

RESOLUTION NO. 2020-06

RESOLUTION OF THE PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS APPROVING LEASE SURRENDER AND TRANSFER AGREEMENT AND RELATED TRANSACTION DOCUMENTS

WHEREAS, the Petaluma Coast Health Care District (the "**District**") owns the real property on which the Petaluma Valley Hospital, an 80-bed acute care hospital facility is located at 400 N. McDowell Blvd in Petaluma (the "**Premises**"); and

WHEREAS, SRM Alliance Hospital Services ("**SRM**"), an affiliate of Providence St. Joseph Health ("**PSJH**"), is in the process of surrendering to the District the Premises and certain of the operations, facilities, real and personal property, business and goodwill of the Petaluma Valley Hospital (collectively, the "**Hospital**") following its lease of the Hospital from the District; and

WHEREAS, the District and SRM developed a Lease Surrender and Transfer Agreement memorializing the details of the surrender of the Premises and transfer of the Hospital to the District; and

WHEREAS, the Lease Surrender and Transfer Agreement presented to the Board at this meeting, and the Bill of Sale, General Assignment of Agreements and Guaranty attached thereto as Exhibits 1 and 2 and Schedule 12(B), respectively (collectively, the "**Transaction Documents**"), are substantially complete; and

WHEREAS, the District Board finds the transactions contemplated by the Transaction Documents are appropriate to the surrender of the Premises and assignment of the Hospital to the District by SRM;

The Board of Directors of the Petaluma Health Care District does hereby resolve as follows:

1. Authorizes and approves of the District's entry into the Lease Surrender and Transfer Agreement.
2. That the form, terms and provisions of the Transaction Documents are hereby approved in substantially the forms presented to the District Board herewith.
3. That the execution, delivery and performance by the District of the Transaction Documents and such other agreements and documents that the District or its President or Chief Executive Officer (each an "**Authorized Representative**") may deem to be necessary or appropriate to consummate the transactions contemplated thereby are hereby approved in all respects.
4. That the Authorized Representatives and each of them, acting alone, be and

hereby is, authorized, empowered and directed for and on behalf of, and in the name of, the District, to execute, deliver and perform the transactions contemplated by the Lease Surrender and Transfer Agreement if the final versions are in substantially the same form as attached herewith, with such changes in the terms and provisions thereof as such Authorized Representative shall deem necessary or appropriate, and to do and perform such acts and such deeds as such Authorized Representative, with the advice of counsel, deems necessary or appropriate to effectuate the purposes and intents of this resolution.

5. That all prior actions taken by the Authorized Representatives with respect to the Lease Surrender and Transfer Agreement and the preparation and negotiation of the other Transaction Documents, or otherwise in connection with the transactions contemplated thereby, be, and each of them hereby is, authorized, ratified and approved.

The foregoing Resolutions were adopted by the Board of Directors of the Petaluma Health Care District at a special meeting held on October 30, 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Elece Hempel
President, Board of Directors
Petaluma Health Care District

October 30, 2020

EXHIBIT A

TERM SHEET

October 30, 2020

EXHIBIT B

ASSET PURCHASE AGREEMENT

October 30, 2020

EXHIBIT C

BILL OF SALE AND ASSUMPTION OF LIABILITIES

EXHIBIT C

GRANT DEED

EXHIBIT D

GUARANTY

