this conversion the purchasing entity is TTC, LLC and the original Stock Purchase Agreement has been fully replaced with the new Asset Purchase Agreement.

We will greatly appreciate you processing the BHG application in a timely manner.

Sincerely,



Jake V. Bivona as Agent for
Northwest Alabama Treatment Center, Inc



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Mar 21 2018

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

March 21, 2018

State Health Planning & Development Agency
RSA Union Building
100 N. Union Street, Ste. 870
Montgomery, AL 36104, AL 35242

To Whom It May Concern:

BHG has recently decided to proceed with an asset purchase of the Northwest Alabama Treatment Center vs. a stock purchase of the treatment center. This decision will affect our naming convention; therefore, we are resubmitting our State Health Planning and Development Agency Notice of Change of Ownership/Control.

Please find enclosed a completed **Notice of Change of Ownership/Control Application** and receipt for fees submitted on 9/25/17 in the amount of \$2500 in support of the pending acquisition.

The resubmitted application is a result of a proceeding change in ownership wherein Behavioral Health Group (BHG) is acquiring the following Opiate Treatment Program:

Northwest Alabama Treatment Center
4204 Edmonton Drive
Bessemer AL 35022

The acquiring entities are as follows:

TTC, LLC is acquiring Northwest Alabama Treatment Center.

Please do not hesitate to contact us if you have any questions or if you require any additional information to proceed with the application process.

Thank you,

A handwritten signature in blue ink that reads "Jemece Gasaway".

Jemece Gasaway, MSW, LMSW
Manager, Licensing & Clinical Documentation
Behavioral Health Group
5011 Spring Valley Road, Suite 600 East
Dallas, TX 75244
Direct: 214.365.6126 Fax: 214.365.6150
Email: Jemece.Gasaway@bhgrecovery.com
Website: www.bhgrecovery.com

C02018-021

Mar 21 2018

NOTICE OF CHANGE OF OWNERSHIP/CONTRC

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 073-M0002
Name of Facility/Provider: NORTHWEST ALABAMA TREATMENT CENTER
Physical Address: 4204 EDMONTON DRIVE, BESSEMER, ALABAMA 35022
County of Location: JEFFERSON
Number of Beds/ESRD Stations: 0
CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. NA

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: JAKE BIVONA
Mailing Address: 4204 EDMONTON DRIVE, BESSEMER, ALABAMA 35022
Operator (Entity Name): NA

Part III: Acquiring Entity Information

Name of Entity: TTC, LLC
Mailing Address: 5001 SPRING VALLEY ROAD, SUITE 600 EAST, DALLAS, TX 75244

Operator (Entity Name): NA

Proposed Date of Transaction is on or after: 04/02/2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 4,000,000.00

Type of Beds: NA

Number of Beds/ESRD Stations: 0

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 85,000.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 1,167,872.00

Projected Total Cost: \$ 1,252,872.00

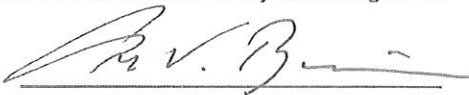
On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): Jake V. Biuona 

Operator(s): _____

Title/Date: Private Treasurer 03/06/2018

SWORN to and subscribed before me, this 6 day of March, 2018.

(Seal)

Brendy Parsons
Notary Public

My Commission Expires: 4/4/18

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): [Signature]

Operator(s): NA NA

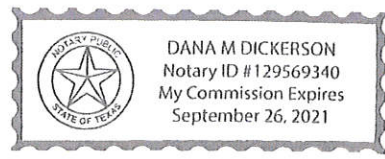
Title/Date: SR VP OF OPERATION S 3/1/2018

SWORN to and subscribed before me, this 1st day of March, 2018.

(Seal)

Dana M. Dickerson
Notary Public

My Commission Expires: 9/26/21



Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule



STATE HEALTH PLANNING & DEVELOPMENT AGENCY
NOTICE OF CHANGE OF OWNERSHIP/CONTROL ADDENDUM:
PAGE A-84; PART IV; QUESTIONS 1-4



CHANGE OF OWNERSHIP/CONTROL
PART IV ADDENDUM

Part IV:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service.)
There will not be extension or addition of services as a result of this change of ownership.

- 2.) Whether the proposal will include the addition of any new beds.
This change of ownership will not include an addition of any beds. (As the current treatment program, an outpatient opioid treatment program, does not contain/include any beds.)

- 3.) Whether the proposal will involve the conversion of beds.
This change of ownership will not include a conversion of any beds. (As the current treatment program, an outpatient opioid treatment program, does not contain any beds.)

- 4.) Whether the assets and stock (if any) will be acquired.
This change of ownership will include the acquisition of assets.

Jemece Gasaway, MSW
Manager, Licensing & Clinical Documentation
Behavioral Health Group
5100 Spring Valley Road, Suite 600 East
Dallas, TX 75244
Direct: 214.365.6126
Mobile: 214.986.6674
Fax: 214.365.6150
Email: Jemece.Gasaway@bhgrecovery.com
Website: www.bhgrecovery.com



STATE HEALTH PLANNING & DEVELOPMENT AGENCY
NOTICE OF CHANGE OF OWNERSHIP/CONTROL:
COPY OF PURCHASE RECEIPT
(PAYMENT SUBMITTED ONLINE)

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

This Amended and Restated Asset Purchase Agreement (the "*Agreement*") is entered into as of the 21st day of March, 2018 (the "*Effective Date*"), by and among TTC, LLC, an Alabama limited liability company (the "*Buyer*"), Northwest Alabama Treatment Center, Inc., an Alabama corporation (the "*Seller*"), and Virginia Kay White, an individual, Lisa Regina Lagle, an individual, Jake Bivona, an individual, Arthur Green, Jr., an individual, Paul Albano, Sr., an individual, and Jeremy Bivona, an individual (collectively, "*Beneficial Owners*"). The Buyer, Seller, and Beneficial Owners are sometimes referred to collectively herein as the "*Parties*" and singularly as a "*Party*."

WITNESSETH:

WHEREAS, BHG LIII, LLC, a Delaware limited liability company ("BHG"), Seller, and Beneficial Owners entered into that certain Stock Purchase Agreement effective September 5, 2017 (the "Original Agreement") for the purchase and sale of the Stock (as defined in the Original Agreement) and Property (defined below);

WHEREAS, since entering into the Original Agreement, BHG has assigned and transferred all of its right, title, and interest as "Buyer" in the Original Agreement to TTC, LLC;

WHEREAS, since entering into the Original Agreement, the Buyer no longer desires to purchase the Stock from the Beneficial Owners, and the Beneficial Owners no longer desire to sell the Stock to the Buyer;

WHEREAS, the Parties now mutually desire to purchase and sell only the Acquired Assets (defined below) and Property, and the Parties further desire to fully amend and restate the Original Agreement to effectuate amending this transaction as set forth herein;

WHEREAS, Seller owns the assets comprising of, and used to operate a licensed substance-abuse clinic providing outpatient substance-abuse treatment and related services to individual Patients (hereinafter defined) located at 4204 Edmonton Drive, Bessemer, Alabama, 35021-1485 (the "*Clinic*");

WHEREAS, as of the Effective Date, Beneficial Owners directly own and control 100% of the outstanding ownership of the Seller and will derive substantial benefits from the sale and purchase contemplated herein and wishes such sale and purchase to be consummated.

WHEREAS, the Buyer desires to purchase from Seller the Acquired Assets of the Seller, and the Seller desires to sell the Acquired Assets to the Buyer, in each case on the terms, and subject to the conditions, set forth herein (the "*Asset Purchase*");

WHEREAS, Seller owns fee-simple title to the land and improvements where the Clinic is located (the "*Property*"), and pursuant to that certain Purchase and Sale Agreement, as same may be amended, and any addendum thereto (the "*Property Contract*") by and between Seller and Buyer, Buyer's assignee or designee desires to acquire the Property (as such term is defined in the Property Contract) from Seller and close on such acquisition simultaneously upon the closing of the transaction described herein (subject to the terms herein and the Property Contract).

NOW, THEREFORE, in consideration of the foregoing and the premises and mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties hereby agree as follows.

1. *Definitions.* The capitalized terms not otherwise defined in this Agreement shall have the meanings assigned to them on Annex A hereto.

2. *Basic Transaction; Purchase Price.*

(a) *Purchase and Sale of the Asset.* On and subject to the terms and conditions of this Agreement, the Buyer agrees to purchase from the Seller, and the Seller shall sell, transfer, assign, convey, and deliver to the Buyer, all of the Seller's right, title and interest in and to the Acquired Assets on the Closing Date, free and clear of any and all Security Interests other than Assumed Liabilities, and free and clear of any options or rights of any third parties, in consideration of the payment of the Purchase Price and the assumption of the Assumed Liabilities.

(b) *Limited Assumption of Liabilities.* On and subject to the terms and conditions of this Agreement, the Buyer shall assume and become responsible for all of the Assumed Liabilities (but only the Assumed Liabilities) at the Closing Date and not any of the Excluded Liabilities, which shall remain the sole and exclusive obligation of the Seller and any Person who provided a Guaranty for such Excluded Liabilities. The Buyer will not, however, assume in any manner whatsoever nor have any responsibility with respect to any of the Excluded Liabilities, and Buyer shall not be deemed by anything contained in this Agreement to have assumed or become responsible for any Liability of the Seller not constituting an Assumed Liability. Each and all Excluded Liabilities shall remain the sole and exclusive responsibility of the Seller, subsequent to the Closing Date, and Buyer shall have no liability therefor.

(c) *Purchase Price.* In consideration for: (i) Buyer's acquisition of the Acquired Assets (and, accordingly, all of the Acquired Assets owned by the Seller), (ii) Buyer's acquisition of the Property; (iii) Seller's and Beneficial Owner's representations, warranties, covenants and performance of their other respective obligations herein, Buyer shall, subject to the terms herein, pay to Seller at Closing a total Purchase Price (hereinafter defined) equal to [REDACTED] for all of the foregoing. The Purchase Price will be paid as follows: subject to the terms herein and in the Property Contract, [REDACTED] of the Purchase Price will be delivered to Seller in cash at closing (the "Property Purchase Price"), [REDACTED] of the Purchase Price will be paid to Seller in cash at Closing (the "Cash Closing Amount"), and the remaining [REDACTED] of the Purchase Price (the "Holdback Amount") will be held by Buyer and released to Seller in accordance with the terms and obligations set forth in in Section 7. As used herein, the term "Purchase Price" shall mean, collectively, the Cash Closing Amount, the Property Purchase Price, and the Holdback Amount.

(d) *Inventory Minimum; The Closing.* At Closing, if Buyer determines that the Seller does not satisfy the Inventory Minimum (hereinafter defined), then the Purchase Price shall be automatically reduced, dollar-per-dollar, by the amount of money that Buyer (in its reasonable discretion) determines will be required to purchase inventory and supplies to obtain the Inventory Minimum. Unless this Agreement is terminated earlier, the closing of the transactions contemplated hereby (the "Closing") shall take place on the second business day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself), or such other date as the Parties may mutually determine (the "Closing Date"). The Closing shall take place at the Buyer's office, or its legal counsel's office, or via facsimile/electronic mail, or overnight courier, or, the Parties may elect to have the Closing occur at the Title Company's office (or through the Title Company), as specified in the Property Contract. The Closing, as such term is defined herein, shall take place on the same date that the closing of the transactions described in the Property Contract occurs. The Parties agree to the following provisions notwithstanding any other provision hereof: (i) this Agreement will not be effective unless and until both this Agreement (and any Exhibits and ancillary documents referenced herein) and the Property

Contract shall have been fully executed and delivered; (ii) any termination of the Property Contract by any Party for any reason whatsoever, including default by either party thereunder, shall give Seller or Buyer the absolute right to terminate this Agreement, without any liability, by written notice given prior to Closing hereunder in which event; (iii) any extension of the Closing Date hereunder shall automatically extend the closing date under the Property Contract to the same date; (iv) a default by any party under the Property Contract prior to Closing shall be a default by such party hereunder in which event the non-defaulting Party(ies) may have any rights and remedies set forth herein and in the Property Contract; and (v) in no event are the Parties obligated to close the sale contemplated herein except only as part of a simultaneous closing of the sale contemplated under the Property Contract.

