

SUMMARY OF SUBSCRIPTION AGREEMENT FOR FIRST COAST HEALTH ALLIANCE, LLC

To facilitate your review of the Subscription Agreement for First Coast Health Alliance, LLC, we have prepared the following summary of key provisions. Capitalized terms that are not defined in this summary have the same definitions assigned to them in the Subscription Agreement. We still recommend that you take the time to read the Subscription Agreement in full, so as to ensure that you understand all terms contained therein.

- The Subscription Agreement is the document whereby a physician (or a physician group practice on behalf of its physicians) purchases membership interests (referred to in the document as the “Units”) in First Coast Health Alliance, LLC (“FCHA”).
- Purchase Price for the Units is \$1,000.00 per physician on or before July 15, 2013. After July 15, 2013, the Purchase Price for the Units will increase to \$2,000.00 per physician.
- Each Subscriber makes representations and warranties to FCHA in Section 2 which basically: (A) indicates that the Subscriber has the power to purchase the Units, and that such purchase will not result in any sort of violation of a contract or other legal obligation; (B) attests that the Subscriber has studied the investment in FCHA and is comfortable with the purchase of the Units having been adequately informed; and (C) acknowledges the Subscriber’s understanding that purchasing the Units involves some financial risk (as does any other investment). If the Subscriber’s representations and warranties in Section 2 turn out to be untrue, the Subscriber may potentially be liable to FCHA for breaching such representations and warranties.
- FCHA represents and warrants to each Subscriber in Section 3 that it is a duly organized and validly existing limited liability company according to Florida law, that it has the power and authority to carry on its business, that it can enter into the Subscription Agreement and issue the Units to the Subscriber, and that its performance of obligations under the Subscription Agreement will not result in any sort of violation on FCHA’s part. If FCHA’s representations and warranties in Section 3 turn out to be untrue, FCHA may potentially be liable to a Subscriber for breaching such representations and warranties.

**SUBSCRIPTION AGREEMENT
FOR
FIRST COAST HEALTH ALLIANCE, LLC**

This **SUBSCRIPTION AGREEMENT** dated as of _____, 201_, is entered into between **FIRST COAST HEALTH ALLIANCE, LLC**, a Florida limited liability company (the “**Company**”), and _____,
 a physician licensed by the Florida Department of Health, Board of Medicine, in his or her personal and individual capacity, or a Florida _____ and a physician group practice, in its capacity as a business entity, on behalf and for the benefit of each of its physicians (each physician referred to herein as a “**Subscriber**”).

Preliminary Statement. Subscriber desires to purchase ___ units of the Company (the “**Units**”), which Units shall be comprised of Category II Interests (as such term is defined in the Company’s Operating Agreement) only, for an aggregate purchase price of \$1,000.00 (if Subscriber is an individual physician) or \$_____.00 (which represents a price of \$1,000.00 multiplied by the number of physicians in the physician group practice, if a physician group practice is entering into this Agreement on behalf and for the benefit of its physicians, who shall each individually constitute a Subscriber) (the “**Purchase Price**”). Company desires to issue the Units in exchange for the Purchase Price. Subscriber is delivering herewith an executed copy of either the Operating Agreement of the Company dated as of even date herewith (as the same may be amended from time to time, the “**Operating Agreement**”), or a Joinder Agreement indicating Subscriber’s willingness to be bound by the terms of the Operating Agreement. Subscriber understands, acknowledges, and agrees that (i) the Units owned by Subscriber, together with the units owned by all other Subscribers collectively comprise the Category II Interests in the Company, and (ii) the Category II Interests shall always equal fifty percent (50.0%) of the total issued and outstanding units in the Company, according to Section 4.1(a) of the Operating Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Subscription for Units.

(a) Concurrently with the execution and delivery of this Agreement, (i) the Subscriber shall pay or cause to be paid, by bank wire transfer of immediately available funds to an account designated by the Company, check, or cash, an amount equal to the Purchase Price and (ii) the Company shall issue to the Subscriber the Units registered in the name of the Subscriber.

(b) The Subscriber acknowledges that it will not be deemed a member of the Company until the Company accepts this subscription by execution of this Agreement, the Subscriber executes the Operating Agreement (or a Joinder Agreement indicating Subscriber’s willingness to be bound by the terms of the Operating Agreement), and pays the Purchase Price, and each of the conditions precedent set forth herein have been satisfied.

