

ASSIGNMENT AND ASSUMPTION AGREEMENT

This **ASSIGNMENT AND ASSUMPTION AGREEMENT** (this "Assignment Agreement") is entered into as of June 30, 2017, to be effective as of 12:01 a.m., HST, on July 1, 2017 ("Effective Time"), by and among MAUI HEALTH SYSTEM, A KAISER FOUNDATION HOSPITALS LLC, a Hawaii limited liability company ("Assignee"), the HAWAII HEALTH SYSTEMS CORPORATION, a public body corporate and politic and instrumentality of the State of Hawaii ("HHSC"), the MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION ("MRHS"), an agency of the State established in Sections 323F-2(b)(3) and 323F-3.5 of the Hawaii Revised Statutes and the STATE OF HAWAII (the "State" and together with HHSC and MRHS, the "Assignors"). Assignors and Assignee are sometimes referred to herein each individually as a "Party" and collectively, as the "Parties." Defined terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Transfer Agreement (as defined below).

BACKGROUND

The Parties have entered into that certain Maui Regional Hospitals Transfer Agreement, dated as of January 14, 2016 (the "Transfer Agreement"), as may be amended, pursuant to which Assignors agreed to, among other things, transfer or assign to Assignee, to the extent legally transferable or assignable, free and clear of any Encumbrances other than the Permitted Encumbrances, all of Assignors' right, title, and interest in and to the Assumed Contracts, and Assignee agreed to, effective as of the Effective Time, and from and after the Effective Time, assume the Assumed Contracts, and pay, perform and discharge when due, the Assumed Liabilities specifically related to the Assumed Contracts, as such liabilities are set forth in Section 2.4(b) of the Transfer Agreement (the "Related Assumed Liabilities").

NOW, THEREFORE, for and in consideration of the premises, and the agreements and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby forever acknowledged and confessed, the Parties hereby agree as follows:

1. **Assignment**. Assignors hereby assign, transfer and convey to Assignee all of the Assumed Contracts free and clear of any Encumbrances other than the Permitted Encumbrances. Contemporaneously and simultaneously herewith, the Parties have entered into the following agreements pursuant to which all other Transferred Interests, to be conveyed via the Transfer Agreement, will be assigned by Assignors to, and assumed by, Assignee: (i) Agreement for the Assignment and Assumption of Admission Agreements, (ii) Agreement for the Assignment and Assumption of Resident Trust Funds, and (iii) General Assignment, Conveyance and Bill of Sale (collectively, the "Other Conveyance Documents").

2. **Assumption of Obligations**.

(a) Assignee hereby accepts the assignment from Assignors of the Assumed Contracts and Assignee hereby assumes and agrees to pay, perform and discharge when due the Related Assumed Liabilities. Other than as expressly set forth herein, Assignee assumes no debt, liability, or obligation of Assignors other than the Related Assumed Liabilities; provided, however, that Assignee will assume certain debts, liabilities or obligations of

Assignors pursuant to the terms of the Other Conveyance Documents executed and delivered simultaneously with the execution and delivery of this Assignment Agreement

(b) Notwithstanding the foregoing, nothing contained in this Assignment Agreement shall be construed as imposing any liability on Assignee for the acts or omissions of Transferor, or any other liability arising under the Assumed Contracts or resulting from the Related Assumed Liabilities prior to the Effective Time, all of which shall remain the sole responsibility of Assignor; and, nothing contained in this Assignment Agreement shall be construed as imposing any liability on Assignor for the acts or omissions of Assignee, or any other liability arising under the Assumed Contracts or resulting from the Related Assumed Liabilities as of, or subsequent to, the Effective Time, all of which shall be the sole responsibility of Assignee.

3. **No Ratification, Extension or Renewal.** This Assignment Agreement is not intended to, and does not, in any way ratify, extend or renew any agreement or other liability that has not expressly been identified as an Assumed Contract on Schedule 2.2(c) to the Transfer Agreement, or identified as an Assumed Liability in Section 2.4(b) of the Transfer Agreement, or that terminated or expired pursuant to its terms or otherwise.

4. **Further Assurances.** To the extent consistent with the terms and conditions of the Transfer Agreement, the Parties hereby agree to sign and deliver any and all other assignments, consents, approvals, conveyances, documents, and instruments reasonably necessary to affect the intent and purposes of this Assignment Agreement and the transactions contemplated hereby and by the Transfer Agreement, which shall include, but is not limited to, the Other Conveyance Documents.

5. **Remedies.** The Parties' remedies with respect to any claim arising from a breach of this Assignment Agreement shall be as set forth in the Transfer Agreement.

6. **Amendment and Modification; Waiver.** This Assignment Agreement may be amended, modified and supplemented only by a written instrument authorized and executed by Assignors and Assignee. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the Party so waiving. The waiver by any Party hereto of a breach of any provision of this Assignment Agreement shall not operate or be construed as a waiver of any other or subsequent breach.

7. **No Third-Party Beneficiaries.** This Assignment Agreement is for the sole and exclusive benefit of the Parties hereto and nothing expressed or referred to herein is intended or shall be construed to give any person other than the Parties hereto any legal or equitable right, remedy or claim under or with respect to this Assignment Agreement or any provision of this Assignment Agreement, except such rights shall inure to the Parties' respective successors or permitted assignees pursuant to this Assignment Agreement or the Transfer Agreement.

8. **Governing Law and Venue.** This Assignment Agreement is to be governed by and construed in accordance with the internal laws of the State of Hawaii applicable to agreements made and to be performed entirely within the State of Hawaii, without regard to its conflicts of law principles that would obtain a different result. To the full extent permitted by

applicable Legal Requirements, the Parties hereby waive any and all right to a trial by jury on the issue to enforce any term or condition of this Assignment Agreement.

9. **Inconsistencies with the Transfer Agreement.** Notwithstanding anything to the contrary contained herein, the terms of this Assignment Agreement are subject in all respects to the terms, provisions, conditions and limitations set forth in the Transfer Agreement, and this Assignment Agreement is not intended in any way to alter, modify, replace, amend, change, rescind, waive or in any way affect the express provisions set forth in or the obligations of the Parties to the Transfer Agreement. In the event of any inconsistencies between the terms of this Assignment Agreement and the terms of the Transfer Agreement, the Parties hereto agree that the terms of the Transfer Agreement shall control.

10. **Severability.** In the event any provision of this Assignment Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Assignment Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

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

12. **Counterparts.** This Assignment Agreement may be executed in two (2) or more counterparts, each of which will be deemed to be an original copy of this Assignment Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Assignment Agreement and of signature pages by facsimile transmission or Portable Document Format (PDF) shall constitute effective execution and delivery of this Assignment Agreement as to the Parties and may be used in lieu of the original Assignment Agreement for all purposes. Signatures of the Parties transmitted by facsimile and PDF shall be deemed to be their original signatures for any purposes whatsoever.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have caused this Assignment Agreement to be executed in multiple originals by their authorized officers, all as of the date and year first above written.

ASSIGNORS:

HHSC:

HAWAII HEALTH SYSTEMS CORPORATION



Name: Linda Rosen, M.D., M.P.H.

Title: Chief Executive Officer

MRHS:

MAUI REGION OF HAWAII HEALTH
SYSTEMS CORPORATION

Name: Barry Shitamoto, M.D.

Title: Regional Chief Executive Officer

IN WITNESS WHEREOF, the Parties have caused this Assignment Agreement to be executed in multiple originals by their authorized officers, all as of the date and year first above written.

ASSIGNORS:

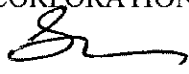
HHSC:

HAWAII HEALTH SYSTEMS CORPORATION

Name: Linda Rosen, M.D., M.P.H.
Title: Chief Executive Officer

MRHS:

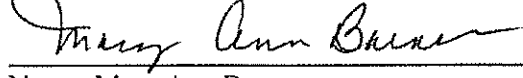
MAUI REGION OF HAWAII HEALTH
SYSTEMS CORPORATION



Name: Barry Shitamoto, M.D.
Title: Regional Chief Executive Officer

ASSIGNEE:

MAUI HEALTH SYSTEM, A KAISER
FOUNDATION HOSPITALS LLC

A handwritten signature in cursive script, reading "Mary Ann Barnes", written over a horizontal line.

Name: Mary Ann Barnes

Title: Chairperson of the Board