(e) *Deliveries Prior to & at the Closing.* At or prior to the Closing : (i) the Seller will execute, acknowledge and deliver (as applicable) to the Buyer the various certificates, agreements, instruments, and documents referred to in the Property Contract and in §6(a) below, including (without limitation): (A) the Power Of Attorney For DEA Order Forms, a template of which is attached hereto as Exhibit A, (B) a certificate setting forth the Seller's estimated calculation of the Assumed Liabilities, including an itemization of the Assumed Liabilities (which certificate shall be mutually agreed to by Seller and Buyer) and (C) a list of any allocations or prorations described in §2(h) below (which amounts shall be mutually agreed to by Seller and Buyer), (D) any and all passwords, "user IDs", "login", and all other information that Buyer will need in order to access and operate all of the Seller's accounts so that Buyer may operate all of the Acquired Assets in the ordinary course of its business, and (E) any and all "corporate" or company records and files, as well as all ownership certificates (if any) that were ever issued by Seller (which certificates shall be deemed surrendered to Buyer for all purposes); and (ii) the Buyer will execute, acknowledge and deliver (as applicable) to the Seller the various certificates, agreements, instruments, and documents referred to in §6(b) below, including (without limitation): (A) an instrument of Undertaking and Assumption of Liabilities in the forma attached here to as Exhibit B, (B) counterparts of the documents and instruments required hereunder, and (C) the Cash Closing Amount by wire transfer. Within a reasonable amount of time prior to Closing, the Parties shall work together in good faith to determine the Working Capital, the Working Capital Surplus, if any, and the Working Capital Deficit, if any, including an estimated consolidated balance sheet of the Seller as of the close of business on the Closing Date (hereinafter, the "*Estimated Closing Date Balance Sheet*"). In connection therewith, Seller shall cause the Beneficial Owners to provide any and all information reasonably requested by Buyer in order for the Parties to determine the Estimated Closing Date Balance Sheet (inclusive of the Working Capital) as of the Closing Date. Within a reasonable amount of time prior to Closing, the Seller shall prepare and deliver to Buyer a written statement showing all Closing Date Indebtedness (the "*Estimated Closing Date Balance*"). At Closing, Seller shall (without any reduction in Working Capital), cause all of the Closing Date Indebtedness to be paid in full and shall deliver to Buyer payoff statements and lien releases (if applicable), which payoff statements and lien releases shall be subject to Buyer's approval. Seller and the Beneficial Owners jointly and severally hereby represent, warrant and covenant to Buyer that all information related to the Estimated Closing Date Balance Sheet (inclusive of the Working Capital), as well as the Estimated Closing Date Indebtedness Certificate, and all other related information shall be true, correct, and complete

(f) *Allocation.* The Parties shall allocate the Purchase Price (and all other capitalizable costs relating thereto) among the Acquired Assets and the Property for all purposes (including financial accounting and tax purposes) in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended (the "*Code*"), pursuant to the written notice from Buyer to Seller. In any proceeding related to the determination of any Tax, neither Buyer nor Seller or Beneficial Owners shall contend or represent that such allocation is not a correct allocation.

(g) *Transfer Taxes.* The Seller shall pay any applicable sales, transfer, use, or similar purchase Taxes ("*Transfer Taxes*") resulting from the Asset Purchase and shall file on a timely basis all necessary tax returns and other documentation with respect to any Transfer Tax. The Parties hereto shall

also cooperate in providing the information required by any returns or other documentation relating to Transfer Taxes. Seller is not aware of any Transfer Taxes applicable to the sale of the Acquired Assets.

(h) *Prorations.* The Purchase Price shall be subject to proration as set forth in this §2(h).

(i) Except as elsewhere set forth herein, all items of income and expense arising from the operation of the Acquired Assets on or before the opening of business on the Closing Date shall be for the account of Seller and thereafter shall be for the account of Buyer. Proration of the items described below between Seller and Buyer shall be effective as of 12:01 a.m., Eastern Time, on the Closing Date, and shall occur as follows with respect to those rights, Liabilities and obligations of Seller transferred to and assumed by Buyer hereunder.

(ii) Liability for state and local personal property taxes assessed on the Acquired Assets payable with respect to the year of Closing shall be prorated as between Seller and Buyer on the basis of the number of days of the tax year elapsed prior to such date, the estimated amount of which shall be set forth on Schedule 2(h)(ii).

(iii) Prepaid items, credits, accruals or advances under any Contracts expressly assumed by Buyer shall be prorated between Seller and Buyer on the basis of the period of time to which such prepaid items, credits, accruals or advances apply, the estimated amount of which shall be set forth on Schedule 2(h)(iii). Prepaid fees and expenses received by Patients shall also be prorated and Buyer shall receive a credit therefor at Closing.

(iv) Buyer shall succeed to all of Seller's rights to recovery or refund of all security, utility and other deposits made with respect to the operation of the Acquired Assets, the estimated amount of which shall be set forth on Schedule 2(h)(iv).

(v) Seller shall credit Buyer at Closing for the amount of all unpaid vacation, personal days, sick days, and any other "PTO" pay as of Closing Date in respect of any of Seller's employees hired by Buyer, the estimated amount of which shall be set forth on Schedule 2(h)(v).

(vi) Normal trade accounts payable of the Acquired Assets are not Assumed Liabilities and will not be prorated, *provided, however*, if Buyer expressly elects, in writing, to assume liability any such trade account balances at Closing, then the Purchase Price shall be reduced on a dollar-per-dollar basis by the amount of such account(s).

(vii) To the extent practicable, all prorations shall be made prior to Closing Date with any additional prorations and true-up to be made within 90 days thereafter. Within thirty (30) days prior to the anticipated Closing Date, Seller shall provide Buyer with a proposed schedule of all items for which adjustments and/or prorations are to be made pursuant to the terms of this §2(h), and the corresponding effect that such adjustments and/or prorations shall have on the Purchase Price, if any (the "*Proration Schedule*"). If Buyer does not consent to the proposed Proration Schedule, then prior to Closing, Buyer shall use good faith efforts to revise the Proration Schedule accordingly and such revisions shall be binding upon the Parties. It shall be a condition precedent to Buyer's obligation to close the transaction contemplated herein that Buyer expressly approves, in writing, of the Proration Schedule.

3. *Representations and Warranties of the Seller.* Seller and Beneficial Owners jointly and severally represent and warrant to Buyer that the statements contained in this §3 are true, correct and complete as of the Effective Date and as of the Closing Date, and at all times between the Effective Date and the Closing Date, except as set forth in the disclosure schedule accompanying this Agreement (the

“*Disclosure Schedules*”). The Disclosure Schedules will be arranged in paragraphs corresponding to the lettered and numbered paragraphs contained in this §3.

(a) *Organization of the Seller Beneficial Owners.* Beneficial Owners are individuals. Seller is an Alabama corporation, duly organized, validly existing, and in good standing under the laws of the State of Alabama. Seller has all requisite power and authority, and all licenses, Permits, and authorizations, necessary to own, operate and lease the Acquired Assets and, as applicable, to carry on the business of operating the Clinic, which Clinic provides methadone and buprenorphine treatment and related support services (collectively the “*Business*”), and are qualified to do business as a foreign entity in all jurisdictions in which the conduct of the Business or the ownership of the Acquired Assets requires it to be so qualified, which jurisdictions are set forth in Schedule 3(a).

(b) *Authorization of Transactions.* Each of the Seller and Beneficial Owners have full power and authority without the joinder of any third party to execute and deliver this Agreement and to perform its obligations hereunder; and the Seller and the Beneficial Owners approve of this Agreement, the delivery of all documents required to be delivered herein, the Asset Purchase, and the Property Contract. This Agreement constitutes the valid and legally binding obligation of the Seller and the Beneficial Owners, enforceable against such Persons in accordance with its terms and conditions. Schedule 3(b) sets forth the beneficial and record ownership of all of the Seller’s outstanding equity securities. Except as set forth on Schedule 3(b), there are no other outstanding equity securities of the Seller or options, warrants, convertible or exchangeable securities or other rights that could obligate Seller or the Beneficial Owners to issue any of the Seller’s equity securities or any securities or rights which could entitle any person or entity to acquire any of Seller’s equity securities. All corporate and other actions required to be taken by Seller and Beneficial Owners to authorize the execution, delivery and performance of this Agreement, all documents executed by Seller and Beneficial Owners which are necessary to give effect to this Agreement and all transactions contemplated hereby, have been duly and properly taken or obtained by Seller and Beneficial Owners. No other corporate or other action on the part of Seller or Beneficial Owners is necessary to authorize the execution, delivery and performance of this Agreement, all documents necessary to give effect to this Agreement and all transactions contemplated herein. All outstanding equity interests of the Seller (i) have been duly authorized and validly issued and are fully paid, non-assessable and not subject to preemptive rights or similar rights created by statute, the Constitutive Documents or any agreement to which the Seller is a party, and (ii) have been offered, sold, issued and delivered by the Seller in all material respects in compliance with all applicable Legal Requirements. There are no declared or accrued but unpaid dividends or distributions with respect to any of the Seller’s equity interests. Prior to Closing, Seller has delivered to Buyer any and all of Seller’s Constitutive Documents, including any amendments, modifications, restatements or alterations thereto, and such documents and instruments are the only agreements between and among the Seller and the Beneficial Owners. This Agreement and all documents delivered hereunder have been duly and validly executed and delivered by Seller and the Beneficial Owners, and assuming due and valid execution by, and enforceability against, Buyer, this Agreement and all documents delivered hereunder constitute valid and binding obligations of Seller and Beneficial Owners enforceable in accordance with their respective terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

(c) *Noncontravention.* Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in §2 above), will (A) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which the Seller or the Beneficial Owners are subject or any provision of the Constitutive Documents of the Seller, or (B) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or

consent under any agreement, Contract, lease, license, Permit, order, decree, authorization, instrument, or other arrangement to which the Seller or the Beneficial Owners are a party or by which the Seller or the Beneficial Owners are bound or to which any of their respective assets is subject (or result in the imposition of any Security Interest upon any of their respective assets). There are no option agreements, rights of first refusal, rights of first offer, or other outstanding rights related to the acquisition of the Acquired Assets, or any portion thereof. Except as set forth on Schedule 3(c), neither the Seller nor Beneficial Owners are required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency or party to any Contract, in order for the Parties to consummate the transactions contemplated hereby (including the assignments and assumptions referred to in §2 above).

(d) *Brokers' Fees.* Except as set forth on Schedule 3(d), neither the Seller nor the Beneficial Owners have any Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated hereby.

(e) *Title to Assets.* The Seller has good and marketable title to, or a valid leasehold interest, in, the Acquired Assets, free and clear of all Security Interests and rights belonging to any third parties. The Seller is the unconditional legal and equitable owner of the Acquired Assets and has good and marketable title to the Acquired Assets, free and clear of all Security Interests and rights belonging to any third parties. Evidence of such title is set forth on Schedule 3(e). There is no other lawful owner or holder of any pledge, security interest, encumbrance, option, or agreement in or to the Acquired Assets, nor are there any restrictions of any kind or nature whatsoever, except such restrictions as may exist under applicable state and federal securities laws.

(f) *Subsidiaries and Equity Investments.* The Seller does not own, directly or indirectly, any capital stock or other equity securities of any entity nor has any direct or indirect equity or ownership interest, including interests in Partnerships, limited liability companies and joint ventures, in any business.

(g) *Financial Statements.* Attached hereto as Exhibit C are the following financial statements for the Seller (collectively the "*Financial Statements*"): (i) an unaudited balance sheet(s) of the Seller (including the notes thereto, if any) as of the Effective Date and an income statement of Seller, as well as daily revenue collection and expense summaries through the calendar month immediately prior to the Effective Date (and Seller hereby agrees to provide Buyer with daily revenue collection and expense summaries on a weekly basis until Closing within three (3) business days after same are prepared), and including a statement of Working Capital of the Seller; (ii) a profit & loss statement for calendar year 2016, 2017, and year-to-date profit & loss statements; (iii) all accounts receivable of the Seller as of the date of the accompanying balance sheet, together with an aging schedule indicating a range of days elapsed since being invoiced and date of due payment, as set forth in the Seller's records and (iv) such other financial information related to Seller and the Business as required by Buyer. No Person has any Security Interest or Encumbrance on any account receivable; and no request or agreement for material deduction or material discount has been made with respect to any account receivable. During the time between the Effective Date and the Closing Date, Seller shall provide to Buyer updated Financial Statements as they are produced in Seller's Ordinary Course of Business. The Financial Statements (including the notes thereto, if any) attached hereto and subsequently provided to Buyer after the Effective Date, present fairly the financial condition of the Seller as of such dates and the results of operations of the Seller for such periods, are correct and complete, are consistent with the books and records of the Seller (which books and records are correct and complete) and the Seller's historical accounting practices, and are prepared in accordance with generally accepted accounting principles consistently applied or accounting principles consistently applied throughout the periods covered thereby. Listed in Exhibit C is each account (and account number) maintained by or for the benefit of the Seller at

any bank or other financial institution, including the authorized signatories of each account. There are no outstanding powers of attorney executed on behalf of the Seller with respect to such bank accounts.