(c) The certificates for the Units, if any are issued, may be stamped or otherwise imprinted with a legend that may include, but shall not be limited to, the fact that the Units have not been registered under any federal or state securities laws, cannot be transferred without registration under federal or state securities laws (or an opinion of counsel that such registration is not required), and are subject to the terms and conditions of the Company's Operating Agreement (as such may be amended from time to time).

2. Representations and Warranties of the Subscriber.

The Subscriber hereby represents and warrants to the Company as follows:

(a) Neither the execution and delivery of this Agreement by the Subscriber nor the consummation of any of the transactions contemplated hereby will violate or conflict with, or result in a breach of, or constitute a default under (whether upon notice or the passage of time or both) any (i) agreement to which the Subscriber is a party or (ii) law, regulation, order, judgment or decree applicable to the Subscriber.

(b) No governmental or other third-party approvals are required to be obtained, made or given in order to permit the Subscriber to execute and deliver this Agreement and to perform its obligations hereunder.

(c) The Subscriber hereby acknowledges that it has received and carefully reviewed the document authored by the Flagler Hospital Physician Clinical Integration Committee, entitled *Recommendations Regarding Formation of a Clinically Integrated Network in St. Johns County*, and dated April 18, 2013, a copy of which is attached as **Exhibit A** hereto, which describes in detail the prospective activities and operations of the Company, including, but not limited to, its business objectives, strategies, and other attributes important to an investment in the Company (the "**Business Plan**").

(d) The Subscriber (i) understands that its investment in the Units involves certain risks, (ii) has carefully considered and evaluated the risks, in addition to the information contained in the Business Plan, associated with its investment in the Units, (iii) understands that its purchase of the Units is a highly speculative investment and (iv) can afford a complete loss of its investment in the Units.

(e) The Subscriber understands that the Business Plan contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology such as "may," "expect," "anticipate," "estimate" or "continue" or the negative thereof or other variations thereon or comparable terminology, specifically including without limitation all pro formas, future expense estimates, forecasts and projections. The Subscriber acknowledges that all forward-looking statements are necessarily speculative and that there are certain risks, uncertainties and unpredictable factors that could cause actual events or results to differ materially from those referred to in such forward-looking statements. The Subscriber understands the forward-looking statements made in the Business Plan and that the analyses, estimates and financial projections discussed in the Business Plan may or may not turn out to be accurate.

(f) The Subscriber (i) is familiar with the financial statements of the Company attached as **Exhibit B** hereto (the “**Financial Statements**”), to the extent that such have been prepared and are available as of the date of Subscriber’s execution of this Agreement, (ii) has been given the opportunity to ask questions about the Company, its financial condition, the Financial Statements, and the Business Plan, and to obtain (and has received to the Subscriber’s satisfaction) such information about the business and financial condition of the Company and its affiliates as the Subscriber has reasonably requested, and (iii) has such knowledge and experience in financial, tax and business matters, or the ability to engage consultants or counsel on the same, so as to enable the Subscriber to utilize the information made available to the Subscriber in connection with the investment contemplated hereby to evaluate the merits and risks of an investment in the Company and to make an informed investment decision with respect thereto.

(g) The Subscriber has received and carefully reviewed the Business Plan, the Financial Statements, the Operating Agreement, and this Agreement and, in making its investment decision, has relied only on the information contained therein. The Subscriber and the Subscriber’s attorneys, accountants, and advisors have had a reasonable opportunity to ask questions of and receive answers from the Company (or a person or persons acting on behalf of the Company) concerning the terms and conditions of the offering of the Units and to obtain additional information necessary to verify the accuracy of the information set forth in the Business Plan. All such questions have been answered to the full satisfaction of the Subscriber. The Subscriber acknowledges that no oral representations have been made or information furnished to the Subscriber or its attorneys, accountants or advisors in connection with the offering of the Units that is in any way inconsistent with the Operating Agreement or this Agreement.

(h) The Subscriber (i) is financially able to hold the Units for long-term investment, (ii) understands that the nature and amount of the Units being purchased is consistent with the Subscriber’s overall investment program and financial position, and (iii) recognizes that an investment in the Units involves substantial risks, including loss of the entire amount of such investment, has taken full cognizance of and understands all of the risks related to a subscription to purchase the Units, and is able financially to bear the risks of such investment.

