AMENDMENT NO. 1 TO
DEFINITIVE AGREEMENT

This Amendment No. 1 to the Definitive Agreement, dated as of October 23, 2014 (this "First Amendment"), is made by and among **Daughters of Charity Ministry Services Corporation** ("DOCMSC"), **Daughters of Charity Health System** ("DCHS"), **Prime Healthcare, Inc.** ("Prime Healthcare") and **Prime Healthcare Foundation, Inc.** ("PHF").

Background

WHEREAS, DOCMSC, DCHS, Prime Healthcare and PHI, entered into that certain Definitive Agreement, dated as of October 10, 2014 (the "Original Agreement", as amended by this First Amendment, the "Definitive Agreement") (capitalized terms not otherwise defined herein have the meanings ascribed to such terms in the Original Agreement);

WHEREAS, pursuant to Section 13.7 of the Original Agreement, the Original Agreement may be amended by a written instrument signed by DOCMSC, DCHS, Prime Healthcare and PHI; and

WHEREAS, DOCMSC, DCHS, Prime Healthcare and PHI desire to amend the Original Agreement, as described below, by entering into this First Amendment.

NOW, THEREFORE, the parties, in consideration of the premises and of the mutual agreements, provisions and covenants herein contained, hereby agree as follows:

1. Form of Transaction.

(a) **Schedule 3.3(h)** of the Original Agreement shall be replaced in its entirety with Exhibit A.

(b) Section 2.1(b) of the Original Agreement shall be replaced in its entirety with the following:

> "Subject to the terms and conditions set forth herein, at Closing, DCHS shall: (i) approve amended and restated Articles of Incorporation and Bylaws of those DCHS Affiliates identified below in order to designate PHF as the sole corporate member of such DCHS Affiliates (DCHS Medical Foundation and, to the extent not prohibited by the California Attorney General Approval, the Philanthropic Foundations); and (ii) convert such DCHS Affiliates into nonprofit public benefit corporations (if they are nonprofit religious corporations) by filing such amended and restated Articles of Incorporation of each such DCHS Affiliate with the California Secretary of State (with the approval of the California Attorney General)."

2. Actions of DCHS at Closing.

(a) Section 3.3(h) of the Original Agreement shall be replaced in its entirety with the following:

> "copies of Amended and Restated Articles of Incorporation and Bylaws for those DCHS Affiliates listed on **Schedule 3.3(h)** and, to the extent not prohibited by the California Attorney General Approval, the Philanthropic Foundations, duly adopted by the Board of Directors of DCHS or Affiliates of DCHS, as applicable, that either need to be converted from (i) California nonprofit religious corporations into California nonprofit public benefit corporations, (ii) California nonprofit religious corporations into California for profit corporations, or (iii) California nonprofit public benefit corporations into California for profit corporations, including evidence from the California Secretary of State of such Amended and Restated Articles of Incorporation filings effective as of the Effective Time; and"

3. Confidentiality.

(a) Section 13.16 of the Original Agreement shall be replaced in its entirety with the following:

> "That certain Confidentiality Agreement dated February 14, 2014, between DCHS and Prime Healthcare shall remain in effect and be binding on Prime Healthcare and DCHS notwithstanding execution of this Agreement."

4. Integration with Original Agreement. This First Amendment is executed, and shall be considered, as an amendment to the Original Agreement and shall form a part thereof, and the provisions of the Original Agreement, as amended by this First Amendment, are hereby ratified and confirmed in all respects.

5. Counterparts. This First Amendment may be executed in two or more counterparts (delivery of which may occur via facsimile or as an attachment to an electronic message in "pdf" or similar format), each of which shall be binding as of the date first written above, and, when delivered, all of which shall constitute one and the same instrument.

6. Construction. This First Amendment shall be governed by and construed in accordance with the terms and provisions of the Definitive Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned have caused this First Amendment to be executed as of the date first above written.

DAUGHTERS OF CHARITY HEALTH SYSTEM

Name: _____

Print: Robert Issai

Title: President and CEO

DAUGHTERS OF CHARITY MINISTRY SERVICES CORPORATION

Name: _____

Print: Robert Issai

Title: President and CEO

PRIME HEALTHCARE SERVICES, INC.

Name: /s/ Troy Schell

Print: Troy Schell, Esq.

Title: General Counsel

PRIME HEALTHCARE FOUNDATION, INC.

Name: /s/ Troy Schell

Print: Troy Schell, Esq.

Title: General Counsel

Exhibit A

Schedule 3.3(h)

DCHS Affiliate

Prime Healthcare Services:

To be converted from nonprofit religious corporations into for-profit business corporations:

Daughters of Charity Health System

O'Connor Hospital

Saint Louise Regional Hospital

St. Francis Medical Center

Seton Medical Center

Caritas Business Services

St. Vincent Medical Center

To be converted from a nonprofit public benefit corporation into a for-profit business corporation (and remain a wholly-owned subsidiary of St. Vincent Medical Center):

St. Vincent Dialysis Center, Inc.

For avoidance of doubt, Daughters of Charity Health System will remain as the sole member of De Paul Ventures, LLC and the sole shareholder of Marillac Insurance Company, Ltd. even though no conversion is required.

Prime Healthcare Foundation:

To be converted from a nonprofit religious corporation into a nonprofit public benefit corporation:

DCHS Medical Foundation (will need a name change to eliminate "DCHS" as well)

For avoidance of doubt, Prime Healthcare Foundation will also become the sole member of St. Vincent De Paul Ethics Corporation even though no conversion is required.