(h) *Subsequent Events.* Since the date of the balance sheet attached as part of Exhibit C (i) there has not been any Material Adverse Change and the Seller has operated in the Ordinary Course of Business; and (ii) except as provided to Buyer: (A) there has not been any amendment to any Constitutive Documents, (B) the Seller has not issued any new equity interests in the Seller, or issued to any party the right to acquire same, (C) made any declarations of any dividends or distributions, (D) the Seller has not agreed to acquire, be acquired, by, merge with or into (or any similar type of transaction) any third party, (E) sold, leased, licensed, abandoned, distributed or otherwise disposed of, or created or suffered the incurrence of any Lien, on any material assets or property of the Seller, (F) incurred any capital expenditures, capital commitments or any obligations or liabilities in respect thereof in any amount in excess of \$5,000, in any individual case, or \$50,000, in the aggregate, (G) incurred, assumed or guaranteed any Indebtedness in any amount in excess of \$5,000 in the aggregate, (H) made any loan, advance or capital contribution to or investment in any Person, other than advances to Employees for routine travel and business expenses in the Ordinary Course of Business consistent with past practice, (I) changed any method of accounting or auditing practice, including any change in depreciation or amortization policies or rates, (J) adopted or modified any employee benefit or severance plan, except as required to comply with applicable laws, (K) entered into, or amended, modified or supplemented in any material respect, any Contract, other than in the Ordinary Course of Business consistent with past practice, (L) entered into any joint venture, partner, partnership, strategic alliance, joint development, joint marketing or similar agreement, (M) delayed or postponed the payment of any accounts payable, commissions or other Liability, or entered into an agreement or negotiation with any party to extend the payment date of any accounts payable, commissions or any other Liability, or accelerated collection, or discount, of accounts receivable, trade loading practices or any other promotional sales or discount activity, in each case, except in the Ordinary Course of Business consistent with past practice, (N) paid, discharged or satisfied any claim or Liability, other than any payment, discharge or satisfaction in the Ordinary Course of Business consistent with past practice, or waived, released, granted, assigned or transferred any right or claim (including any write-off or other compromise of any account receivable of the Seller or the Seller's Subsidiary), other than in the Ordinary Course of Business consistent with past practice, (O) made or changed any Tax election, changed any annual Tax accounting period, adopted or changed any method of Tax accounting, amended any Tax Return, entered into any closing agreement, settled any Tax claim or assessment, surrendered any right to claim a Tax refund, offset or other reduction in Tax Liability, consented to any extension or waiver of the limitations period applicable to any Tax claim or assessment or took or omitted to take any other action with respect to Taxes, (P) commenced or threatened to commence, or settle, any lawsuit, proceeding or investigation, or (Q) authorized, resolved or agreed to take any of the actions described above.

(i) *Undisclosed Liabilities.* The Seller does not have any Liabilities, except for (i) Liabilities set forth on the face of the Seller's latest balance sheet (rather than in any notes thereto) contained within the Financial Statements, (ii) Liabilities not set forth on the face of the Seller's latest balance sheet but disclosed on Schedule 3(i) and, (iii) Liabilities which have arisen after the date hereof in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of, or was caused by any negligence, breach of Contract, breach of warranty, tort, infringement, or violation of law).

(j) *Legal Compliance.*

(i) The Seller and Beneficial Owners have has complied with all applicable laws (including statutes, rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of federal, state, local, and foreign governments and all agencies thereof (collectively, "*Legal Requirements*"), and no action, suit, proceeding, hearing,

investigation, charge, complaint, claim, demand, or notice has been filed or commenced against the Seller, and/or the Beneficial Owners alleging any failure so to comply. Neither Seller nor the Beneficial Owners have received any notice or other communication (whether oral or written) from any Governmental Body or any other Person regarding (A) any actual, alleged, possible or potential violation of, or failure to comply with, any Legal Requirement or (B) any actual, alleged, possible or potential obligation on the part of Seller and/or the Beneficial Owners to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

(ii) The Seller and the Beneficial Owners have been and are in full compliance with the terms and conditions of all licenses, permits, certificates and other authorizations from any and all Governmental Bodies (collectively, "*Permits*") that are necessary for the conduct of the Business. Schedule 3(j)(ii) sets forth a list of all such Permits of the Seller. With respect to each such Permit, the Permit is in full force and effect and neither the Seller nor the Beneficial Owners are in breach or default, and no event has occurred which with notice or lapse of time (or both) would constitute a breach or default or permit termination or modification of the Permit. Neither the Seller nor the Beneficial Owners have received notice from any federal, state, local or foreign governments or governmental agencies, departments or bodies that it must make any changes in the operation of its Business. No event has occurred or circumstance exists that (with or without notice or lapse of time) (A) may constitute or result in a violation by any Seller and/or the Beneficial Owners of, or a failure on the part of any Seller or the Beneficial Owners to comply with, any Legal Requirement or (B) may give rise to any obligation on the part of any Seller and/or the Beneficial Owners to undertake, or to bear all or any portion of the cost of, any remedial action of any nature..

(iii) Neither the Seller's nor the Beneficial Owners' activities in connection with, arising out of, or related to any political advocacy group would result in any violation of a Legal Requirement. Neither the Seller nor the Beneficial Owners have made any political contributions that would result in any violation of a Legal Requirement. The Governmental Bodies listed on Schedule 3(j)(iii) collectively constitute all of the Governmental Authorizations necessary to permit the Seller to lawfully conduct and operate its business in the manner in which it currently conducts and operates such business and to permit the Seller to own and use its assets in the manner in which it currently owns and uses such assets.

(iv) Seller has previously delivered to Buyer true, correct and complete copies of (i) the Business's most recent Alabama state survey, lists of deficiencies, if any, and, if applicable, plan of correction; and (ii) the Seller's most-recent CARF survey report dated, and a list of deficiencies, if any, and if applicable, a plan of correction. The Seller has taken all reasonable steps to correct all such deficiencies and a description of any uncorrected deficiency is set forth in Schedule 3(j)(iv). The Seller and Clinic have passed all regulatory inspections and corrected all identified deficiencies in a timely manner for the previous three years prior to Closing. Copies of all inspections for this three-year period have been provided to the Buyer.

(v) The Seller has a valid and current provider number and one or more properly issued provider numbers with each Federal Health Care Program as such term is defined in 42 U.S.C. § 1320a-7b(f) (the "*Government Programs*"). The Seller's provider numbers are listed in Schedule 3(j)(v) by Clinic, to the extent applicable.

(vi) All billing practices of the Seller with respect to the Business to all third-party payors, including private insurance companies, are and have been in compliance with all applicable laws and policies of such third-party payors in all material respects, and neither Seller with respect to the Business nor the Business has billed or received any payment or reimbursement in excess of amounts allowed by law.

(vii) No validation review or program integrity review related to the Seller, the operation of the Business, or the consummation of the transactions contemplated by this Agreement, has been conducted by any commission, board, agency or government entity in connection with the Government Program, and no such reviews are scheduled, pending or threatened against or affecting the Seller with respect to the Seller, or the consummation of the transactions contemplated by this Agreement.

(viii) Seller has performed a review of the website of the Office of Inspector General of the United States Department of Health and Human Services and based upon such review and except as listed in Schedule 3(j)(viii), (A) no employee or independent contractor of the Seller or any physician currently on the medical staff of the Seller is listed as having been, and is not, excluded from participating in Medicaid or any other federal health care program (as that term is defined in 42 U.S.C. § 1320a 7b(f)), and (B) none of the Business or the Seller's officers, directors, agents or management employees (as that term is defined in 42 U.S.C. § 1320a 5(b)), have been excluded from participating in Medicaid or any other federal health care program (as that term is defined in 42 U.S.C. § 1320a-7b(f)) or has been subject to sanction pursuant to 42 U.S.C. § 1320a-7a or 1320a 8 or has been convicted of a criminal offense under the Anti-Kickback Laws. None of the Seller employees while an employee of the Business has committed a violation of federal or state laws regulating health care fraud, including the Anti-Kickback Laws, the Stark Laws and the False Claims Act which violation relates in any material respect to the Business.

(ix) As of the applicable effective dates for such requirements, the Seller is in compliance in all material aspects with the applicable federal and state laws regarding the privacy and security of an individual's health information, including: (A) the administrative simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"; 42 U.S.C. Section 1320d *et seq.*); (B) the additional privacy and security provisions amending HIPAA under the Health Information Technology for Economic and Clinical Health Act ("HITECH"; Title XIII, American Reinvestment & Recovery Act of 2009, Pub. L. 111-5); (D) the confidentiality provisions related to alcohol and drug abuse patient records under 42 U.S.C. Section 290dd-2; and (D) the rules and regulations promulgated under said statutes.

(x) Neither Seller nor the Beneficial Owners, nor any partner, officer, employee or agent of the Beneficial Owners or Seller has made any bribes, kickbacks or other illegal payments to, or received any such illegal payments from, customers, vendors, suppliers or other persons contracting with the Seller and has not proposed or offered to make or receive any such illegal payments.

(xi) The Seller's accounting and electronic patient records, to the extent they contain important information that is not easily and readily available elsewhere, have been duplicated, and such duplicates are stored onsite at the Clinic in accordance with its practices disclosed to Buyer. Seller agrees to continue (or cause the Beneficial Owners to continue) such duplication and storage practices through the Closing Date.

(k) *Tax Matters.*

(i) The Seller and Beneficial Owners have filed all Tax Returns that it was required to file. All such Tax Returns were correct and complete in all respects. All Taxes owed by the Seller (whether or not shown on any Tax Return) have been paid. No claim has ever been made by an authority in a jurisdiction where the Seller does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. There are no Security Interests on any of the assets of the Seller that arose in connection with any failure (or alleged failure) to pay any Tax. The Seller has

withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party. The Seller does not expect any authority to assess any additional Taxes for any period for which Tax Returns have been filed. There is no dispute or claim concerning any Tax Return or Tax Liability of the Seller either (A) claimed or raised by any authority in writing or (B) as to which the Seller has Knowledge. Neither Seller nor the Beneficial Owners are currently being audited with respect to any Tax Returns.

(ii) The Seller is not the beneficiary of any extension of time within which to file any Tax Return and has not yet filed such Tax Return. The Seller (or any member of any affiliated, consolidated, combined or unitary group of which the Seller is or has been a member) has granted any extension or waiver of the statute of limitations period with respect to any Tax assessment, Tax deficiency, collection of Tax or Tax Return, which period (after giving effect to such extension or waiver) has not yet expired. There is no claim, audit, action, suit, proceeding or investigation that is unresolved, pending or threatened against or with respect to the Seller in respect of any Tax. No adverse adjustment, assessment or deficiency with respect to Taxes has been made or proposed by a Governmental Body. There are no requests for rulings or determinations in respect of Taxes pending between the Seller and any Governmental Body, and the Seller has not received such a Tax ruling or determination or any Tax opinion with respect to any transaction relating to the Seller. The charges, accruals and reserves for Taxes with respect to the Seller reflected on the Financial Statements are adequate to cover all Liabilities for Taxes accruing through the date of such Financial Statement. Since the date of such Financial Statements, the Seller has not incurred any Liability for Taxes, other than in the ordinary course of business consistent with past custom and practice. There are no Tax grants, abatements, or incentives related to the Seller. Aside from the jurisdiction where the Seller was formed, it is not required to pay any Taxes or file any Tax Returns in any other jurisdiction.

(iii) The Seller will not be required to include any item of, or exclude any item of deduction from, taxable income for any post-Closing Tax period as a result of (A) any change in method of accounting for a taxable period ending on or prior to the Closing Date to transactions, events or accounting methods employed prior to the Closing, (B) any use of an improper method of accounting for a taxable period ending on or prior to the Closing Date, (C) any "closing agreement," as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date, (D) any "intercompany transaction" or any "excess loss account" (within the meaning of Treasury Regulations Sections 1.1502-13 and 1502-19, respectively), or any corresponding or similar provision or administrative rule of federal, state, local or foreign income Tax law; (E) any installment sale or open transaction made on or prior to the Closing Date, (F) any prepaid amount received on or prior to the Closing Date or (G) election under Section 108(i) of the Code made effective on or prior to the Closing Date.

(iv) The Seller has made available to Buyer true, correct and complete copies of all Tax Returns, examination reports and statements of deficiencies assessed against or agreed to by the Seller.

(l) *Real Property.* Except for the Property located at 4204 Edmonton Drive, Bessemer, Alabama, 35021-1485, the Seller does not own fee simple title to any other real property.

(m) *Intellectual Property.* The Seller owns or has the exclusive right to use pursuant to license, sublicense, agreement, or permission all Intellectual Property necessary for the operation of the Business as presently conducted. With respect to each item of Intellectual Property which the Seller owns, the Seller possesses all right, title and interest in and to the item, free and clear of any Security Interest or

other restriction or claim. With respect to each item of Intellectual Property that any third party owns and that the Seller uses, the license, sublicense, agreement or permission pursuant to which the Seller has the right to use such item is legal, valid, binding, enforceable and in full force and effect. Each item of Intellectual Property owned or used by the Seller immediately prior to the Closing Date hereunder will be owned or available for use by the Buyer on identical terms and conditions immediately subsequent to the Closing Date hereunder. Schedule 3(m) identifies each item of Intellectual Property owned and/or used by the Seller in the Business.

(n) *Tangible Assets.* The Acquired Assets include all machinery, equipment, and other tangible assets necessary for the conduct of the Business (as presently conducted) and are listed in Schedule 3(n). Such tangible assets are owned or leased by the Seller, have been maintained in accordance with normal industry practice, are in good operating condition and repair (subject to normal wear and tear), and are suitable for the purposes for which they presently are used. Upon Closing (and the acquisition of the Acquired Assets), Buyer shall have obtained all the assets necessary to run the Business (including the Acquired Assets) in the same manner that the Seller ran the Business (in the Ordinary Course of Business) on the Effective Date and on the Closing Date, and except as otherwise set forth on Schedule 3(n), no authority, consent, or joinder of any third party is necessary in order for Seller to convey the Acquired Assets (or, indirectly, the Acquired Assets) to Buyer at Closing. All of the Acquired Assets are owned or leased by the Seller and not by the Beneficial Owners or any other Person.

(o) *Contracts.*

(i) Schedule 3(o)(i) lists, and briefly describes all contracts, commitments, plans, agreements, instruments, arrangements, understandings and proposals, including all amendments, supplements, attachments and addenda thereto, and to the extent same are oral, then Schedule 3(o)(i) describes, in detail, the parties, terms and conditions of such oral arrangements (collectively, "Contracts"), to which the Seller is a party or by which the Acquired Assets or the Business are bound, including any contract or agreement with respect to which the Seller has any Liability or which may extend for a term of more than beyond the Closing Date. The Seller has delivered to the Buyer a correct and complete copy of each written Contract (as amended to date) listed in Schedule 3(o)(i) and a written summary setting forth the terms and conditions of each oral agreement referred to in Schedule 3(o)(i).

(ii) With respect to each such Contract: (A) the Contract is legal, valid, binding, enforceable, and in full force and effect; (B) the Contract will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in §2 above); (C) no party is in breach or default, and no event has occurred which with notice or lapse of time (or both) would constitute a breach or default, or permit termination, modification, or acceleration, under the Contract; (D) no party has repudiated any provision of the Contract; and (E) the Contract sets forth the entire agreement and understanding between the parties, and no modifications, amendments or supplements, whether oral or in writing, have been made without being described in Schedule 3(o)(i). Upon Closing (and the assumption of the necessary Contracts), Buyer shall have obtained all the Contracts necessary to run the Business in the same manner that Seller and Beneficial Owners ran the Business (in the Ordinary Course of Business) on the Effective Date and on the Closing Date, and except as otherwise set forth on Schedule 3(o)(ii), no authority, consent, or joinder of any third party is necessary in order for the Seller to assign and Buyer to Assume any of the Contracts at Closing.

(p) *Litigation.* Schedule 3(p) sets forth each instance in which the Seller and/or the Beneficial Owners (A) is subject to any outstanding injunction, judgment, order, decree, ruling, or charge or (B) is a party to, has been threatened with, or has Knowledge of, any action, suit, proceeding, hearing,

review or investigation of, in, or before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator.

(q) *Employees.* Schedule 3(q) sets forth a complete list of all Active Employees and consultants to the Seller, with total annual compensation, showing date of hire, hourly rate or salary or other basis of compensation (including potential bonuses) and other benefits accrued as of a recent date, job functions, sick and vacation leave that is accrued but unused; service credited for purposes of vesting and eligibility to participate under any Employee Benefit Plan, or any other employee or director benefit plan, an indication of whether or not such Active Employee is exempt or non-exempt from receiving overtime pay pursuant to the Fair Labor Standards Act of 1938 (and any related or similar state law) (collectively herein, “*Employee Exemption Status*”); and an indication of whether or not the Seller has been compensating such Active Employee as an “employee” or an “independent contractor” for purposes of all federal and relevant state Legal Requirements relating to compensation of such Active Employee (collectively herein, the “*Employee/Contractor Status*”), and whether or not such employees have been convicted of a crime, including the date, nature, outcome, and status. All of the information set forth on Schedule 3(q) (including, but not limited to, the Active Employee Exemption Status and the Employee/Contractor Status) is accurate, has been properly determined in accordance with all applicable Legal Requirements, and Seller knows of no facts or circumstances that have existed, currently exist, or, with the passage of time or the giving of notice (or both), would give rise to any claims, fines, fees, and/or violations of applicable Legal Requirements with respect to any of the information set forth on Schedule 3(q) (including, but not limited to, the Employee Exemption Status and the Employee/Contractor Status). The Seller has not (historically or as of the Effective Date), entered into any side agreements (whether oral or written) with any employees. The Seller has complied with all Legal Requirements relating to employment practices, terms and conditions of employment, equal employment opportunity, nondiscrimination, immigration, wages, hours, benefits, collective bargaining and other requirements under applicable law, the payment of social security and similar Taxes and occupational safety and health. The Seller is not liable for the payment of any Taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing Legal Requirements. The Seller has not been, and is not now, a party to any collective bargaining agreement or other labor contract.

(r) *Employee Benefits.* Schedule 3(r) contains a true and complete list of all Employee Benefit Plans. Seller has delivered or made available to Buyer true and complete copies of all documents, as they may have been amended to the date hereof, embodying or relating to the Employee Benefit Plans. There are no pending or threatened claims by or on behalf of any the Employee Benefit Plans, by any person covered thereby (other than ordinary claims for benefits submitted by participants or beneficiaries) or any governmental agency or authority. Except as set forth in Schedule 3(r), neither the Seller nor the Beneficial Owners have any liability for life, health, medical or other welfare benefits to former Seller’s personnel or beneficiaries or dependents thereof, except for health continuation coverage as required by Section 4980B of the Code or Part 6 of Title I of ERISA. With respect to each Benefit Plan, the Seller has complied, and is now in compliance, in all material respects, with all provisions of ERISA, the Code and all laws and regulations applicable to such Benefit Plans. Each Benefit Plan has been administered in all material respects in accordance with its terms, including the reporting requirements of Section 6058 and 6041 of the Code, and all other reporting requirements to any governmental agency. Schedule 3(r) sets forth an accurate and complete description of each provision of any Benefit Plan under which the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby could (either alone or in conjunction with any other event) result in, or cause, the accelerated vesting, funding or delivery of, or increase the amount or value of, any payment or benefit to any the Seller’s employee. Neither the Seller, Beneficial Owners, nor any other person, including any fiduciary, has engaged in any “prohibited transaction” (as defined in Section 4975 of the Code or Section 406 of ERISA), which could subject any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control, perquisite or fringe benefit plan, program or policy or their related trusts, the Seller, any of its Affiliates or any person that the

Seller or any of its Affiliates has an obligation to indemnify, to any material tax or penalty imposed under Section 4975 of the Code or Section 502 of ERISA. Neither the Seller nor any other Person on behalf of the Seller, including any fiduciary, has engaged in any “prohibited transaction” (as defined in Section 4975 of the Code or Section 406 of ERISA), which could subject any of the Benefit Plans or their related trusts, the Seller, any of its Affiliates or any person that the Seller or any of its Affiliates has an obligation to indemnify, to any material tax or penalty imposed under Section 4975 of the Code or Section 502 of ERISA. Except as set forth on Schedule 3(r), neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby could result in, or cause the accelerated vesting payment, funding or delivery of, or increase the amount or value of, any payment or benefit to any employee, officer, director or other service provider of the Seller. All contributions and premium payments required to be made as of the Execution Date or owed with respect to periods of participation or coverage before the Closing, to or with respect to all Benefit Plans, have been made or are shown as liabilities in the Financial Statements. The Seller has no liability, including any contingent liability, for any assessable payment under Section 4980H of the Code. No Benefit Plan is subject to Title IV of ERISA or a multiemployer plan under Section 3(37) of ERISA.

(s) *Environment, Health, and Safety.* The Seller and the Beneficial Owners have complied with all Environmental, Health, and Safety Laws, and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against it alleging any failure so to comply. The Seller does not have any Liability for any illness of or personal injury to any employee or other individual, or for any reason under any Environmental, Health, and Safety Law. There are no pending or, to the Knowledge of Seller, threatened claims, Encumbrances, or other restrictions of any nature resulting from any Liabilities related to, arising under or pursuant to any Environmental, Health, and Safety Laws with respect to or affecting any of the Acquired Assets or the Business or any other property or asset (whether real, personal or mixed) in which the Seller has or had an interest. There are no Hazardous Materials present at the Clinic or at any geologically or hydrologically adjoining property, including any Hazardous Materials contained in any storage facilities. Neither the Beneficial Owners, Seller, nor any Person for whose conduct it is or may be held responsible has permitted or conducted, or is aware of, any distribution, generation, handling, importing, management, manufacturing, processing, production, refinement, Release, storage, transfer, transportation, treatment or use (including any withdrawal or other use of groundwater) of Hazardous Material in, on, under, about or from the Clinic or any part thereof into the Environment and any other act, business, operation or thing that increases the danger, or risk of danger, or poses an unreasonable risk of harm, to persons or property on or off the Clinic conducted with respect to any Clinic or any other property or assets (whether real, personal or mixed) in which the Seller has or had an interest except in full compliance with all applicable Environmental Laws.

(t) *Certain Business Relationships with the Seller.* Except as set forth on Schedule 3(t), no Affiliate of the Seller or the Beneficial Owners have been involved in any business arrangement or relationship with the Seller within the past twelve (12) months, and no Affiliate of Seller or the Beneficial Owners owns any asset, tangible or intangible, which is used in the Business.

(u) *Suppliers.* Schedule 3(u) sets forth a list of the ten (10) largest suppliers of the Seller in terms of purchases during the two (2) calendar years preceding the year in which the Effective Date occurs, and the amount of purchases from each such supplier. The Seller maintains good relations with its suppliers and no supplier has, during the year prior to the Effective Date, canceled, terminated or, to the Knowledge of the Seller, made any threat to cancel or otherwise terminate its relationship, or to materially decrease its services or supplies to the Seller.

(v) *Insurance.* Schedule 3(v) sets forth all insurance policies under which the Seller is insured including the name of the insurer, the scope of coverage of such policy, the period covered thereby and any deductibles thereunder all of which are valid and in full force. True and complete copies

of all such insurance policies or binders with respect thereto have been delivered to Buyer. All premiums due to date under such policies have been paid, and no default exists thereunder. The insurance listed on Schedule 3(v) is (i) in amounts adequate to cover losses on physical assets and to avoid operation of any co-insurance provision and (ii) adequate to insure against all Liabilities, claims and risks against which it is customary for companies similarly situated as the Seller to insure. The Seller has not received any notice of any proposed material increase in the premiums payable for coverage, or proposed reduction in the scope (or discontinuation entirely) of coverage, under any of such insurance policies. With respect to the insurance policies listed on Schedule 3(v), (A) Seller is not in default with respect to any provision thereof, (B) Seller has not failed to give any notice or present any claim thereunder in due and timely fashion or as required by any of the insurance policies, (C) Seller and Beneficial Owners have not otherwise through any act, omission or nondisclosure jeopardized or impaired full recovery under such insurance policies, (D) Seller has not received any notice of cancellation or amendment of any such insurance policies, (E) no coverage under any such insurance policy is being disputed, (F) no accident, loss or other event or circumstance has occurred in connection with the Business that might result in any premium adjustment or any adverse modification of any policy terms or conditions with respect to any insurance policies, and (G) Seller has not received any notice or other communication from any of its insurance brokers or carriers that such broker or carrier will not be willing or able to renew the insurance coverage on substantially similar terms and at substantially equivalent premiums.

(w) *Sentinel Events.* Schedule 3(w) sets forth all Sentinel Events that involved the Patients at any time, the date the Sentinel Event occurred, the circumstances surrounding the Sentinel Event, and the eventual outcome or current status. The Seller does not currently have any Liability, nor has it been threatened with any Liability with respect to a Sentinel Event. For the purposes of this Agreement, “*Sentinel Event*” means an occurrence involving death or serious psychological or physical injury, or the risk thereof, including but not limited to death, overdoses or disability.

(x) *Patients.* From the Effective Date through and including the Closing Date, the fees charged by the Clinic to those individuals listed on the Seller’s census that are receiving outpatient methadone or buprenorphine treatment and related services from the Clinic (collectively, the “*Patients*”) shall be \$15.00 per day per each and every Patient in Good Standing for the Clinic for each day of every week. The average weekly methadone census at the Clinic for the last two (2) weeks prior to Closing will contain at least three hundred sixty-five (365) Patients in Good Standing. Except as set forth in Schedule 3(x), Seller has provided no Patient inducements (*i.e.*, patient discounts, free services, etc.). All of the Patients have paid service fees to the Clinic where they are receiving treatment at the time of receipt of such service by the Patient and such fees paid were private pay in nature. All of the service fees paid to the Clinic from the Patients were in exchange for methadone or buprenorphine maintenance services provided to the Patients by the Clinic’s staff in the Ordinary Course of Business. All Patients pay for their treatment and services themselves by private pay, a private insurance company, or a type of Medicaid network or system. As of the Closing Date, sixty-seven percent (67%) of Patients pay for their treatment and services by private pay or a private insurance company, and thirty-three percent (33%) of Patients pay for their treatment and services by a type of Medicaid. There shall not be any outstanding Patient credit balances in excess of \$200 (excluding pregnant patients) for any Patients at the time of Closing, and Seller has provided no Patient inducements or discounts.

(y) *Licensure.* The Seller, the Beneficial Owners, and all of the Seller’s employees and contractors, including, without limitation, any Doctors, Medical Directors, Nurses, Pharmacists, Therapists, and any other professionals or Persons who are required by the jurisdiction in which the Clinic is located to obtain licensure in connection with their services provided for the benefit of the Seller (collectively, “*Licensed Persons*”) are duly licensed and in good standing in accordance with the rules and regulations of the relevant Governmental Bodies.

(i) As evidenced in Schedule 3(j)(ii), all *Licensed Persons* are licensed and in good standing with the Center for Substance Abuse Treatment, The Drug Enforcement Agency, and all State of Alabama regulatory agencies, departments and/or boards having jurisdiction over the Seller, and any other Governmental Bodies that the Seller is required to obtain a license from in order to operate the Business.

(ii) Schedule 3(y)(ii) details all fines (date, nature, amount, and outcome) levied against the Seller or the Beneficial Owners by a regulatory agency or office during the previous three years prior to the Closing.

(iii) Schedule 3(y)(iii) provides evidence that the Seller's employees occupying roles requiring licensure (Medical Directors, Nurses, Pharmacists, and Medical Technicians) are duly licensed and in good standing in accordance with the applicable regulating body requirements at the federal and state levels.

(z) *Payables*. All accounts payable are current and the Seller is in good standing with all creditor relationships therein.

4. *Representations and Warranties of the Buyer*. The Buyer represents and warrants to the Seller that the statements contained in this §4 are correct and complete as of the Effective Date and as of the Closing Date.

(a) *Organization of the Buyer*. The Buyer is a limited liability company validly existing under the laws of the State of Delaware and is qualified to transact business as a foreign limited liability company in the State of Delaware.

(b) *Authorization of Transactions*. The Buyer has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Buyer, enforceable in accordance with its terms and conditions.

(c) *Brokers' Fees*. The Buyer has no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated hereby for which the Seller could become liable or obligated.

5. *Pre-Closing Covenants*. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing Date.

(a) *General*.

(i) For a period of ninety (90) days after the Effective Date (the "*Exclusivity Period*"), neither Seller nor Beneficial Owners will solicit or respond to any offer from any other person with respect to an acquisition proposal, nor will any of them engage in any discussions with or disclose any non-public information or afford access to any person other than Buyer or its representatives with respect to the transaction contemplated herein. Provided that Buyer is not in default of this Agreement, the Exclusivity Period may be extended for up to two consecutive forty-five (45) day-periods by written notice from Buyer to Seller of its intention to extend the Exclusivity Period.

(ii) Each of the Parties will use commercially reasonable efforts to take all action and to do all things necessary in order to consummate and make effective the transactions contemplated hereby (including satisfaction, but not waiver, of the Closing conditions set forth in §6 below). Without limiting the foregoing, Seller and the Beneficial Owners agree to cooperate

with Buyer in Buyer's efforts to obtain a service agreement with the Seller's current physicians or other employees of the Seller (if requested by Buyer).

(iii) The Seller will not engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business, or otherwise take any action described in Section 3(h)(ii). In addition to the meaning ascribed to such term in Annex A hereto, operating in the Ordinary Course of Business shall mean and include (A) maintaining insurance reasonably necessary to cover a risk of loss to the Business and the Acquired Assets; (B) maintaining the Seller's books and records in accordance with past practices; (C) maintaining the services of the Seller's employees; (D) maintaining satisfactory relationships with licensors, suppliers, distributors, customers and others having business relationships with the Seller; and (E) not offering any promotional discounts or incentives at the Clinic that actually, effectively, or implicitly reduce the current or future price paid for the Seller's services by existing or prospective Patients, except those in effect prior to the Effective Date and disclosed in Schedule 3(x).

(iv) Without limiting the generality of the foregoing, from the Effective Date until the Closing Date, except as expressly approved by the Buyer in writing, the Seller: (A) shall not enter into or amend any Employee Benefit Plan, or increase any salary or compensation payable or to become payable to any person; (B) shall not purchase, lease or otherwise acquire any real estate or any interest therein; (C) shall not merge or consolidate with or purchase all or substantially all of the assets of, acquire securities of or otherwise acquire any entity; (D) shall not sell, lease or otherwise dispose of or agree to sell, lease or otherwise dispose of any of its assets, properties, rights or claims, whether tangible or intangible, except in the Ordinary Course of Business; (E) shall not (1) incur any Liability or Guaranty (including, but not limited to state or federal funded treatment programs or grants) other than in the Ordinary Course of Business, and in no event will such Liability or Guaranty exceed \$2,500 or (2) make any investment in property, plant and equipment and other items of capital expenditure; (F) shall not place or permit to be placed any Security Interest on any of its assets or properties; (G) shall not delay or postpone payment of any accounts payable or other Liability; (H) shall not abandon any part of its business; (I) except as otherwise directed by Buyer in writing, and without making any commitment on Buyer's behalf, shall use its best efforts to preserve intact its current Business, keep available the services of its officers, employees and agents (including, but not limited to, any Medical Directors, Nurses, Pharmacists, Counselors and Program Director) and maintain its relations and goodwill with suppliers, customers, landlords, creditors, employees, agents and others having business relationships with the Seller; (J) shall operate the Business in the Ordinary Course of Business; (K) shall report periodically to Buyer concerning the status of its Business, operations and finances; (L) shall comply with all Legal Requirements and contractual obligations applicable to the Business; and (M) shall continue in full force and effect the insurance coverage under the policies set forth in Schedule 3(v).

(b) *Full Access.* The Seller shall permit representatives of the Buyer (as well as any Person considering providing financing to the Buyer) to have full access, at all reasonable times, to all premises, properties, personnel, due diligence materials requested by Buyer, books, records (including Tax records, bank records, and all other financial records and information), Contracts and documents of or pertaining to the Seller and to furnish Buyer and Buyer's advisors with such additional financial, operating, and other data and information as Buyer may reasonably request. Between the Effective Date and the Closing Date, the Seller shall (i) furnish Buyer with copies of all due diligence materials requested by Buyer, Contracts, Permits, books and records and other existing documents and data related to the Business and the Acquired Assets as Buyer may reasonably request; and (ii) otherwise cooperate and assist, to the extent reasonably requested by Buyer, with Buyer's investigation of the properties, assets and financial condition related to the Seller. Seller and the Beneficial Owners acknowledge and

agree that the Seller's obligation to provide Buyer with the information contained herein is ongoing, and, accordingly, any updates, amendments, changes or supplements to the due diligence materials requested by Buyer that occur at any time after the execution of this Agreement, shall be promptly provided to Buyer. In addition, Buyer shall have the right to have all the Clinic's facilities the Acquired Assets inspected by Buyer or Buyer's representatives, at Buyer's sole cost and expense, for purposes of determining the physical condition and legal characteristics of the thereof. In the event subsurface or other destructive testing is recommended by Buyer, Buyer shall be permitted to have the same performed.

(c) *Notice of Developments.* Each Party shall give prompt written notice to each other Party of any (i) development causing a breach of any of its own representations and warranties in this Agreement, (ii) development that would prevent such representations and warranties from being true and correct on the Closing Date; (iii) occurrence of any fact or condition that would or be reasonably likely to (except as expressly contemplated by this Agreement) cause or constitute a breach of any such representation or warranty, had that representation or warranty been made as of the time of the occurrence of, or the Seller's discovery of, such fact or condition and/or (iv) occurrence of any fact or condition that would or be reasonably likely to (except as expressly contemplated by this Agreement) to change any of the information on the Disclosure Schedules. No disclosure by any Party pursuant to this §5(c), however, shall be deemed to amend or supplement the Disclosure Schedules or to prevent or cure any misrepresentation, breach of warranty, or breach of covenant.

(d) *Hiring of Employees by Buyer.* Within five (5) days after the Effective Date, the Seller shall provide Buyer with a list of Active Employees so that Buyer may make an offer of employment to work for Buyer after Closing, but in no event shall Buyer be obligated to hire any of the Seller's employees. Neither the Seller nor the Beneficial Owners shall solicit the employment of any employee or independent contractor of the Seller for any other Person unless and until Buyer has informed the Seller in writing that the particular employee will not receive any employment offer from Buyer. It is understood and agreed that (i) Buyer's intention to extend offers of employment as set forth in this §5(d), shall not constitute any commitment, contract or understanding (expressed or implied) of any obligation on the part of Buyer to assume any of the Seller's or Beneficial Owners' Liabilities with respect to the Seller's employees or the Employee Benefit Plans or to a post-Closing Date employment relationship of any fixed term or duration or upon any terms or conditions other than those that Buyer may establish pursuant to individual offers of employment, and (ii) employment offered by Buyer is "at will" and may be terminated by Buyer or by an employee at any time for any reason (subject to any written commitments to the contrary made by Buyer or an employee and applicable state and federal laws governing employment).

(e) *Nonsolicitation.* None of the Seller, the Beneficial Owners, nor any of their respective Affiliates shall directly or indirectly, (i) solicit, initiate, encourage or entertain any inquiries or proposals from, or discuss with, provide any nonpublic information to or consider the merits of any inquiries or proposals from any Person (other than Buyer) relating the purchase of the Business or all or any substantial portion of stock or assets of the Seller or (ii) negotiate or otherwise respond with respect to any such transaction. The Seller and the Beneficial Owners shall promptly disclose to the Buyer all such unsolicited offers or indications of interest and the proposed terms thereof.

(f) *Accuracy of Representations and Warranties.* The Parties shall not take any action until after the Closing Date that would cause any of their representations or warranties to become untrue or cause the breach of any of their agreements or covenants contained herein or a breach of any of the Contracts to occur. All information furnished to Buyer by Seller and/or the Beneficial Owners pursuant to any requirement herein, or in any exhibit (or schedule) hereto is true, correct and complete in all material respects. Such information states all facts required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements are made, true, correct and complete. All of Seller's and the Beneficial Owners' representations and warranties in this

Agreement (considered collectively), and each of these representations and warranties (considered individually), shall have been accurate in all material respects as of the Effective Date, and shall be accurate in all material respects as of the time of the Closing as if then made. All of the covenants and obligations that Seller and the Beneficial Owners are required to perform or to comply with pursuant to this Agreement at or prior to the Closing (considered collectively), and each of these covenants and obligations (considered individually), shall have been duly performed and complied with in all material respects.

(g) *Updating of Disclosure Schedules.*

(i) Seller and the Beneficial Owners shall notify Buyer in writing of any changes, additions, or events which may cause any change in or addition to the Disclosure Schedules delivered by Seller and the Beneficial Owners under this Agreement promptly (but in no event more than three (3) business days) after the occurrence of the same and again no more than five (5) and no less than two (2) business days prior to Closing by delivery of appropriate written updates to all such Disclosure Schedules. No notification of a change or addition to a Disclosure Schedule made pursuant to this Section 5(g) shall be deemed to cure any breach of any representation or warranty resulting from such change or addition unless in any such case Buyer specifically agrees thereto in writing, nor shall any such notification be considered to constitute or give rise to a waiver by Buyer of any condition set forth in this Agreement, unless in any such case Buyer specifically agrees thereto in writing. In the event Buyer does so expressly agree in writing, then the applicable Disclosure Schedule shall be deemed changed or modified or the condition waived, as the case may be, as set forth in the notification from the Seller for all purposes of this Agreement. Nothing contained herein shall be deemed to create or impose on Buyer any duty to examine or investigate any matter or thing for the purposes of verifying the representations and warranties made by Seller and the Beneficial Owners herein.

(ii) The representations, warranties and other agreements of a party set forth in the Agreement shall not be affected, modified, waived or limited in any respect by the information contained in any agreement or document listed or referenced in a Disclosure Schedule unless the reference on the face of the Disclosure Schedule expressly indicates how such agreement or document limits the scope of a representation, warranty or other agreement of the party set forth in the Agreement.

6. *Conditions to Obligation to Close.*

(a) *Conditions to Obligation of the Buyer.* The obligation of the Buyer to consummate the transactions contemplated hereby and to take the other actions required to be taken by it in connection with the Closing is subject to satisfaction of the conditions set forth below.

(i) Each of the representations, warranties and covenants set forth herein shall be true and correct both when made at the Effective Date, as of the Closing Date, and at all times in between. There shall not have been any Material Adverse Change in or affecting the Seller, the Acquired Assets, and/or the Business between the Effective Date and the Closing Date.

(ii) The Seller or the Beneficial Owners shall have procured and delivered to Buyer all of the authorizations, consents, approvals, certificates (including but not limited to, state approvals required for organizational structure, authority, and time allocation of the Medical Director), and given any required notice and made any required filing, specified in Schedule 3(c), if any, and elsewhere herein, and nothing on the Disclosure Schedules contains any item that Buyer determines (in its sole but reasonable discretion) would have an adverse effect on the

contemplated transaction, the Acquired Assets, the Business, the Assumed Liabilities, or any Liability for Taxes by Buyer after Closing.

(iii) The Seller or the Beneficial Owners shall have delivered to the Buyer a Secretary's Certificate, in standard form, certifying as to such entity's certificate of formation, operating agreement, resolutions of the directors or managers (as applicable) and equity holders of the Seller approving the transactions contemplated hereby and the incumbency of the Persons signing the same on behalf of such entity.

(iv) The Buyer shall have received all authorizations, consents, permits and approvals of governments and governmental agencies and given any required notice and made any required filings necessary to conduct the Business on the Closing Date and Buyer is able to obtain, on terms satisfactory to Buyer, financing in an amount sufficient to consummate the Asset Purchase and provide for a reasonable level of working capital for the Buyer and its subsidiaries after Closing.

(v) The Buyer shall have obtained all necessary agreements with any of Seller's current physicians or other employees and entered into any necessary service agreements. The Buyer shall have also obtained agreements with any and all third-party payors (and shall otherwise be able to process claims with such payors on Closing) necessary to maintain the Business in the Ordinary Course of Business (in Buyer's reasonable discretion) as of Closing.

(vi) The Buyer's due diligence investigation of the Business, the Acquired Assets, and the operations of the Seller shall be satisfactory in the Buyer's and Buyer's lender(s) sole satisfaction, and if same are not to Buyer's and/or its lender's satisfaction, then Buyer shall have the right to terminate this Agreement upon written notice to Seller and the Seller without any liability therefor. Buyer shall have obtained the consent of its lender to close on the purchase of the Acquired Assets as set forth herein.

(vii) The Seller shall have, in Buyer's sole but reasonable discretion, useable inventory of medicine and medical supplies at the Clinic satisfactory to comply with any applicable Legal Requirements and otherwise sufficient to support its operations in the Ordinary Course of Business for at least three weeks (the "*Inventory Minimum*"). A listing of the medicine and supplies and the amounts of the same constituting the Inventory Minimum is attached hereto as Schedule 6(a)(vii).

(viii) The Seller shall have delivered to Buyer an opinion of the Seller's legal counsel, dated the Closing Date, in form and substance acceptable to Buyer and Buyer's lender.

(ix) The Seller shall have delivered to the Buyer all releases of all Encumbrances on the Acquired Assets or the Asset in a manner acceptable to the Buyer, except as otherwise permitted by Buyer.

(x) The Seller or the Beneficial Owners shall have delivered to Buyer certificates dated as of a date not earlier than fifteen business day prior to the Closing Date as to the good standing of the Seller and payment of all applicable state Taxes by the Seller, executed by the appropriate officials of the State of each jurisdiction in which the Seller is licensed or qualified to do business as a foreign entity as specified herein.

(xi) Buyer shall have received unconditional and binding assignments, transfers and conveyances of all the Acquired Assets from the Seller (and, if necessary, the

Acquired Assets), including, but not limited to, all goodwill and all other Intellectual Property in connection with or arising out of the Business.

(xii) Buyer shall have received such other documents as Buyer and/or Buyer's lender may reasonably request for the purpose of: (a) evidencing the accuracy of any of the Seller's representations and warranties; (b) evidencing the performance by the Seller Beneficial Owners of, or the compliance by the Seller with, any covenant or obligation required to be performed or complied with by the Seller; (c) evidencing the satisfaction of any condition referred to in this Section 6; or (d) otherwise facilitating the consummation or performance of any of the transaction contemplated herein.

(xiii) On the Closing Date, no orders, decrees, judgments or injunctions of any court or governmental body shall be in effect, and no claims, actions, suits, proceedings, arbitrations or investigations shall be pending or threatened, which challenge or seek to challenge, or which could reasonably be expected to prevent or cause the rescission of, the consummation of the transactions contemplated in this Agreement.

(xiv) The Seller shall pay or otherwise settle non-trade liabilities related to the Acquired Assets and the Seller, including, without limitation, all credit cards and any long-term liabilities such as any bank notes, capital leases, other funded debt, pension obligations, environmental, or regulatory liabilities. The Acquired Assets shall be free and clear of any and all liens, security interests and any other encumbrances securing debt of any kind whatsoever.

(xv) The Seller shall have promptly and fully updated the Disclosure Schedules hereto (but only pursuant to the terms herein related to updating of Disclosure Schedules).

(xvi) Buyer shall have closed on the acquisition of the Property pursuant to the Property Contract.

7. *Post-Closing Covenants.* The Parties agree as follows with respect to the period following the Closing Date.

(a) *General.* In case at any time after the Closing Date any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefore under §8 below).

(b) *No Fraudulent Transfers & Transition.* Upon receipt of the Purchase Price, Seller shall utilize such funds in such a way as to not evade any creditor of Seller and/or the Beneficial Owners, or otherwise fraudulently convey or transfer the Purchase Price to any Person or commit any actions with the Purchase Price that would be a violation of any Legal Requirement. Neither the Seller nor the Beneficial Owners will directly or indirectly take any action that has the effect of discouraging any lessor, customer, supplier, or other business associate of the Seller from maintaining the same business relationships with the Buyer after the Closing Date as it maintained with the Seller prior to the Closing Date. The Seller will refer all customer inquiries relating to the Business to the Buyer from and after the Closing Date.

(c) *Confidentiality.* Following the Closing Date, neither the Seller nor the Beneficial Owners will not, directly or indirectly, disclose, divulge or make use of any Confidential Information or any confidential or proprietary information pertaining to the Buyer, the Business, the Acquired Assets, or

the terms and conditions of this Agreement (except to the extent necessary to notify any third-parties of the acquisition of the Acquired Assets by Buyer and the operation of the Business by Buyer after Closing). Upon the Closing Date, any and all confidentiality, non-disclosure or other similar agreements entered into by Buyer prior to the date hereof in connection with the Seller and/or the Business shall be hereby rendered null and void and shall cease to be of any further force or effect.

(d) *Covenant Not to Compete.*

(i) Buyer, Seller, and Beneficial Owners shall each enter into a Nondisclosure, Non-compete and Non-solicitation Agreement (the form of which is attached hereto as Exhibit D and incorporated herein by reference), which states that during the period of time commencing on the Effective Date and continuing for five (5) years from and after the Closing Date (the "*Non-competition Period*"), the Seller nor the Beneficial Owners will not directly or indirectly (whether for compensation or otherwise) engage in (as a principal, shareholder, partner, director, officer, agent, employee, consultant or otherwise), be financially interested in, or in any other capacity, own, manage, operate, join, control or participate in the ownership, management, operation or control of, or furnish any capital to or be connected in any manner with, or provide any services as a consultant for any business located within a fifty (50) mile radius of any of the Buyer's (or Buyer's affiliates') clinics (including the Clinic) that is involved in providing outpatient methadone or buprenorphine treatment, and/or substance-abuse treatment and/or related services or which otherwise competes with Buyer's Business (or any portion thereof) after Closing.

(ii) During the Non-competition Period, the Seller nor the Beneficial Owners will not, directly or indirectly, solicit or endeavor to entice away from the Buyer or otherwise interfere with the business relationship of the Buyer or any entity associated with the Buyer with any person or entity who is, or was within the two-year period immediately prior to the Closing Date, a customer or employee of, consultant or supplier to, or other person or entity having material business relations with the Seller or the Buyer. However, nothing in the preceding sentence shall prohibit other entities controlled by a Seller but operating outside the fifty (50) mile radius referenced above from purchasing equipment, supplies, or inventory from the same vendors as those used by the Business.

(iii) The covenants and undertakings contained in this § 7(d) relate to matters which are of a special, unique and extraordinary character and a violation of any of the terms of this § 7(d) will cause irreparable injury to the Buyer, the amount of which will be impossible to estimate or determine and which cannot be adequately compensated. Accordingly, the remedy at law for any breach of this § 7(d) will be inadequate. Therefore, the Buyer will be entitled to an injunction, restraining order or other equitable relief from any court of competent jurisdiction in the event of any breach of this § 7(d) without the necessity of proving actual damages or posting any bond whatsoever. The rights and remedies provided by this § 7(d) are cumulative and in addition to any other rights and remedies which the Buyer may have hereunder or at law or in equity. In the event that the Buyer were to seek damages for any breach of this § 7(d), the portion of the Purchase Price which is allocated by the parties to the foregoing covenant shall not be considered a measure of or limit on such damages.

(iv) The parties hereto agree that, if any court of competent jurisdiction in a final non-appealable judgment determines that a specified time period, a specified geographical area, a specified business limitation or any other relevant feature of this § 7(d) is unreasonable, arbitrary or against public policy, then a lesser time period, geographical area, business limitation or other relevant feature which is determined by such court to be reasonable, not arbitrary and not against public policy may be enforced against the applicable party.

(v) With respect to any physician subject to any covenants in this Agreement for non-competition and non-solicitation that is required to be delivered at Closing: (A) Buyer shall not deny the physician access to a list of the Patients he has seen or treated within one year prior to termination of Non-competition Period; (B) Buyer shall provide access to his/her Patients' medical records upon Patient authorization and any copies of medical records for a reasonable fee, not inconsistent with applicable law; and (C) Buyer shall provide that any access to the Patient list or Patient medical records after termination of the Non-competition Period shall not require them to be provided in a different format than that in which they are maintained except by mutual consent of the contracting parties.

(e) *Nonassignable Contracts and Permits.* To the extent that any Contract or Permit for which assignment to the Buyer is provided for in this Agreement is not assignable without the consent of another party or the appropriate governmental authority, this Agreement shall not constitute an assignment or an attempted assignment thereof if such assignment or attempted assignment would constitute a breach thereof. The Seller and the Beneficial Owners shall use their respective best efforts to obtain the consent of such other party or governmental authority to the assignment of any such Contract or Permit to the Buyer in all cases in which such consent is or may be required for such assignment. If such consent shall not be obtained, the Seller and the Beneficial Owners shall cooperate with the Buyer in any reasonable arrangement designed to provide for the Buyer the benefits under any such Contract or Permit

(f) *Endorsement of Checks, Etc.* The Seller hereby authorizes the Buyer following the Closing Date to endorse for deposit only its name on and collect for the Buyer's account any checks received in payment of any accounts included in the Acquired Assets, and any refunds of deposits, prepaid expenses and similar amounts. In the event payment for any amounts due the Buyer are received by the Seller or Beneficial Owners, the Seller or Beneficial Owners will promptly turn the same over to the Buyer.

(g) *Remedies for Breaches of this Agreement; Indemnification.*

(i) *Survival.* Except as expressly set forth in this Agreement to the contrary, all representations, warranties, covenants, agreements and indemnifications of Buyer, Seller, and the Beneficial Owners respectively, contained in this Agreement or in any document delivered pursuant hereto shall be deemed to be material and to have been relied upon by Buyer, Seller and the Beneficial Owners, respectively. All representations and warranties of Seller and the Beneficial Owners shall continue to be fully effective and enforceable following the Effective Time for twenty four (24) months (the "*Survival Period*"); provided, however, that, if there is at the end of such twenty four (24) month period, if an outstanding notice of a claim made in compliance with the terms of Section 7, such applicable period shall not end in respect of such claim until such claim is resolved. Notwithstanding the above, (a) the representations and warranties contained in Sections 3(a), 3(b), 3(c), 3(d), 3(e), 3(f), 3(i), 3(j), 3(k), 3(p), and 3(q), (b) any claim of fraud against Seller or Beneficial Owner with respect to this Agreement or the transactions contemplated hereby, and (c) the indemnification obligations of Seller and Beneficial Owner listed in Sections 7(g)(ii) shall continue to be fully effective and enforceable for the respective statute of limitations applicable to any such claim.

(ii) *Obligations of the Seller and Beneficial Owners to Indemnify; Release.* The Seller and Beneficial Owners shall each jointly and severally indemnify, defend (with counsel acceptable to the indemnitee), release and hold harmless the Buyer and its successors, assigns, employees, owners, officers, affiliates, agents, representatives, and any third party claiming by, through, or under Buyer and any of their respective successors, assigns, agents, employees, owners, officers, affiliates, agents, or representatives (collectively, the "*Buyer*

Parties”) from and against any Adverse Consequences suffered, sustained, incurred or required to be paid by any of the Buyer Parties based upon, arising out of or otherwise in connection with and with respect to (A) any worker’s compensation liability or tax liability relating to any period prior to the Closing Date, (B) any failure by Seller or the Beneficial Owners to perform or comply with any covenant or agreement of the Seller or the Beneficial Owners contained herein (including the Disclosure Schedules) or in any document or other paper delivered pursuant hereto, including, without limitation, any deductions or reductions in number of Patients in Good Standing as of the Closing Date, as determined by Buyer after the Closing Date, (C) any Excluded Liability, including but not limited to any Environmental Liability or any Security Interests on the Assets, (D) any and all Indebtedness, including, but not limited to, any Closing Date Indebtedness; any and all Working Capital Deficits existing as of the Closing Date; (E) a breach or inaccuracy of any representation or warranty of the Seller or the Beneficial Owner’s contained herein for which a claim was asserted prior to the expiration of the applicable survival period, (F) Seller’s and/or Beneficial Owners negligent acts or omissions, (G) any claims by any third parties, including but not limited to Third-Party Claims, employees, Patients or other third parties for any act, event or omission that occurred (or failed to occur), prior to Closing, (H) any facts alleged by any third party that, if true, would constitute a breach, event or occurrence of the type described in this subsection, and/or (I) Seller’s and/or the Beneficial Owner’s operations of the Business or use of the Clinic’s facilities prior to Closing, regardless of whether or not such Adverse Consequences are realized or recognized by Buyer Parties before or after Closing (but subject to the applicable survivor period herein). The foregoing indemnities shall not be exclusive but shall be in addition to any specific performance and injunctive relief to which the Buyer and their assigns, as the case may be, may be entitled after Closing. As used herein, the term “*Third-Party Claims*” shall mean any and all claims, counterclaims, actions, causes of action (including any relating in any manner to any existing litigation or investigation), suits, obligations, controversies, defenses, debts, liens, contracts, agreements, covenants, promises, liabilities, damages, penalties, demands, threats, compensation, losses, costs, judgments, orders, interest, fees or expense (including attorneys’ fees and expenses) or other similar items of any kind, type, nature, character or description, whether in law, equity or otherwise, whether in contract or in tort, whether contingent or vested, or whether liquidated or unliquidated, asserted against Seller and/or Company by any Person, through such Person, or otherwise on the behalf of such Person, in connection with matters set forth below:

- (A) Northwest Alabama Treatment Center, Inc. v. State of Alabama Department of Mental Health, and James V. Perdue, Case No. CV-2015-900880, Circuit Court of Jefferson County, Alabama, Bessemer Division.
- (B) USAMERIBANK v. Northwest Alabama Treatment Center, Inc, et.al., Case No. CV-2017-901226.00, Circuit Court of Jefferson County, Alabama, Birmingham Division.
- (C) State of Alabama Department of Mental Health v. Northwest Alabama Treatment Center, Inc.
- (D) Robert White and Tina White v. Northwest Alabama Treatment Center Inc., Case No. 2:17-cv-01233 TMP, US District Court for the Northern District of Alabama Northern Division. Northwest Alabama Treatment Center, Inc.
- (E) Peggy Phelps v. Jonathan R. Moore and Northwest Alabama Treatment Center, Inc., Case No. 8-CV-2016-900813.00, and

- (F) Any other third-party claim made against any Seller or the Company related to facts or circumstances arising prior to Closing.”

(iii) *Set-Off.* In the event that Buyer makes a claim against Seller or Beneficial Owners, for indemnification or defense under this Section 7 or against the Seller in connection with the Property Contract, or if Buyer determines that Seller and/or the Beneficial Owners breached or violated any of the representations, warranties and/or covenants contained herein or in the Property Contract, in addition to all of Buyer’s other rights and remedies, Buyer may utilize any and all of the Holdback Amount to apply to such claim, or to reimburse Buyer for its costs and expenses (or the costs and expenses that it reasonably anticipates it will incur) as a result of any violations or breaches of the Seller’s or the Beneficial Owner’s representations, warranties and/or covenants contained herein (the “*Holdback Reduction*”). In the event that Buyer makes a claim against Seller or Beneficial Owners, for indemnification or defense under this Section 7 related to the Third-Party Claims, in addition to all of Buyer’s other rights and remedies, Buyer may utilize any and all of the Holdback Amount to apply to such claim, or to reimburse Buyer for its costs and expenses (or the costs and expenses that it reasonably anticipates it will incur) in connection with, arising out of, or related to, any Third-Party Claims. Additionally, if after Closing, Buyer determines that Estimated Closing Date Balance Sheet (inclusive of the Working Capital) was not accurate, or if Seller failed to pay any of the Closing Date Indebtedness, then, in addition to all of Buyer’s other rights and remedies, Buyer may utilize all or any of the Holdback Amount to apply to: (A) any Working Capital Deficit (or other discrepancies in the Estimated Closing Date Balance Sheet, provided, however, if Buyer determines that a Working Capital Surplus exists as of the Closing Date, then Buyer shall remit such Working Capital Surplus to Seller); and/or (B) any Closing Date Indebtedness not paid by Seller at Closing. The Holdback Reduction shall not act to limit Seller’s liability under this Agreement (or Seller’s liability in the Property Contract) or in any other instruments or agreements executed in connection herewith, and if Buyer retains any portion of the Holdback Amount, then such right shall be without prejudice or limitation to any of its other rights or remedies herein, the Property Contract, at law, or in equity, or Buyer’s right or remedies in any other instruments or agreements executed in connection herewith.

If: (I) no additional claims are made or threatened against Buyer or the Clinic, (II) all Third-Party Claims have been Finally Adjudicated, and (III) there have been no breaches of any representations, warranties and or covenants in the APA (or other documents executed in connection herewith) by any Seller, then, subject to the terms herein (including Section 7(g)(iii)), Buyer will deliver the Holdback Amount (less the Holdback Reduction) to the Seller on the later to occur of thirty (30) days following the twelfth (12th) full month after Closing or the date that all Third-Party Claims are Finally Adjudicated;. As used herein, the term “*Finally Adjudicated*” (or similar term) shall mean that Buyer has received satisfactory evidence (which shall be determined in Buyer’s sole and absolute discretion), that all Third-Party Claims have been resolved by either: (1) a final adjudication of such third-party claim by an a court of competent jurisdiction, which cannot be appealed or set aside, (2) a binding and final settlement agreement signed by all parties to such Third-Party Claims, and the all the terms of such settlement agreement have been completely satisfied by all the parties thereto, and the relevant cause of action has been dismissed with prejudice, or (3) a dismissal order with prejudice is filed with the relevant court of record which cannot be appealed or set aside.

(iv) *Additional Remedies Upon Default.* If, prior to Closing, Seller and/or the Beneficial Owners breaches this Agreement, or any of the provisions herein, or if any representation or warranty made by Seller and/or the Beneficial Owners in this Agreement is untrue, false or incorrect, or if Seller or the Beneficial Owners shall not have performed any of

Seller's or the Beneficial Owners' obligations herein set forth, then Buyer shall be entitled to: (A) close the transaction contemplated by this Agreement, thereby waiving such breach, default or failure, provided, however, Buyer may cure any breach, default, or failure which is susceptible to cure by the payment of money and deduct from the Purchase Price all sums so paid by Buyer, together with all costs and expenses incurred by Buyer in affecting such cure; (B) postpone Closing hereunder for thirty (30) days, or such longer period of time as Buyer may designate during which time any such breach, default or failure shall be cured by Seller and if not then cured, Buyer may elect either (A) above or (B) below; or (C) seek all of Buyer's rights and remedies at law or equity including, but not limited to, specific performance of this Agreement and of Seller's and/or the Beneficial Owners' obligations, duties and covenants hereunder, or election to terminate this Agreement by notice to Seller and the Beneficial Owners.

(h) Post-Closing Tax Matters. After the Closing Date, the Parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to Tax liabilities or potential Tax liabilities attributable to the Seller with respect to the operation of the Business for all periods prior to the Closing Date and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The Parties shall also make available to each other as reasonably required, and at the reasonable cost of the requesting Party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with Tax matters.

(i) Seller shall prepare or cause to be prepared and timely file or cause to be timely filed after Closing all tax returns for the Seller for all periods ending prior to the Closing Date that are filed after the Closing Date including a stub tax return for the period of January 1 (of the year in which Closing occurs) through the date of Closing. Seller shall permit Buyer to review and comment on each such Tax return described in the preceding sentence prior to filing. To the extent permitted by applicable law, Seller shall include any income, gain, loss, deduction or other tax items for such periods on their Tax returns.

(ii) The Parties agree that (A) all Taxes with respect to the Seller attributable to any Tax period (or portion thereof) ending on or prior to the Closing Date and any Taxes attributable to the sale of the Acquired Assets pursuant to this Agreement shall be borne by, shall be the exclusive responsibility of and shall be paid by Seller, (B) Seller is responsible for payment of all taxes due with respect to the distribution of the Excluded Assets to Seller, and (C) all other Taxes with respect to the Seller shall be borne by, shall be the exclusive responsibility of and shall be paid by the Seller (and not the Seller) as required by applicable law.

(i) Website Redirection. Within two (2) days after the Closing Date, Seller shall redirect its webpage for the Business to Buyer's website (which website shall be provided to Seller prior to Closing) for a period no less than twelve (12) months after Closing, and to transfer any e-mail addresses associated with the Business to Buyer.

8. Termination.

(a) Termination of Agreement. Certain of the Parties may terminate this Agreement as provided below:

(i) If the Buyer, the Beneficial Owners, and the Seller each agree by mutual written consent, this Agreement may be terminated at any time prior to the Closing Date, or if the Property Contract terminates for any reason;

(ii) By the Buyer, if the Seller or the Beneficial Owners shall have breached or failed to perform any of its obligations, covenants or agreements, or if any of the representations and warranties of the Seller or the Beneficial Owners shall not be true and correct, and such breach, failure or misrepresentation is not cured to the Buyer's reasonable satisfaction within the earlier to occur of the scheduled Closing Date or 10 days after the Buyer gives the Seller written notice identifying such breach, failure or misrepresentation or if there is any change to the Disclosure Schedules after the Effective Date and prior to the Closing Date;

(iii) By the Seller or the Beneficial Owners, if the Buyer shall have breached or failed to perform in any respect any of its obligations, covenants or agreements, or if any of the representations and warranties of the Buyer shall not be true and correct in any respect, and such breach, failure or misrepresentation is not cured to the Seller's reasonable satisfaction within 10 days after the Seller or the Beneficial Owners gives the Buyer written notice identifying such breach, failure or misrepresentation or by Buyer if Buyer is not able to obtain, on terms satisfactory to Buyer, the funds necessary to deliver the Purchase Price to Seller at Closing; and

(iv) Either the Buyer or the Seller may terminate this Agreement if: (A) the Closing shall not have occurred on or before the date that is one hundred eighty (180) days after the Effective Date (provided that if such date is not a business day, such date shall be the next following business day), except for delays related to any strikes, riots, acts of God, shortages of labor or materials, terrorist activities, acts of war, governmental actions or inactions or laws, regulations, or restrictions, delays in obtaining any regulatory licenses and approvals, or any other causes of any kind whatsoever which are beyond the control of such acting party (such causes shall be collectively referred to as "*Force Majeure*" events); or delays caused by Seller or the Beneficial Owners; or (B) any of the conditions precedent to either Buyer's or Seller's obligation to close the transaction contemplated herein as set forth in §6 are not satisfied (to Buyer's or Seller's sole but reasonable satisfaction).

(b) *Effect of Termination.* If this Agreement terminates pursuant to §8(a) above, all rights and obligations of the Parties hereunder shall terminate except for those rights and obligations that expressly survive termination.

9. *Miscellaneous.*

(a) *Entire Agreement.* This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes, amends, and restates the Original Agreement, and supersedes any prior understandings, agreements, letters of intent (and amendments thereto), term sheets, or representations by or among the Parties, written or oral, to the extent they related in any way to the subject matter hereof. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the party to be charged with the amendment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Buyer may assign this Agreement to any Affiliate.

(b) *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(c) *Notices.* All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to the Buyer:
Dwight Mussleman
5001 Spring Valley Rd
Ste 600 East
Dallas, TX 75244

Copy to:
Kessler Collins, P.C.
2100 Ross Avenue, Suite 750
Dallas, Texas 75201
Attention: Tony Barbieri

If to the Seller
or Seller:
Prior to Closing

Copy to:

Attn: _____

After Closing:

Any Party may change the address above by giving the other Parties notice in the manner herein set forth.

(d) *Governing Law; Jurisdiction.* This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Alabama without giving effect to any choice or conflict of laws provision or rule (whether of the State of Alabama or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Alabama. Each of the Parties submits to the jurisdiction of any state or federal court sitting in the State of Alabama in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of the action or proceeding may be heard and determined in any such court. Any proceeding (including any mediations or settlement conferences) arising out of or relating to this Agreement may be brought in the courts of the State of Alabama, County of Jefferson, or if it has or can acquire jurisdiction, in the United States District Court for the Northern District of Alabama, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding.

(e) *Severability.* Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(f) *Expenses; Attorney's Fees.* Each of the Parties will bear his, her or its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

(g) *Attorney's Fees.* In the event any party hereto institutes an action or other proceeding to enforce any rights arising under this Agreement, the party prevailing in such action or other proceeding shall be paid all reasonable costs and attorneys' fees by the other party, such fees to be set by the court and not by a jury and to be included in any judgment entered in such proceeding.

(h) *Incorporation of Recitals.* The recitals set forth above are true, correct, contractual in nature, and are hereby incorporated into this Agreement by this reference.

(i) *Waiver, Remedies Cumulative.* The rights and remedies of the parties to this Agreement are cumulative and not alternative. Neither any failure nor any delay by any party in exercising any right, power or privilege under this Agreement or any of the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of

any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

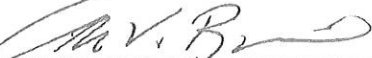
(j) *Construction.* The headings of Articles and Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to “Articles,” “Sections” and “Parts” refer to the corresponding Articles, Sections and Parts of this Agreement and the Disclosure Schedules.

* * * *


The Parties hereto have executed this Agreement as of the Effective Date.

SELLER:


Northwest Alabama Treatment Center, Inc., an Alabama corporation

By: 
Name: _____
Title: Treasurer


BENEFICIAL OWNERS:


Name: Virginia Kay White
Title: _____


Name: Lisa Regina Lagle
Title: _____


Name: Jake Bivona
Title: _____


Name: Arthur Green, Jr.
Title: _____

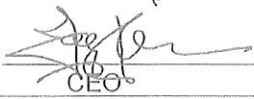

Name: Paul Albano, Sr.
Title: _____


Name: Jeremy Bivona
Title: _____

[Buyer's Signature Continues on Next Page]

BUYER:

TTC, LLC, an Alabama limited liability company

By: 
Name: _____
Title: CEO

ANNEX A

DEFINITIONS

“*Acquired Assets*” means all right, title, and interest in and to all assets and properties of every kind, nature and description used or useful in connection with the Business, including without limitation, the following assets of the Seller: (a) tangible personal property (such as machinery, equipment, inventory, materials, supplies, drugs, medicines, furniture, automobiles, and trucks), as well as all intangible personal property, (b) Intellectual Property, goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions, (c) leases, subleases, and rights thereunder, (d) agreements, Contracts, indentures, mortgages, instruments, Security Interests, Guaranties, and other similar arrangements all as set forth on the Assumed Liabilities Schedule, and rights thereunder, (e) claims, deposits, prepayments (except for those prepayments specifically constituting Excluded Assets), refunds, causes of action, choses in action, rights of recovery, rights of set off, and rights of recoupment (excluding any such item relating to the payment of Taxes), (f) franchises, approvals, Permits, licenses, all Medicaid/Medicare (and any other third-party payor) provider numbers/accounts, orders, registrations, certificates, variances, and similar rights obtained from governments and governmental agencies, to the extent transferable, including the Seller’s Certificate of Need, and (g) books, accounts (including bank accounts), accounts receivable, medical records, patient billing records, rights to settlement and retroactive adjustments for services rendered prior to and on and after the Closing Date, if any, for cost reporting periods ending on, prior to or after the Closing Date arising from or against the Governmental Body under the terms of the Medicare program (or with respect to any other third-party payor) and against any state under its Medicaid program and against any third-party payor programs that settle on a cost report basis, records, ledgers, files, documents, correspondence, lists, plats, architectural plans, drawings, schematics, diagrams, test procedures and specifications, creative materials, catalogs, advertising and promotional materials, studies, reports, and other printed or written materials; *provided, however*, that the Acquired Assets shall not include any of the Excluded Assets.

“*Active Employees*” shall mean all employees or independent contractors employed on the Closing Date by the Seller for the Business who are: (a) bargaining unit employees of Seller currently covered by a collective bargaining agreement or (b) employed (as an employee or independent contractor) in the Business as currently conducted, including employees on temporary leave of absence, including family medical leave, military leave, temporary disability or sick leave, but excluding employees on long-term disability leave.

“*Adverse Consequences*” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages (of any kind and nature, whether direct, indirect, actual, special or consequential), dues, penalties, fines, costs, amounts paid in settlement, Liabilities, obligations, Taxes, liens, losses, expenses, and fees, including court costs, reasonable costs of investigation and defense, and reasonable attorneys’ fees and expenses, and specifically including any such expenses and fees incurred in connection with establishing the existence of Adverse Consequences or the Liability of a Party with respect thereto.

“*Affiliate*” has the meaning set forth in Rule 12b-2 of the regulations promulgated under the Securities Exchange Act of 1934, as amended.

“*Assumed Liabilities*” means the following specified Liabilities of the Seller (and only the following specified Liabilities of the Seller): all valid obligations of the Seller under the agreements, Contracts, leases, licenses, and other arrangements set forth on the Assumed Liabilities Schedule (except for any breaches or violations of Seller or Beneficial Owners of any of the foregoing), all of which were entered into in the Ordinary Course of Business and expressly assumed by Buyer at Closing, either (i) to furnish goods, services, and other non-cash benefits to another party after the Closing Date pursuant to any Contracts or (ii) to pay for goods, services, and other non-cash benefits that another party will furnish to it after the Closing Date pursuant to any Contracts.

“*Closing Date Indebtedness*” means any and all Indebtedness of the Seller as of the close of business on the Closing Date.

“*COBRA Coverage*” means the continuation of health coverage required pursuant to Section 4980B of the Code or Part 6 of Subtitle B of Title I of ERISA attributable to “qualifying events” occurring on or prior to the Closing Date with respect to any employee of the Seller and his or her covered dependents.

“*Confidential Information*” means the following written information concerning the Business that is not already generally available to the public or not known to Buyer Parties as a result of their current and prior activities with businesses similar to the Business: proprietary data, know-how, and ideas; current and planned research and development, Patient lists, confidential contracts, Patient files and related information, billing histories, service performance; price and cost information; market studies; business plans and methods; computer software and programs developed or written by Seller or Beneficial Owners; plans for business opportunities for developing business; financial information, projections and budgets; the names and backgrounds of key personnel; commissions and salaries paid to personnel, if any; personnel training and techniques and materials; types and kinds of materials used by the Seller; and any other information that the Seller treats or designates as confidential or proprietary information (and discloses to Buyer as such) or that is a trade secret within the meaning of applicable trade secret law and subject to a valid agreement between Seller and a third party that may possess such trade secrets; and notes, analyses, compilations, studies, summaries and other material prepared by or for the Seller, in whole or in part.

“*Constitutive Documents*” of an entity means the charter, bylaws, certificate of formation, articles, of organization, operating agreement, bylaws, or other similar organizational, constitutive or governing documents of such entity.

“*Employee Benefit Plan*” means any plan as defined by Section 3(3) of ERISA, employee retirement, pension welfare, bonus, incentive, deferred compensation, vacation, equity, severance, employment, deferred-compensation, profit-sharing, stock-option, stock-appreciation-right, stock-bonus, stock-purchase agreements, or the like, and each contract, offer letter, or other instrument that contains binding terms that remain operative or agreement of the Seller with or addressed to any Seller’s personnel, including any employment, deferred compensation, consulting, severance, change in control, termination, retention, deal bonus or indemnification contract with any Seller personnel, pursuant to which the Seller or any of its Affiliates has any actual or contingent liability or obligation to provide compensation and/or benefits in consideration for past, present or future services.

“*Encumbrance(s)*” shall mean any charge, claim, community or other marital property interest, condition, equitable interest, lien, option, pledge, security interest, mortgage, right of way, easement, encroachment, servitude, right of first option, right of first refusal or similar restriction, including any restriction on use, voting (in the case of any security or equity interest), transfer, receipt of income or exercise of any other attribute of ownership.

“*Environmental, Health, and Safety Laws*” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act of 1976, and the Occupational Safety and Health Act of 1970, each as amended, together with all other laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of federal, state, local, and foreign governments (and all agencies thereof) concerning pollution or protection of the environment, public health and safety, or employee health and safety, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes.

“*Environmental Liability*” means any Liability arising under any Environmental, Health, and Safety Law relating to or arising out of the ownership, use or operation of the Acquired Assets, the Business, or any Assumed Liabilities on or prior to the Closing Date, or the Excluded Assets at any time.

“*Excluded Assets*” means the following assets of the Seller: (i) any Employee Benefit Plans; (ii) any of the rights of the Seller under this Agreement (or under any side agreement between the Seller on the one hand and the Buyer on the other hand entered into on or after the Effective Date); (iii) any prepaid expenses the benefits of which cannot, by law, be transferred to Buyer at Closing; (iv) cash; and (v) any automobiles and other assets that are not used in the Business and which are listed on the Excluded Assets Schedule attached to this Agreement.

“*Excluded Liabilities*” means each and every Liability of the Seller that is not an Assumed Liability.

“*Governmental Body*” shall mean any: (a) nation, state, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers); (d) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (e) official of any of the foregoing.

“*Guaranty*” means any obligation, contingent or otherwise, of any Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person in any manner.

“*Hazardous Material(s)*” means any substance, material or waste which is or will foreseeably be regulated by any Governmental Body, including any material, substance or waste which is defined as a “hazardous waste,” “hazardous material,” “hazardous substance,” “extremely hazardous waste,” “restricted hazardous waste,” “contaminant,” “toxic waste” or “toxic substance” under any provision of applicable Legal Requirement, and including petroleum, petroleum products, asbestos, presumed asbestos-containing material or asbestos-containing material, urea formaldehyde and polychlorinated biphenyls.

“*Indebtedness*” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by (or which customarily would be evidenced by) bonds, debentures, notes or similar instruments, (c) all reimbursement obligations of such Person with respect to letters of credit and similar instruments, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (e) all obligations of such Person incurred, issued or assumed as the deferred purchase price of property or services other than accounts payable incurred and paid on terms customary in the business of such Person (it being understood that the “deferred purchase price” in connection with any purchase of property or assets shall include only that portion of the purchase price which shall be deferred beyond the date on which the purchase is actually consummated), (f) all obligations secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Security Interests on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (g) all obligations of such Person under forward sales, futures, options or other similar hedging arrangements (including interest rate hedging or protection agreements), (h) all obligations of such Person to purchase or otherwise pay for merchandise, materials, supplies, services or other property shall be made regardless of whether delivery of such merchandise, materials, supplies, service or other property is ever made or tendered, (i) all Guaranties by such Person of obligations of others and (j) all capitalized lease obligations of such Person.

“*Intellectual Property*” means (a) all trademarks (whether registered or common law), service marks, trade dress, logos, trade names (including, without limitation, the name “Northwest Alabama Treatment Center,” assumed names, corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (b) all copyrightable works, all copyrights, and all applications, registrations, and

renewals in connection therewith, (c) all trade secrets and confidential business information (including Confidential Information, ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, schematics, diagrams, test procedures, specifications, customer and supplier lists, catalogs, pricing and cost information, and business and marketing plans and proposals), (d) all computer software (including data and related documentation), (e) all copies and tangible embodiments thereof (in whatever form or medium); (f) all domain names and any registrar information, account information (including user ID and password) so that Buyer may manage the registration, renewal and operation of such domain names; (g) all patents, patent applications, and inventions and discoveries that may be patentable.

“*Knowledge*” means (a) actual knowledge after reasonable investigation, (b) constructive knowledge with respect to facts of which, in exercise of reasonable care, the relevant party should have been aware; and/or (c) actual or constructive knowledge that a prudent individual acting commercially reasonable would be expected to discover or otherwise become aware of that fact or matter in the course of conducting a reasonably comprehensive investigation regarding any applicable portion of this Agreement, including, but not limited to, the accuracy of any representation or warranty contained in this Agreement.

“*Liability*” means any liability or obligation of any kind, character or description, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person, including any Tax Liability.

“*Material Adverse Change*” means a material adverse change in the properties, assets (including the Acquired Assets), financial condition, operating results and/or prospects of the Seller and/or the Business, or circumstance that exist, an event that has occurred, or will occur with the passage of time or giving of notice, that may result in such a material adverse change.

“*Ordinary Course of Business*” shall mean that an action taken by a Person (including, but not limited to Seller and/or Beneficial Owners) will be deemed to have been taken in the Ordinary Course of Business only if that action: (a) is consistent in nature, scope and magnitude with the past practices (including with respect to quantity and frequency) of such Person and is taken in the ordinary course of the normal, day-to-day operations of such Person and is in full compliance with all applicable laws, rules and regulations and applicable ethical standards; (b) does not require authorization by the board of directors, or shareholders Governmental Body of such Person (or by any Person or group of Persons exercising similar authority) and does not require any other separate or special authorization of any nature; (c) is similar in nature, scope and magnitude to actions customarily taken, without any separate or special authorization, in the ordinary course of the normal, day-to-day operations of other Persons that are in the same line of business as such Person; and (d) as otherwise described in §5(a)(iii) hereinabove.

“*Patients in Good Standing*” means, in Buyer’s sole determination, those patients who are listed as the Seller’s active Patients with the State of Alabama’s central registry (or other appropriate registry) and who are actively receiving treatment and/or services in connection with the Business as of Closing, provided that in Buyer’s sole determination those Patients: (i) do not have a credit balance in excess of \$100 (excluding pregnant patients), which shall exclude pregnant patients; (ii) are participating in a treatment plan that is compliant with any and all applicable laws, rules and regulatory requirements and acting in accordance with Seller’s policies and procedures; (iii) are receiving treatment and/or services from Seller, and remitting (only) monetary payment therefor, in the Ordinary Course of Business; (iv) have not made or filed any complaints, claims, suits, or allegations against Seller, Beneficial Owners, any of Seller’s employees, agents, or representatives or their respective Affiliates, regarding any violation of any laws, rules, regulations or otherwise; and (v) otherwise approved by Buyer.

“*Person*” means an individual, a Partnership, a corporation, an association, a joint stock company, a trust, a limited liability company, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

“*Security Interest*” means any mortgage, pledge, lien, Encumbrance, claims, options, restrictions charge, or other security interest of any kind.

“*Tax*” and “*Taxes*” mean any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Sec. 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

“*Tax Liability*” means any Liability for Taxes, including any liens against the Seller, the Beneficial Owners, or the Acquired Assets.

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

“*Working Capital*” means, an amount equal to (i) the sum of the consolidated current assets the Seller (including cash and cash equivalents), minus (ii) the sum of the consolidated current liabilities the Seller (including liabilities in respect of deferred revenue, for these purposes, both short term and long term, but subject to the following proviso), in each case, determined in accordance with GAAP consistently applied, and using the policies, principles, conventions, methodologies and procedures used in preparing the Financial Statements, as reasonably determined by Buyer.

“*Working Capital Deficit*” means the excess, if any, of the Working Capital Target over the Closing Date Working Capital. The Working Capital Deficit may not be less than \$0.

“*Working Capital Surplus*” means the excess, if any, of the Closing Date Working Capital over the Working Capital Target. The Working Capital Surplus may not be less than \$0.

“*Working Capital Target*” means the amount of Working Capital as set forth in the Financial Statements attached hereto as Exhibit C.