(i) In evaluating the suitability of its investment in the Units and any other equity interests in the Company subsequently acquired by or issued to it, (i) the Subscriber has relied solely upon (A) the representations and warranties of the Company contained in Section 3 hereof, (B) its due diligence review of the Company, the Financial Statements and the Business Plan, (C) an independent investigation of the Company, and (D) consultations with the Subscriber’s legal and financial advisors with respect to this Agreement and the nature of this investment, and (ii) no reliance was placed by the Subscriber upon any representations or warranties of the Company or its officers or directors, other than as provided in Section 3 of this Agreement or in the Financial Statements, the Business Plan, or this Agreement.

(j) No person, including, without limitation, the Company, its directors, officers, employees or agents, has warranted to the Subscriber, either expressly or by implication, the percentage of profits and/or amount or type of consideration, profit or loss (including tax write-offs and/or tax benefits) to be realized, if any, as a result of the Subscriber’s investment in the Company. Moreover, the Subscriber understands that the plans and projections described in the Business Plan represent the Company’s good faith evaluation of the prospects of the Company, but there is no

assurance that the Company will achieve the financial results included in such projections, and the Subscriber acknowledges that it is possible that it will lose its entire investment in the Company.

(k) The Subscriber is purchasing the Units as contemplated hereby for its own account, for investment purposes, and with no view to resale or distribution except in compliance with the Securities Act of 1933, as amended (the “**Securities Act**”). The Subscriber acknowledges that the Units have not been registered under the Securities Act or the securities laws of any state, and that this Agreement is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. The Subscriber shall not sell or otherwise transfer the Units or any other equity interests of the Company (i) without registration under the Securities Act and applicable state securities laws or pursuant to an exemption therefrom or (ii) other than in full compliance with the provisions of the Operating Agreement. The Subscriber further understands that the Company has no obligation or present intention to register the Units or to permit their sale other than in strict compliance with the Securities Act, the Securities Exchange Commission rules and regulations thereunder and under applicable state laws. The Subscriber understands that it may not be able to sell or dispose of the Units and that there will be no public market for such Units.

(l) The Subscriber has no present need for liquidity in connection with its purchase of the Units. The Subscriber is aware that there are limitations and restrictions on the circumstances under which the Subscriber may offer to sell, transfer or otherwise dispose of the Units. Such limitations and restrictions include those imposed by applicable securities laws and regulations and by the Operating Agreement. The Subscriber acknowledges that because of such restrictions and limitations it might not be possible to liquidate its investment in the Units readily and it may be necessary to hold the investment for an indefinite period.

(m) The Subscriber understands that the Subscriber’s obligation to pay the Purchase Price for the Units in cash is absolute and unconditional.

(n) The Subscriber has read, is familiar with and understands the Financial Statements and the Operating Agreement. Without limiting the generality of the foregoing, the Subscriber acknowledges that (i) the Company has not generated any profits since its formation on May 1, 2013, (ii) the Company’s liabilities as of the date of this Agreement may exceed its assets, (iii) the Company will operate a clinically integrated network and furnish medical services through the same, and (iv) the prospects and strategies described in the Business Plan are based upon the Company’s formation of a clinically integrated network, as more particularly described therein, although there is no assurance that such efforts will be successful or profitable.

(o) The Subscriber understands that the tax consequences of an investment in the Units depend upon the Subscriber’s individual circumstances. The Subscriber further understands that there can be no assurance that the Internal Revenue Code of 1986, as amended, or the Treasury Regulations promulgated thereunder will not be amended or applied in such a manner as to deprive the Subscriber of some or all of the tax benefits that it might otherwise expect to receive from an investment in the Company.

(p) The Subscriber hereby confirms that (i) all requisite action authorizing the Subscriber’s investment in the Company has been taken and such action has not been rescinded or otherwise modified, (ii) the Subscriber was not formed for the purpose of investing in the Company,

except as may otherwise have been required in connection with the laws, rules, and regulations promulgated or enforced by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, with regards to clinically integrated networks, accountable care organizations, and Medicare shared savings programs, (iii) the individual executing this Agreement on behalf of the Subscriber is fully authorized to act in the name and on behalf of the Subscriber in connection with its subscription to purchase the Units, and (iv) coincident with its execution and delivery to the Company of this Agreement, the Subscriber will, if requested by the Company, deliver to the Company certified resolutions confirming the truth, completeness and accuracy of the foregoing representations and warranties.

(q) The Subscriber's principal residence or place of business for tax purposes is _____.

3. Representations and Warranties of the Company

The Company hereby represents and warrants to the Subscriber as follows:

(a) The Company is duly organized and validly existing as a limited liability company under the laws of the State of Florida and has all requisite power and authority to carry on its business as presently conducted.

(b) The Company has authorized the execution, delivery and performance of this Agreement and the issuance of the Units by all necessary company action.

(c) Neither the execution and delivery of this Agreement by the Company nor the consummation of any of the transactions contemplated hereby will violate or conflict with, or result in a breach of, or constitute a default under (whether upon notice or the passage of time or both) any (i) agreement to which the Company is a party or (ii) law, resolution, order, judgment or decree applicable to the Company.

4. Indemnification. The Subscriber shall indemnify the Company and its officers, directors, employees, attorneys and agents against, and hold them harmless from, all liabilities, claims, costs or expenses, including attorneys' fees and court costs ("**Losses**"), arising out of or resulting from any misrepresentation or breach of any representation, warranty, covenant or agreement made by the Subscriber in this Agreement. The Company shall indemnify the Subscriber against, and hold it harmless from, all Losses arising out of or resulting from any misrepresentation or breach of any representation, warranty, covenant or agreement made by the Company in this Agreement.

5. Further Assurances. The Subscriber shall provide such additional information as the Company may reasonably request in evaluating the Subscriber's suitability to make this investment.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without regard to conflict of laws principles thereof.

7. Mediation. The parties shall first attempt to resolve in good faith by mediation any dispute arising out of or relating to this Agreement or to its alleged breach. The mediation is to be

administered by a mutually acceptable mediator and shall take place in St. Augustine, Florida. If the mediation is unsuccessful or if the parties are unable to agree upon a mutually acceptable mediator within 30 days of either party's demand for mediation, the matter shall be resolved exclusively and conclusively in accordance with the provisions of Sections 7 and 9 and other applicable provisions of this Agreement.

8. Venue and Jurisdiction. The parties hereby (i) irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the State of Florida of competent jurisdiction located in St. Johns County, Florida (the "**Florida Courts**") for any litigation arising out of or relating to this Agreement, (ii) waive any objections to the laying of venue of any such litigation in the Florida Courts and (iii) agree not to plead or claim that such litigation brought in any Florida Court has been brought in an inconvenient forum.

9. Waiver. Compliance with the provisions of this Agreement may be waived only by a written instrument specifically referring to this Agreement and signed by the party waiving compliance. No course of dealing, nor any failure or delay in exercising any right, will be construed as a waiver, and no single or partial exercise of a right will preclude any other or further exercise of that or any other right.

10. Assignment; No Third Party Beneficiaries. The Subscriber shall not transfer or assign this Agreement or any interest herein without the prior written consent of the Company. The provisions of this Agreement are binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No person not a party to this Agreement shall possess, or be deemed to possess, any rights under this Agreement of any kind.

11. Entire Agreement and Amendment. This Agreement is the exclusive statement of the agreement between the parties concerning the subject matter hereof. All negotiations, disclosures, discussions and investigations relating to the subject matter of this Agreement are merged into this Agreement and there are no representations, warranties, covenants, understandings, or agreements, oral or otherwise, relating to the subject matter of this Agreement, other than those included herein. This Agreement may be amended only by a writing executed by all parties hereto.

12. Headings and Captions. The titles and captions in this Agreement are for reference purposes only, and shall not in any way define, limit, extend or describe the scope of this Agreement or otherwise affect the meaning or interpretation of this Agreement. Unless the context otherwise requires (i) singular pronouns include the plural and the plural include the singular, (ii) the case of any gender shall be applicable to all genders, and (iii) the term "including" shall mean "including without limitation."

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

14. Severability. The invalidity of any portion hereof shall not affect the validity, force or effect of the remaining portions hereof. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, such restriction shall be enforced to the maximum extent permitted by law.

15. WAIVER OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY). EACH PARTY HERETO CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective as of the date first written above.

THE COMPANY:

FIRST COAST HEALTH ALLIANCE, LLC

By: _____
Name:
Title:

THE SUBSCRIBER:

By: _____
Name:
Title: