

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

OMB No 1545-0047

2011Open to Public
Inspection

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2011 calendar year, or tax year beginning **JUL 1, 2011** and ending **JUN 30, 2012****B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☒ Application pending

C Name of organization**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

4300 WEST MEMORIAL ROAD

Room/suite

City or town, state or country, and ZIP + 4

OKLAHOMA CITY, OK 73120**F** Name and address of principal officer: **DAVID TEW****SAME AS C ABOVE****D** Employer identification number**27-0473057****E** Telephone number**405-752-3724****G** Gross receipts \$**111,506,956.****H(a)** Is this a group returnfor affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **WWW.MERCY.NET/OKLAHOMACITYOK****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: **2009** **M** State of legal domicile: **OK****Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO CARRY OUT THE HEALING MINISTRY OF JESUS BY PROMOTING HEALTH AND WELLNESS THROUGH OUR			
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3 Number of voting members of the governing body (Part VI, line 1a)	3	11	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	0	
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	1106	
	6 Total number of volunteers (estimate if necessary)	6	0	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
	Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
		9 Program service revenue (Part VIII, line 2g)	0.	0.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		69,820,523.	111,497,196.	
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		7,132.	9,760.	
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		3,228.	0.	
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		69,830,883.	111,506,956.	
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.	
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		0.	0.	
16a Professional fundraising fees (Part IX, column (A), line 11e)		53,402,905.	105,874,669.	
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		0.	0.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		38,212,914.	48,893,619.	
18 Total expenses - add lines 13-17 (must equal Part IX, column (A), line 25)		91,615,819.	154,768,288.	
19 Revenue less expenses. Subtract line 18 from line 12	-21,784,936.	-43,261,332.		
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year	
	21 Total liabilities (Part X, line 26)	25,484,056.	15,900,698.	
	22 Net assets or fund balances. Subtract line 21 from line 20	50,376,901.	84,054,874.	
		-24,892,845.	-68,154,176.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date
	JON VITIELLO, CFO		
Paid Preparer Use Only	Print/Type preparer's name		Preparer's sign
	Firm's name ▶ PLEUS AND COMPANY, LLC		
	Firm's address ▶ 14323 S. OUTER FORTY, S CHESTERFIELD, MO 63017		

May the IRS discuss this return with the preparer shown above? (see instructions)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒ X**1** Briefly describe the organization's mission:

MERCY CLINIC OKLAHOMA COMMUNITIES IS ROOTED IN THE MISSION OF JESUS AND THE HEALING MINISTRY OF THE CHURCH. THIS TRADITION IS MARKED BY VALUES OF JUSTICE, EXCELLENCE, STEWARDSHIP AND RESPECT FOR THE DIGNITY OF EACH PERSON.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code _____) (Expenses \$ 132,326,194. including grants of \$ 0.) (Revenue \$ 111,497,196.)

MERCY CLINIC OKLAHOMA COMMUNITIES ("MCOC") PROVIDES QUALITY MEDICAL HEALTH CARE REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY. DURING TAX YEAR 2011 FISCAL YEAR END JUNE 30, 2012, MCOC PROVIDED SERVICES TO 650,006 PATIENTS. SERVICES ARE PROVIDED THROUGH PHYSICIAN CLINICS AND PRACTICES, AND RELATED FACILITIES.

MCOC RECOGNIZES THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE ESSENTIAL MEDICAL SERVICES AND, FURTHER, THAT PART OF OUR MISSION IS TO PROVIDE HEALTH CARE SERVICES AND HEALTH CARE EDUCATION TO THE COMMUNITIES IN WHICH OUR FACILITIES ARE LOCATED. IN KEEPING WITH MCOC'S COMMITMENT TO SERVE ALL MEMBERS OF THE COMMUNITY, MCOC PROVIDES;

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4c** (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4d** Other program services (Describe in Schedule O.)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **132,326,194.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
35b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	11			
b Enter the number of voting members included in line 1a, above, who are independent		0		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?				X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?				X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?				X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?				X
6 Did the organization have members or stockholders?			X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			X	
b Each committee with authority to act on behalf of the governing body?			X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **OK**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **JON VITIELLO - 405-752-3724**
4300 WEST MEMORIAL ROAD, OKLAHOMA CITY, OK 73120

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BOGGS, BRIAN MD BOARD MEMBER	40.00	X						312,451.	0.	17,830.
(2) CRITTENDEN, MICKEY MD BOARD MEMBER	40.00	X						525,572.	0.	25,329.
(3) HART, JASON MD BOARD MEMBER	40.00	X						273,287.	0.	19,577.
(4) MORRIS, BRITT MD BOARD MEMBER	40.00	X						469,114.	0.	21,617.
(5) SABINE, JEFFREY MD BOARD MEMBER	40.00	X						287,454.	0.	28,952.
(6) THOMAS, RALPH C (CULLEN) PRESIDENT, MERCY CLINIC OK	40.00	X		X				472,203.	0.	54,158.
(7) DIXON, JAMES D DIVISION PRESIDENT, PRIMARY CARE	40.00	X						506,770.	0.	40,125.
(8) MOUNTFORD, DEREK S. EXECUTIVE DIRECTOR, OPERATIONS	40.00	X						158,296.	0.	22,482.
(9) PIANALTO, ERIC COO, MERCY CLINIC OK	40.00	X		X				320,743.	0.	68,225.
(10) SMALLEY, DIANA L CEO, MERCY OKLAHOMA	40.00	X		X				0.	556,630.	199,937.
(11) TEW, DAVID COO, MERCY OKLAHOMA	40.00	X						0.	426,840.	69,452.
(12) VITIELLO, JONATHAN CFO, MERCY OKLAHOMA	40.00			X				0.	439,767.	61,898.
(13) LE, BICH-VI REGIONAL VP-GENERAL COUNSEL	40.00				X			0.	186,283.	25,644.
(14) PAYTON, BECKY J VP-HR, MERCY OKLAHOMA	40.00				X			0.	257,355.	39,603.
(15) CAMPBELL, JESSE R PHYSICIAN	40.00					X		650,736.	1,712.	24,518.
(16) HALE, WILLIAM PHYSICIAN	40.00					X		847,040.	13,416.	18,224.
(17) MAGNESS, STEVEN PHYSICIAN	40.00					X		913,234.	29,837.	21,794.

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Form 990 (2011)

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) HAMPTON, JAMES W PHYSICIAN	40.00					X		636,971.	0.	13,215.
(19) KEEPER, MICHAEL J PHYSICIAN	40.00					X		782,977.	0.	14,478.
(20) NEWMAN, JAMES FORMER OFFICER	0.00						X	0.	194,377.	3,063.
1b Sub-total								7,156,848.	2,106,217.	790,121.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								7,156,848.	2,106,217.	790,121.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

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- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3	X	
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
JE DUNN CONSTRUCTION 929 HOLMES, KANSAS CITY, MO 64106	CONSTRUCTION	1,375,696.
AMCOL SYS INC PO BOX 21625, COLUMBIA, SC 29221	COLLECTION AGENCY	410,800.
BLACKHAWK CONSULTING GROUP 320 LAKEBRIDGE CROSSING, CANTON, GA 30114	CLAIMS PROCESSING	296,769.
WALMART 2000 W MEMORIAL, OKLAHOMA CITY, OK 73134	CONSTRUCTION	275,330.
JANI KING OF OKLAHOMA INC, 3535 NW 58TH STREET, SUITE 200, OKLAHOMA CITY, OK 73112	HOUSEKEEPING SERVICES	248,821.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

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Form 990 (2011)

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Form 990 (2011)

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Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a <u>PATIENT SERVICE REVENUE</u>	Business Code 621110	104709633.	104709633.			
	b <u>OTHER OPERATING REVENUE</u>	621110	6,787,563.	6,787,563.			
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		111497196.				
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		9,760.		9,760.	
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		(i) Real (ii) Personal					
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		(i) Securities (ii) Other					
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances		a					
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11 a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See instructions.		111506956.	111497196.	0.	9,760.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,719,317.	3,719,317.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	86,917,169.	76,759,244.	10,157,925.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	3,220,769.	2,108,402.	1,112,367.	
9 Other employee benefits	7,625,538.	5,119,863.	2,505,675.	
10 Payroll taxes	4,391,876.	2,971,982.	1,419,894.	
11 Fees for services (non-employees):				
a Management				
b Legal	31,979.		31,979.	
c Accounting	45.		45.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	4,939,956.	4,167,700.	772,256.	
12 Advertising and promotion	11,917.	10,054.	1,863.	
13 Office expenses	813,968.	686,722.	127,246.	
14 Information technology	1,559,856.	1,462,976.	96,880.	
15 Royalties				
16 Occupancy	4,503,204.	3,799,225.	703,979.	
17 Travel	569,862.	159,514.	410,348.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,877.	1,584.	293.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,038,386.	759,045.	279,341.	
23 Insurance	1,905,652.	1,905,652.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	20,402,680.	17,213,161.	3,189,519.	
b BAD DEBT	8,158,389.	8,158,389.		
c SHARED SERVICE FEE	1,253,744.	200,004.	1,053,740.	
d REPAIRS & MAINTENANCE	285,085.	240,518.	44,567.	
e All other expenses	3,417,019.	2,882,842.	534,177.	
25 Total functional expenses. Add lines 1 through 24e	154,768,288.	132,326,194.	22,442,094.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	-666,591.	1	149,237.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	18,573,294.	4	8,826,968.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net	44,000.	7	-11,681.
	8 Inventories for sale or use	886,118.	8	426,054.
	9 Prepaid expenses and deferred charges	233,203.	9	247,063.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 12,615,877.		
	b Less: accumulated depreciation	10b 6,698,839.	10c	5,917,038.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	213,010.
	15 Other assets. See Part IV, line 11	0.	15	133,009.
16 Total assets. Add lines 1 through 15 (must equal line 34)	25,484,056.	16	15,900,698.	
Liabilities	17 Accounts payable and accrued expenses	9,218,165.	17	12,648,664.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	41,158,736.	25	71,406,210.
	26 Total liabilities. Add lines 17 through 25	50,376,901.	26	84,054,874.
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		-24,892,845.	27	-68,154,176.
28 Temporarily restricted net assets			28	
29 Permanently restricted net assets			29	
Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		-24,892,845.	33	-68,154,176.
34 Total liabilities and net assets/fund balances	25,484,056.	34	15,900,698.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	111,506,956.
2	Total expenses (must equal Part IX, column (A), line 25)	2	154,768,288.
3	Revenue less expenses. Subtract line 2 from line 1	3	-43,261,332.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-24,892,845.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-68,154,176.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☒

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

Form 990 (2011)

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization	MERCY CLINIC OKLAHOMA COMMUNITIES, INC. F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.	Employer identification number 27-0473057

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

h Provide the following information about the supported organization(s).

[illegible]**Total**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☐		
b 33 1/3% support test - 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☐		
17a 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐		
b 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15		%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16		%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17		%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18		%

19a 33 1/3% support tests - 2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011Open to Public
InspectionName of the organization **MERCY CLINIC OKLAHOMA COMMUNITIES, INC.**
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.Employer identification number
27-0473057**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply):

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ Other _____c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ %b Permanent endowment ☐ %c Temporarily restricted endowment ☐ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		182,293.	52,035.	130,258.
c Leasehold improvements		393,199.	163,517.	229,682.
d Equipment		11,116,998.	6,367,919.	4,749,079.
e Other		923,387.	115,368.	808,019.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				5,917,038.

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule D (Form 990) 2011

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC. 27-0473057 Page 3

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		

Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO TAX-EXEMPT AFFILIATES	71,406,210.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶ 71,406,210.

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule D (Form 990) 2011

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC. 27-0473057 Page 4

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2: THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF MERCY

HEALTH AND SUBSIDIARIES DO NOT INCLUDE A FOOTNOTE TO REPORT THE ORGANIZATION'S LIABILITY FOR UNCERTAIN TAX PROVISIONS UNDER FIN 48, AS THEY ARE DEEMED IMMATERIAL FOR DISCLOSURE.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization

**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**

Employer identification number

27-0473057

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,
Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel	☐ Housing allowance or residence for personal use
☒ Travel for companions	☐ Payments for business use of personal residence
☒ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees
☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or
reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's
CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to
establish compensation of the CEO/Executive Director. Explain in Part III.

☐ Compensation committee	☐ Written employment contract
☐ Independent compensation consultant	☐ Compensation survey or study
☐ Form 990 of other organizations	☐ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing
organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in
Regulations section 53.4958-6(c)?

Yes No

1b	X	
2	X	
4a	X	
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC. 27-0473057

Schedule J (Form 990) 2011

Page 2

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 BOGGS, BRIAN MD	(i)	273,808.	0.	38,643.	5,770.	12,060.	330,281.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 CRITTENDEN, MICKEY MD	(i)	473,552.	0.	52,020.	13,119.	12,210.	550,901.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 HART, JASON MD	(i)	255,849.	3,133.	14,305.	4,739.	14,838.	292,864.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 MORRIS, BRITT MD	(i)	444,369.	0.	24,745.	5,770.	15,847.	490,731.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 SABINE, JEFFREY MD	(i)	251,537.	0.	35,917.	17,149.	11,803.	316,406.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 THOMAS, RALPH C (CULLEN)	(i)	406,918.	56,801.	8,484.	41,315.	12,843.	526,361.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 DIXSON, JAMES D	(i)	377,662.	83,701.	45,407.	27,760.	12,365.	546,895.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 MOUNTFORD, DEREK S.	(i)	129,835.	6,733.	21,728.	7,803.	14,679.	180,778.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 PIANALTO, ERIC	(i)	246,449.	53,539.	20,755.	52,342.	15,883.	388,968.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 SMALLEY, DIANA L	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	432,683.	114,881.	9,066.	184,144.	15,793.	756,567.	0.
11 TEW, DAVID	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	323,301.	69,230.	34,309.	53,898.	15,554.	496,292.	0.
12 VITIELLO, JONATHAN	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	278,936.	69,300.	91,531.	46,475.	15,423.	501,665.	0.
13 LE, BICH-VI	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	133,043.	17,417.	35,823.	10,643.	15,001.	211,927.	0.
14 PAYTON, BECKY J	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	187,406.	41,724.	28,225.	27,819.	11,784.	296,958.	0.
15 CAMPBELL, JESSE R	(i)	618,820.	718.	31,198.	8,009.	16,441.	675,186.	0.
	(ii)	1,607.	0.	105.	0.	68.	1,780.	0.
16 HALE, WILLIAM	(i)	822,974.	0.	24,066.	2,707.	15,257.	865,004.	0.
	(ii)	13,281.	0.	135.	0.	260.	13,676.	0.

Schedule J (Form 990) 2011

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC. 27-0473057

Schedule J (Form 990) 2011

Page 2

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MAGNESS, STEVEN	(i)	704,371.	177,183.	31,680.	5,770.	15,411.	934,415.	0.
	(ii)	29,837.	0.	0.	0.	613.	30,450.	0.
2 HAMPTON, JAMES W	(i)	604,913.	0.	32,058.	2,614.	10,601.	650,186.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 KEEFER, MICHAEL J	(i)	750,437.	0.	32,540.	2,638.	11,840.	797,455.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 NEWMAN, JAMES	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	0.	0.	194,377.	3,063.	0.	197,440.	0.
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Schedule J (Form 990) 2011

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A: CHARTER TRAVEL IS PROVIDED TO CERTAIN EMPLOYEES AS AND
WHEN APPROPRIATE, AND AS DEEMED NECESSARY FOR BUSINESS TRAVEL. AFTER
CHARTER TRAVEL APPROVAL HAS BEEN GRANTED IN ACCORDANCE WITH THE FINANCIAL
JUSTIFICATION PROCESS, THE APPROVED CHARTER TRAVEL FOR BUSINESS IS A
REIMBURSABLE EXPENSE WHICH IS NOT TAXABLE TO THE EMPLOYEES.

TRAVEL FOR COMPANIONS IS PROVIDED IN RARE INSTANCES AND IN ACCORDANCE WITH
THE CO-WORKER TRAVEL AND OTHER EXPENSE POLICY AND PROCEDURES. WHERE
COMPANION TRAVEL HAS RESULTED IN A TAXABLE EVENT, THE EMPLOYEES ARE TAXED
FOR SUCH TRAVEL. SPOUSAL TRAVEL WAS PROVIDED FOR ERIC PIANALTO.

LIMITED INSTANCES OF TAX GROSS-UPS MAY HAVE OCCURRED WITH RESPECT TO
EXECUTIVES.

HOUSING BENEFITS ARE PROVIDED THROUGH A RELOCATION PROGRAM IN ACCORDANCE
WITH COMPANY POLICY. SUCH BENEFITS ARE SUBJECT TO TAX TO THE EMPLOYEE.

PAYMENT BY THE COMPANY OF COSTS FOR TEMPORARY HOUSING BY EMPLOYEES FOR THE
CONVENIENCE OF THE COMPANY IS MADE IN ACCORDANCE WITH THE CO-WORKER TRAVEL

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

AND OTHER EXPENSE POLICY AND PROCEDURES. AS A REIMBURSABLE EXPENSE, THIS
TYPE OF LODGING IS NOT TAXABLE TO THE EMPLOYEE.

PART I, LINES 4A-B: JAMES NEWMAN RECEIVED \$194,377 OF SEVERANCE
COMPENSATION FROM MERCY HEALTH.

MERCY HEALTH, THE PARENT COMPANY, OFFERS SUPPLEMENTAL RETIREMENT PLANS TO
CERTAIN EXECUTIVES WHICH PROVIDE BENEFITS UPON RETIREMENT BASED ON
COMPENSATION, AGE AT THE TIME OF BENEFIT COMMENCEMENT, LENGTH OF SERVICE
WITH THE COMPANY AND/OR ITS AFFILIATES, AND LENGTH OF TENURE IN THE PLAN.

THE FOLLOWING INDIVIDUALS PARTICIPATED IN A SUPPLEMENTAL MANAGEMENT
RETIREMENT PLAN:

RALPH THOMAS; JONATHAN VITIELLO; ERIC PIANALTO; BICH-VI LE; BECKY PAYTON;
DAVID TEW

THE INDIVIDUALS LISTED ABOVE DID NOT RECEIVE PAYMENTS FROM THE SUPPLEMENTAL
MANAGEMENT RETIREMENT PLAN DURING THE YEAR FROM THE FILING ORGANIZATION OR
RELATED ORGANIZATIONS.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

THE FOLLOWING INDIVIDUAL PARTICIPATED IN A SUPPLEMENTAL EXECUTIVE
RETIREMENT PLAN:

DIANA SMALLEY

THE INDIVIDUAL LISTED ABOVE DID NOT RECEIVE PAYMENTS FROM THE SUPPLEMENTAL
EXECUTIVE RETIREMENT PLAN DURING THE YEAR FROM THE FILING ORGANIZATION OR
RELATED ORGANIZATIONS. THE AMOUNT OF ALL ACCRUED BENEFITS IS INCLUDED IN
COMPENSATION AMOUNTS PROVIDED IN SCHEDULE J, PART II, COLUMN (C).

PART I, LINE 7: THE RELATED ORGANIZATION WHICH EMPLOYS THOSE
INDIVIDUALS LISTED ON PART VII, AND THE FILING ORGANIZATION WHEN
APPLICABLE, PROVIDES A NON-FIXED BONUS PLAN FOR WHICH CERTAIN TIERS OF ITS
EMPLOYEES ARE ELIGIBLE. FOR FISCAL YEAR 2012 (JULY 1, 2011 - JULY 30,
2012) PAYMENT OF ALL OR PART OF THE BONUS WAS CONTINGENT UPON ATTAINMENT OF
CERTAIN FINANCIAL TARGETS. PAYMENTS ARE MADE ANNUALLY IN OCTOBER FOLLOWING
(I) THE CONCLUSION OF THE FISCAL YEAR AND (II) DETERMINATION OF GOAL
ACHIEVEMENT. BONUS OPPORTUNITIES ARE TIERED PERCENTAGES AND ARE DEPENDENT
UPON THE LEADERSHIP LEVEL AND ATTAINMENT PERCENTAGE. MERCY'S ATTAINMENT OF

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FINANCIAL GOALS ARE REVIEWED BY THE EXECUTIVE COMPENSATION COMMITTEE OF
MERCY HEALTH AND ARE THEN TAKEN INTO ACCOUNT WHEN ANALYZING EXECUTIVE
COMPENSATION FOR REASONABLENESS.

SCHEDULE J, PART I, LINE 3: THE FILING ORGANIZATION

RELIES ON A RELATED ORGANIZATION; REFER TO SCHEDULE O, PART VI, QUESTION
15A AND 15B FOR THE PROCESS THE RELATED ORGANIZATION FOLLOWS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Employer identification number
27-0473057

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

COMMUNITIES. TO PROVIDE QUALITY HEALTH SERVICES THROUGH A WISE USE OF
RESOURCES AND EXCEPTIONAL MERCY SERVICE.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

MERCY HEALTH SERVICES IMPLEMENTS AND ADVOCATES FOR INNOVATIVE HEALTH
AND SOCIAL SERVICES TO IMPROVE THE HEALTH AND QUALITY OF LIFE OF
COMMUNITIES SERVED, WITH PARTICULAR CONCERN FOR PEOPLE WHO ARE
ECONOMICALLY POOR.

IN SERVING OTHERS WE MAKE A DIFFERENCE BY TOUCHING THEIR LIVES WITH
COMPASSION AND EXCEPTIONAL MERCY SERVICE.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

(I) FREE CARE AND/OR SUBSIDIZED CARE, (II) CARE TO PERSONS COVERED BY
GOVERNMENTAL PROGRAMS AT BELOW COST.

MCOC PROVIDES CARE TO PATIENTS WHO LACK FINANCIAL RESOURCES AND ARE
DEEMED TO BE MEDICALLY INDIGENT. MCOC DOES NOT PURSUE COLLECTION OF
AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE. IN ADDITION, MCOC
PROVIDES SERVICES TO OTHER PATIENTS UNDER THE MEDICARE PROGRAM AND
VARIOUS STATE MEDICAID PROGRAMS. --SUCH PROGRAMS PAY PROVIDERS AMOUNTS
THAT ARE LESS THAN BILLED CHARGES OF THE SERVICES PROVIDED TO THE
RECIPIENTS. CARE IS PROVIDED TO THOSE WITH LIMITED OR NO ABILITY TO
PAY.

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THE SERVICES PROVIDED BY MCOC, AS WELL AS THE AMOUNT OF CHARITY CARE PROVIDED, DEMONSTRATES THE ONGOING COMMITMENT OF THE ORGANIZATION TO SERVE IN A LEADERSHIP ROLE AS AN ADVOCATE FOR RESPONSIVE HEALTHCARE SERVICES FOR THE COMMUNITY, WITH A DEEP COMMITMENT AND SENSITIVITY TO MEETING THE NEEDS OF THE POOR.

FORM 990, PART VI, SECTION A, LINE 6: MERCY HEALTH OKLAHOMA COMMUNITIES IS THE SOLE MEMBER OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A: MERCY HEALTH OKLAHOMA COMMUNITIES (THE MEMBER) MAY APPOINT OR REMOVE MEMBERS OF THE BOARD OF DIRECTORS AT ANY TIME AT THE MEMBER'S DISCRETION.

FORM 990, PART VI, SECTION A, LINE 7B: MERCY HEALTH OKLAHOMA COMMUNITIES MAY:

- ADOPT OR AMEND THE MISSION AND PHILOSOPHY OF THE CORPORATION AND ANY ORGANIZATION CONTROLLED BY THE CORPORATION;
- ADOPT OR AMEND THE STRATEGIC PLANS, GOALS, AND OBJECTIVES OF THE CORPORATION AND ANY ORGANIZATION CONTROLLED BY THE CORPORATION;
- ADOPT OR AMEND THE OPERATING AND CAPITAL BUDGETS OF THE CORPORATION AND ANY ORGANIZATION CONTROLLED BY THE CORPORATION AND ANY CHANGES IN SUCH BUDGETS IN EXCESS OF AN AMOUNT ESTABLISHED FROM TIME TO TIME BY THE MEMBER;
- REVIEW AND APPROVE ANY CAPITAL EXPENDITURES OR RECOMMENDATIONS NOT PREVIOUSLY APPROVED AS PART OF THE CORPORATION'S BUDGETS;
- AUTHORIZE OR APPROVE THE ASSIGNMENT, TRANSFER, SALE OR LEASE OF ANY OF THE ASSETS OF THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION OR INTEREST THEREIN IN EXCESS OF AN AMOUNT ESTABLISHED FROM

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TIME TO TIME BY THE MEMBER;

- AUTHORIZE OR APPROVE THE GRANT OF ANY PLEDGE, LIEN, ENCUMBRANCE, MORTGAGE, DEED OF TRUST OR OTHER SECURITY INTEREST IN ANY OR ALL OF THE ASSETS OF THE CORPORATION AND ANY ORGANIZATION CONTROLLED BY THE CORPORATION;
- AUTHORIZE OR APPROVE THE INCURRENCE OF DEBT (OTHER THAN DEBT INCURRED FOR THE ACQUISITION OF GOODS THAT ARE ACQUIRED IN THE ORDINARY COURSE OF BUSINESS) BY THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION AND THE GRANT ANY SECURITY INTERESTS, THE PLACEMENT OF ANY ENCUMBRANCES, THE ENTERING INTO ANY COVENANTS, AND THE EXECUTION OF ANY DOCUMENTS AND THE TAKING OF ANY ACTIONS NECESSARY OR APPROPRIATE IN CONNECTION WITH THE INCURRENCE OF SUCH DEBT;
- MERGE, DISSOLVE OR ABANDON THE CORPORATION OR ANY ORGANIZATION CONTROLLED BY THE CORPORATION;
- AMEND THE CERTIFICATE OF INCORPORATION AND BYLAWS OF THE CORPORATION AND ANY ORGANIZATION CONTROLLED BY THE CORPORATION;
- ESTABLISH ALL COMPENSATION AND BENEFIT TERMS FOR PHYSICIANS AND OTHER MEDICAL PROFESSIONALS EMPLOYED OR OTHERWISE RETAINED BY THE CORPORATION;
- APPROVE THE CREATION, OWNERSHIP OR ACQUISITION OF, OR AFFILIATION WITH, ANY OTHER ORGANIZATION CONTROLLED BY THE CORPORATION;
- APPROVE CONTRACTS IN WHICH THE CORPORATION ASSUMES FINANCIAL RISK, INCLUDING BUT NOT LIMITED TO MANAGED CARE CONTRACTS, SUBJECT TO CONSULTATION WITH THE MANAGED CARE CONTRACTING COMMITTEE OF THE MEMBER;
- APPROVE THE CLINIC'S MANPOWER PLAN;
- THROUGH THE SOLE ACTION OF THE PRESIDENT OF THE MEMBER (WITH THE APPROVAL OF THE PRESIDENT OF MERCY, APPOINT AND REMOVE THE PRESIDENT OF THE CORPORATION; AND
- AUTHORIZE AND AMEND THE CHARITY CARE POLICY OF THE CLINIC.

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FORM 990, PART VI, SECTION B, LINE 11: THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM, USING INFORMATION PROVIDED BY THE FILING ORGANIZATION. A DRAFT FORM 990 IS REVIEWED BY THE FILING ORGANIZATION'S FINANCE TEAM. THE DRAFT FORM 990 IS ALSO REVIEWED BY THE MERCY HEALTH TAX DEPARTMENT, TO ENSURE ACCURACY AND CONSISTENCY WITH OTHER RELATED ORGANIZATIONS' FORM 990S. AFTER QUESTIONS ARISING FROM THE VARIOUS REVIEWS ARE ADDRESSED AND INCORPORATED INTO THE FORM 990, A REVISED DRAFT IS PROVIDED TO THE FILING ORGANIZATION'S LEADERSHIP TEAM FOR REVIEW. THE CLINIC IS DIRECTLY CONTROLLED AS NOTED ON SCHEDULE R. UPON REVIEW AND APPROVAL BY THE FILING ORGANIZATION'S LEADERSHIP TEAM, THE FORM 990 IS SIGNED AND FILED WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: OFFICERS, DIRECTORS, KEY EMPLOYEES AND OTHER DISQUALIFIED PERSONS ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY AND DID SO IN THE NORMAL COURSE FOR THE YEAR ENDED JUNE 30, 2012. THIS PROCESS IS ADMINISTERED AT THE MERCY HEALTH LEVEL BY MERCY'S BUSINESS RISK (INTERNAL AUDIT) DEPARTMENT. THE QUESTIONNAIRES ARE REVIEWED WITH LEADERSHIP AT THE LOCAL LEVEL AND POTENTIAL CONFLICTS DISCUSSED AND RESOLVED. THE CONFLICTS AND THEIR RESPECTIVE RESOLUTIONS ARE SHARED AT THE MERCY LEVEL WITH A TEAM INCLUDING MERCY'S CHIEF FINANCIAL OFFICER, CHIEF COMPLIANCE OFFICER AND OTHER MEMBERS OF FINANCE, LEGAL AND HR. SUMMARY RESULTS ARE REVIEWED WITH MERCY'S FINANCE, AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 15A: FOR THOSE CLASSIFIED AS OFFICERS (AND THUS DISQUALIFIED PERSONS), THE ORGANIZATION USES THE FOLLOWING TO ESTABLISH COMPENSATION: EXTERNAL MARKET SALARY SURVEYS, EXTERNAL MARKET

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SALARY STUDIES, ENGAGEMENT OF AN INDEPENDENT COMPENSATION CONSULTANT, AND REVIEW/APPROVAL OF COMPENSATION BY THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF MERCY HEALTH. FOR THOSE CLASSIFIED AS KEY EMPLOYEES, THE ORGANIZATION USES THE FOLLOWING TO ESTABLISH THE COMPENSATION: EXTERNAL MARKET SALARY SURVEYS, EXTERNAL MARKET SALARY STUDIES, AND REVIEW/APPROVAL OF EXECUTIVE MANAGEMENT. COMPENSATION REVIEWS ARE COMPLETED ON AN ANNUAL BASIS, AND A REVIEW WAS COMPLETED DURING THE REPORTING YEAR.

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE MADE AVAILABLE FROM TIME TO TIME BUT ARE NOT PUBLISHED PUBLICLY.

FORM 990, PART VII

HOURS PER WEEK

SEVERAL INDIVIDUALS ARE DISCLOSED AS OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES ON MULTIPLE FORM 990S THAT ARE FILED BY ORGANIZATIONS INCLUDED IN THE MERCY HEALTH OKLAHOMA COMMUNITIES SYSTEM. THE AVERAGE HOURS PER WEEK REPORTED INCLUDES HOURS WORKED FOR ALL OF THESE ORGANIZATIONS.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

ROUNDING 1.

PART XI, LINE 2

AUDITED FINANCIAL STATEMENTS

THE FILING ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED IN THE MERCY HEALTH, AND SUBSIDIARIES ANNUAL FINANCIAL STATEMENT AUDIT. MERCY

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HEALTH AND SUBSIDIARIES RECEIVED AN UNQUALIFIED OPINION FROM THE EXTERNAL AUDITORS FOR FISCAL 2012 (THE TAX YEAR CURRENTLY BEING REPORTED). HOWEVER, NO SEPARATE AUDIT OPINION IS ISSUED ON THE FINANCIAL STATEMENTS OF THE FILING ORGANIZATION. THE ULTIMATE RESPONSIBILITY FOR OVERSIGHT OF THE FINANCIAL STATEMENT AUDIT AND SELECTION OF THE EXTERNAL AUDITOR LIES WITH THE FINANCE, AUDIT, AND COMPLIANCE COMMITTEE OF THE MERCY HEALTH BOARD OF DIRECTORS. AUDIT RESULTS ARE COMMUNICATED TO THIS COMMITTEE.

PART XI, LINE 3

SINGLE AUDIT ACT AND OMB CIRCULAR A-133

THE CONSOLIDATED GROUP OF MERCY HEALTH IS REQUIRED TO UNDERGO AN AUDIT AS SET FORTH IN THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133. THE SINGLE AUDIT WAS CONDUCTED ON A CONSOLIDATED BASIS.

FORM 990, SCHEDULE R, PART V

SYSTEM LIMITATIONS

LAWSON ERP SOFTWARE IS THE PRIMARY ACCOUNTING SOFTWARE USED BY SISTERS OF MERCY HEALTH SYSTEM, INC. AND SUBSIDIARIES. THE MAJORITY OF THE INTERCOMPANY/RELATED ORGANIZATION TRANSACTIONS ARE PROCESSED THROUGH LAWSON VIA INTERCOMPANY JOURNAL ENTRIES. WITH THE CURRENT DESIGN OF THE ERP SYSTEM, THERE ARE VARIOUS LIMITATIONS ON THE RELATED ORGANIZATION INFORMATION THAT CAN BE EXTRACTED FROM LAWSON. DUE TO THESE LIMITATIONS, MOST OF THE RELATED ORGANIZATION ACTIVITY FOR THE FILING ORGANIZATION HAS BEEN CLASSIFIED ON SCHEDULE R, PART V, IN LINES O & P.

FORM 990, SCHEDULE R, PART II

Name of the organization	MERCY CLINIC OKLAHOMA COMMUNITIES, INC. F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.	Employer identification number 27-0473057

MERCY HOSPITALS EAST COMMUNITIES

MERCY HOSPITALS EAST COMMUNITIES CONSISTS OF MERCY HOSPITALS EAST COMMUNITIES ST. LOUIS, EIN 43-065393, AND MERCY HOSPITALS EAST COMMUNITIES WASHINGTON, EIN 43-1066883.

FORM 990, PART V, LINE 1A**INDEPENDENT CONTRACTORS**

INDEPENDENT CONTRACTORS FOR THE FILING ORGANIZATION ARE PAID BY MERCY HEALTH (EIN 43-1423050). AS SUCH, ALL REQUIRED FORM 1099 AND FORM 1096 REPORTING IS MADE FOR THE ENTIRE HEALTH SYSTEM (WITH LIMITED EXCEPTIONS) UNDER THE MERCY HEALTH EIN.

SCHEDULE O DISCLOSURE FORM 990, HEADING, BOX B

DURING THE TAX YEAR ENDED JUNE 30, 2012, SISTERS OF MERCY HEALTH SYSTEM ("MERCY HEALTH") BEGAN A SYSTEM-WIDE REBRANDING INITIATIVE TO HELP PATIENTS, PHYSICIANS, CO-WORKERS, AND THE PUBLIC BETTER UNDERSTAND THE FULL SCOPE AND LOCATIONS OF MERCY HEALTH'S SERVICES. SEVERAL OF THE MERCY HEALTH AFFILIATES HAVE CHANGED OR ARE IN THE PROCESS OF CHANGING LEGAL NAMES. PRIOR TO FILING THE 2011 FORMS 990 (DUE MAY 15, 2013), MERCY HEALTH NOTIFIED THE IRS OF THESE NAME CHANGES, THEREFORE BOX B "NAME CHANGE" HAS NOT BEEN CHECKED ON THIS FORM 990.

SCHEDULE A, PART I, LINE 3**PUBLIC CHARITY STATUS**

THE ORGANIZATION MEETS THE DEFINITION FOR PUBLIC CHARITY STATUS BOX 3

ON PART I OF SCHEDULE A, BUT DOES NOT MEET THE DEFINITION OF A HOSPITAL FOR SCHEDULE H. THEREFORE, SCHEDULE H WAS NOT COMPLETED FOR THIS

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ORGANIZATION.

SCHEDULE R**(Form 990)**Department of the Treasury
Internal Revenue Service**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

▶ Attach to Form 990.

▶ See separate instructions.

OMB No 1545-0047

2011
Open to Public
Inspection

Name of the organization

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.Employer identification number
27-0473057**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
MERCY ACCESS, LLC - 37-1594503 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	CLINIC OPERATIONS	OKLAHOMA	504,283.	120,617.	MERCY CLINIC OKLAHOMA COMMUNITIES
MERCY CARE, LLC - 27-1304342 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	BILLING AND PHYSICIAN COMP REVIEW	OKLAHOMA	5,257,819.	841,354.	MERCY CLINIC OKLAHOMA COMMUNITIES
MEMORIAL MED GRP EMERGENCY PHYSICIANS, LLC - 26-0261710, 1011 14TH NW, ARDMORE, OK 73401	PHYSICIAN SERVICES	OKLAHOMA	0.	0.	MERCY CLINIC OKLAHOMA COMMUNITIES
MS CENTER OF OKLAHOMA, LLC - 74-3125527 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	PHYSICIAN SERVICES	OKLAHOMA	81,024.	0.	MERCY CLINIC OKLAHOMA COMMUNITIES

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
ADVANCE CARE HOSPITAL - 71-0816634 300 WERNER ST, 3RD FLOOR HOT SPRINGS, AR 71913	LONG TERM ACUTE-CARE HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH		X
CASA DE MISERICORDIA - 74-2912461 1602 MCCLELLAND STREET LAREDO, TX 78044	WOMEN'S DOMESTIC VIOLENCE SHELTER	TEXAS	501C3	7	MERCY MINISTRIES OF LAREDO		X
LAREDO MEDICAL GROUP - 74-2764726 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	9	MERCY HEALTH SYSTEM TX		X
MCAULEY PORTFOLIO MGMT CO - 26-1708048 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	PORTFOLIO MANAGEMENT	MISSOURI	501C3	11-II	MERCY HEALTH		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2011

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
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Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY CLINIC EAST COMMUNITIES - 43-1771217 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	PHYSICIAN GROUP	MISSOURI	501C3	9	MERCY HEALTH EAST COMMUNITIES		X
MERCY CLINIC FORT SMITH COMM - 26-1318597 7301 ROGERS AVENUE FORT SMITH, AR 72917	PHYSICIAN CLINIC	ARKANSAS	501C3	9	MERCY HEALTH FORT SMITH COMM		X
MERCY CLINIC HOT SPRINGS COMM - 26-1125131 1 MERCY LANE HOT SPRINGS, AR 71913	PHYSICIAN CLINIC	ARKANSAS	501C3	9	MERCY HEALTH HOT SPRINGS COMM		X
MERCY CLINIC SPRINGFIELD COMM - 43-1560263 1965 FREMONT STREET, SUITE 2950 SPRINGFIELD, MO 65804	PHYSICIAN GROUP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY FAMILY CENTER - 72-1069468 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	FAMILY COUNSELING SERVICES	MISSOURI	501C3	7	MERCY HEALTH		X
MERCY FDTN HEALTH INNOV - 20-0901499 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH - 43-1423050 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	HEALTH SYSTEM - CORPORATE OFFICE	MISSOURI	501C3	1	N/A		X
MERCY HEALTH EAST COMMUNITIES - 43-1718408 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	HEALTH SYSTEM	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH FORT SMITH COMM - 26-1318515 7301 ROGERS AVENUE FORT SMITH, AR 72917	HOLDING COMPANY	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH FOUNDATION ARDMORE - 71-0962525 1011 14TH AVENUE NW ARDMORE, OK 73401	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HOSPITAL ARDMORE		X
MERCY HEALTH FOUNDATION BERRYVILLE - 71-0759301, 214 CARTER STREET, BERRYVILLE, AR 72616	FOUNDATION	ARKANSAS	501C3	11-I	MERCY HOSPITAL BERRYVILLE		X
MERCY HEALTH FOUNDATION FT SCOTT - 48-1077073, 401 WOODLAND HILLS BLVD, FORT SCOTT, KS 66701	FOUNDATION	KANSAS	501C3	11-III	MERCY KANSAS COMMUNITIES, INC.		X

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
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Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HEALTH FOUNDATION HOT SPRINGS - 71-0804718, 300 WERNER STREET, HOT SPRINGS, AR 71913	FOUNDATION	ARKANSAS	501C3	11-II	MERCY HOSPITAL HOT SPRINGS		X
MERCY HEALTH FOUNDATION INDEPENDENCE - 48-1079981, 800 W. MYRTLE, INDEPENDENCE, KS 67301	FOUNDATION	KANSAS	501C3	11-I	MERCY KANSAS COMMUNITIES, INC.		X
MERCY HEALTH FOUNDATION JOPLIN - 27-0906136 2817 ST. JOHNS BLVD JOPLIN, MO 64804	FOUNDATION	MISSOURI	501C3	11-I	MERCY HEALTH SW MO/KS COMM		X
MERCY HEALTH FOUNDATION NW ARK - 71-0601687 2710 RIFE MEDICAL LN ROGERS, AR 72858	FOUNDATION	ARKANSAS	501C3	11-III	MERCY HOSPITAL ROGERS		X
MERCY HEALTH FOUNDATION OK CITY - 73-1593024 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HOSPITAL OKLAHOMA CITY		X
MERCY HEALTH FOUNDATION OF OK - 45-4732301 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HEALTH OK COMMUNITIES		X
MERCY HEALTH FOUNDATION SPRINGFIELD - 32-0195818, 1235 E. CHEROKEE STREET, SPRINGFIELD, MO 65804	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HEALTH FOUNDATION STL - 56-2410020 615 SOUTH NEW BALLAS ROAD ST. LOUIS, MO 63141	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH EAST COMMUNITIES		X
MERCY HEALTH FOUNDATION WASHINGTON - 56-2410022, 901 E. FIFTH STREET, WASHINGTON, MO 63090	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH EAST COMMUNITIES		X
MERCY HEALTH HOT SPRINGS COMM - 26-1125064 300 WERNER STREET HOT SPRINGS, AR 71913	HOLDING COMPANY	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH NW ARK COMMUNITIES - 62-1684203 2710 RIFE MEDICAL LN ROGERS, AR 72758	PHYSICIAN GROUP	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH OK COMMUNITIES - 73-1453048 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	HOLDING COMPANY	OKLAHOMA	501C3	11-II	MERCY HEALTH		X

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Schedule R (Form 990)

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Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HEALTH SW MO/KS COMM - 30-0584463 2817 ST. JOHNS BLVD JOPLIN, MO 64804	HEALTH SYSTEM	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH SPRINGFIELD COMM - 43-1856028 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	HOLDING COMPANY	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH SYSTEM TX - 74-2764727 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	11-II	MERCY HEALTH		X
MERCY HOME HEALTH BERRYVILLE - 87-0781247 804 W FREEMAN, SUITE 4 BERRYVILLE, AR 72616	HOME HEALTH AND HOSPICE OPERATIONS.	ARKANSAS	501C3	11-III	MERCY HOSPITAL SPRINGFIELD		X
MERCY HOSPITAL ARDMORE - 73-1500629 1011 14TH AVENUE NW ARDMORE, OK 73401	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL AURORA - 43-1936696 500 PORTER AVENUE AURORA, MO 65605	OPERATING CO FOR LEASED HOSP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL BERRYVILLE - 71-0759299 214 CARTER STREET BERRYVILLE, AR 72616	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL CARTHAGE - 45-3808607 3125 DR. RUSSELL SMITH WAY CARTHAGE, MO 64836	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL CASSVILLE - 43-1936699 94 MAIN STREET CASSVILLE, MO 65625	OPERATING CO FOR LEASED HOSP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL COLUMBUS - 27-0842031 220 PENNSYLVANIA AVENUE COLUMBUS, KS 66725	CRITICAL ACCESS HOSPITAL	MISSOURI	501C3	9	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL EL RENO - 27-2716065 2115 PARKVIEW DRIVE EL RENO, OK 73036	OPERATING CO FOR LEASED HOSP	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL FORT SMITH - 71-0240352 7301 ROGERS AVENUE FORT SMITH, AR 72917	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH FORT SMITH COMM		X

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
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Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HOSPITAL HEALDTON - 26-3173902 918 SOUTH STREET HEALDTON, OK 73438	HOSPITAL	OKLAHOMA	501C3	3	MERCY HOSPITAL ARDMORE		X
MERCY HOSPITAL HOT SPRINGS - 71-0236913 300 WERNER STREET HOT SPRINGS, AR 71913	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH HOT SPRINGS COMM		X
MERCY HOSPITAL JOPLIN - 27-0814858 2817 ST. JOHNS BLVD JOPLIN, MO 64804	HOSPITAL	MISSOURI	501C3	9	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL LEBANON - 43-1767432 100 HOSPITAL DRIVE LEBANON, MO 65536	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL LOGAN COUNTY, INC. - 45-2998842, 200 SOUTH ACADEMY, GUTHRIE, OK 73044	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL OF LAREDO - 74-1189682 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	3	MERCY HEALTH SYSTEM TX		X
MERCY HOSPITAL OKLAHOMA CITY - 73-0579285 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL OZARK - 71-0689680 801 W. RIVER STREET OZARK, AR 72949	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL PARIS - 71-0655753 500 E. ACADEMY PARIS, AR 72855	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL ROGERS - 71-0294390 2710 RIFE MEDICAL LN ROGERS, AR 72758	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH NW ARK COMMUNITIES		X
MERCY HOSPITAL SPRINGFIELD - 44-0552485 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL TISHOMINGO - 27-4433830 1000 SOUTH BYRD TISHOMINGO, OK 73460	HOSPITAL	OKLAHOMA	501C3	3	MERCY HOSPITAL ARDMORE		X

**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HOSPITAL WALDRON - 71-0557895 1341 W. 6TH STREET WALDRON, AR 72958	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL WATONGA, INC. - 45-5199762 500 CLARENCE NASH BLVD WATONGA, OK 73772	LEASED HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITALS EAST COMM - 43-0653493 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH EAST COMMUNITIES		X
MERCY KANSAS COMMUNITIES, INC. - 48-0956045 401 WOODLAND HILLS BLVD FT. SCOTT, KS 66701	HOSPITAL;RURAL HEALTH CLINICS	KANSAS	501C3	3	MERCY HEALTH SW MO/KS COMM		X
MERCY MEDICAL RESEARCH INST - 87-0796305 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	RESEARCH - CLINICAL TRIALS	MISSOURI	501C3	4	MERCY HEALTH SPRINGFIELD COMM		X
MERCY MINISTRIES OF LAREDO - 20-0198462 2500 ZACATECAS LAREDO, TX 78043	HEALTHCARE, OUTREACH, FOOD PANTRY.	TEXAS	501C3	7	MERCY HEALTH		X
MERCY ST. FRANCIS HOSPITAL - 44-0607149 100 W. HIGHWAY 60 MOUNTAIN VIEW, MO 65548	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY SUPPORT SERVICES - 43-1677952 615 S. NEW BALLAS ROAD ST. LOUIS, MO 63141	INACTIVE	MISSOURI	501C3	11-III	MERCY HOSPITALS EAST COMM		X
MHM SUPPORT SERVICES - 20-2553101 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	CENTRALIZED HEALTH SYSTEM FUNCTIONS	MISSOURI	501C3	11-II	MERCY HEALTH		X
MISSION CLINICAL SERVICES - 13-4239691 300 WERNER STREET HOT SPRINGS, AR 71913	PHYSICIAN CLINICS	ARKANSAS	501C3	9	MERCY HEALTH HOT SPRINGS COMM		X
ST. EDWARD MERCY FOUNDATION - 23-7330425 PO BOX 17000 FORT SMITH, AR 72917	FOUNDATION	ARKANSAS	501C3	7	MERCY HOSPITAL FORT SMITH		X
ST. JOHNS CHILDRENS HOSP 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	INACTIVE	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule R (Form 990) 2011 F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

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Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportion- ate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
SOUTHERN OKLAHOMA DIAG CTR, LLC - 43-1971232, 1011 FOURTEENTH AVENUE NW, ARDMORE, OK 73401	MRI SERVICES	OK	MERCY HOSPITAL ARDMORE, INC.	N/A				X	N/A		X	
RESOURCE OPTIMIZ & INNOV, LLC - 46-0468368, 645 MARYVILLE CTR DR, STE 200, ST. LOUIS, MO 63141	CENTRAL DISTRIBUTION CENTER	MO	MHN, INC - MHNSR, INC.	N/A				X	N/A		X	
MERCY AMBULATORY SURGERY CENTER, LLC - 71-0827721, 7301 ROGERS AVENUE, FORT SMITH, AR 72917	AMBULATORY SURGERY CENTER	AR	MERCY HOSPITAL FORT SMITH	N/A				X	N/A		X	
FORT SMITH EMERGENCY MEDICAL SERVICES - 71-0416615, 1701 SOUTH GREENWOOD, FORT SMITH, AR 72901	EMERGENCY MEDICAL SERVICES	AR	MERCY HOSPITAL FORT SMITH	N/A				X	N/A		X	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
MERCY COMM SERVICES, INC. - 48-1078101 401 WOODLAND HILLS BLVD. FORT SCOTT, KS 66701	RETAIL PHARMACY	KS	MERCY KANSAS COMM INC	C CORP			
FRONTENAC PROPERTIES, INC. - 52-1914421 14528 S. OUTER FORTY, SUITE 100 CHESTERFIELD, MO 63017	HOLDS ANCILLARY ASSETS & OWNS AIRCRAFT	DE	MERCY HEALTH	C CORP			
INVENO HEALTH, INC. - 26-4509571 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	TECHNOLOGY TRANSFER COMPANY	MO	MERCY HEALTH SPRINGFIELD COMM	C CORP			
UNITY SUPPORT SERVICES, INC. - 43-1797042 645 MARYVILLE CENTRE DRIVE, SUITE 100 ST. LOUIS, MO 63141	INACTIVE	MO	MERCY HEALTH EAST COMMUNITIES	C CORP			
UH L CORP., INC. - 74-2499535 645 MARYVILLE CENTRE DRIVE, SUITE 100 ST. LOUIS, MO 63141	HOLDING COMPANY	MO	MERCY HEALTH SERVICES, LLC	C CORP			

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MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Schedule R (Form 990) 2011

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Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to related organization(s)
- c Gift, grant, or capital contribution from related organization(s)
- d Loans or loan guarantees to or for related organization(s)
- e Loans or loan guarantees by related organization(s)

- f Sale of assets to related organization(s)
- g Purchase of assets from related organization(s)
- h Exchange of assets with related organization(s)
- i Lease of facilities, equipment, or other assets to related organization(s)
- j Lease of facilities, equipment, or other assets from related organization(s)
- k Performance of services or membership or fundraising solicitations for related organization(s)
- l Performance of services or membership or fundraising solicitations by related organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- n Sharing of paid employees with related organization(s)

- o Reimbursement paid to related organization(s) for expenses
- p Reimbursement paid by related organization(s) for expenses

- q Other transfer of cash or property to related organization(s)
- r Other transfer of cash or property from related organization(s)

	Yes	No
1a		X
1b		X
1c		X
1d		X
1e		X
1f		X
1g		X
1h		X
1i		X
1j		X
1k		X
1l		X
1m		X
1n	X	
1o	X	
1p	X	
1q		X
1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) MERCY HEALTH MERCY HEALTH NETWORK OF THE SOUTHERN (2) REGION, INC.	P	485,536.	
(3) MERCY HEALTH NETWORK, INC.	O	52,013.	
(4) MERCY HEALTH OKLAHOMA COMMUNITIES, INC.	O	177,712.	
(5) MERCY HOSPITAL ARDMORE, INC.	O	3,558,797.	
(6) MERCY HOSPITAL ARDMORE, INC.	N	73,327.	
(6) MERCY HOSPITAL ARDMORE, INC.	P	2,621,114.	

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

27-0473057

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) MERCY HOSPITAL LOGAN COUNTY, INC.	P	671,227.	
(8) MERCY HOSPITAL OKLAHOMA CITY, INC.	N	327,353.	
(9) MERCY HOSPITAL OKLAHOMA CITY, INC.	P	109,813,269.	
(10) MHM SUPPORT SERVICES	O	8,580,025.	
(11) RESOURCE OPTIMIZATION & INNOVATION, LLC	O	780,146.	
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Lined area for supplemental information.

- EXHIBIT 11-A

Schedule G, Lines 3 and 4

Predecessor Entity	Address	EIN	Activities	Shareholder / Member	Officers	Board
MHN	4300 W Memorial Rd Oklahoma City, OK 73120	73-1381689	MHN currently owns and operates a real estate holding company, Tea Properties I, LLC, a Missouri limited liability company, which owns several properties that Mercy and the Parent are in the planning phase of how to best use for purposes of Mercy's overall mission and strategic plan	Sole shareholder is Mercy Managed Care Corporation, an Oklahoma not for profit corporation whose sole member is the Parent	1 President - James Jaacks 2. Secretary - Philip Wheeler 3 Treasurer - Randall Combs 4. Assistant Secretary – Nancy Bukovic	1. James Jaacks 2. Philip Wheeler 3 Randall Combs
MHN-SR	4300 W Memorial Rd Oklahoma City, OK 73120	73-1580607	MHN-SR currently owns and operates a real estate holding company, Tea Properties II, LLC, a Missouri limited liability company, which owns several properties that Mercy	Sole shareholder is Mercy Managed Care Corporation, an Oklahoma not for profit corporation whose sole member is the Parent	1 President - James Jaacks 2. Secretary - Philip Wheeler 3 Treasurer - Randall Combs 4. Assistant Secretary – Nancy Bukovic	1. James Jaacks 2. Philip Wheeler 3. Randall Combs

Predecessor Entity	Address	EIN	Activities	Shareholder / Member	Officers	Board
			and the Parent are in the planning phase of how to best use for purposes of Mercy's overall mission and strategic plan			
MHS-SR	4300 W Memorial Rd Oklahoma City, OK 73120	37-1504728	This entity is currently in the planning stages for its future operations	Sole member is the Parent	1 President – Cindy Carmichael 2 Vice President – Mindy Burdick 3 Secretary / Treasurer – Jon Vitiello	As a limited liability company, MHS-SR is not required to have a board of directors

LEASE AGREEMENT

This Lease Agreement (the "Lease") is made and entered into this 30 day of ^{June}~~January~~, 2004, by and between Landlord and Tenant hereinafter named.

In consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Definitions and Certain Basic Provisions.

1.1 "Landlord": PARKWAY MEDICAL CENTER, LLC,
an Oklahoma limited liability company

Landlord's Address: 2945 W. Hefner Road
Oklahoma City, OK 73120

1.2 "Tenant": William J. Hale, M.D. or his Assigns, which assignment
must be acknowledged by Landlord

Tenant's Address:

Before Term
Commencement Date: 105 S. Bryant, Suite 410
Edmond, OK 73034

After Term
Commencement Date: Address of the Leased Premises

1.3 "Building": The commercial office building to be known as the Parkway Medical Center and to be constructed in the Parkway Commons Development located at the northeast corner of Portland Avenue and Memorial Road, Oklahoma City, Oklahoma, on the real property more particularly described on Exhibit A attached hereto (the "Real Property"), all as shown on the site plan attached hereto as Exhibit B (the "Site Plan"). The exact address of the Building will be provided by Landlord at a later date.

1.4 "Lease Term": Ten (10) years from the Term Commencement Date, unless sooner terminated, as provided in this Lease.

1.5 **"Term Commencement Date"**:

~~Subject to the provisions of Paragraph 5.3 below, the~~ ^{The} Term Commencement Date of the Lease Term shall be the later of:

(a) The first day of occupancy by Tenant of the Leased Premises; or

(b) A date ten (10) days following the date on which the Leased Premises are ready for occupancy, except for items of work and mechanical adjustment of equipment and fixtures which either (i) because of season or weather or the nature of the item cannot reasonably be completed at the time and are not necessary to make the Leased Premises usable by Tenant for the purposes contemplated hereby, (ii) are not then completed because of delay by Tenant in submitting information required to be provided by Tenant hereunder, or (iii) are punch list items to be corrected within a reasonable time.

1.6 **"Term Expiration Date"**:

The last day of the tenth (10th) year after the Term Commencement Date, unless sooner terminated or extended as provided in this Lease.

1.7 **"Building Actual Usable Area"**:

The total square footage of the Building, less and except all Common Areas, but including all space located in the Building to be leased to tenants, whether occupied or unoccupied, and which, for the purpose of this Lease, is agreed to be approximately 24,000 square feet. The exact square footage of the Building will be provided by Landlord at a later date.

1.8 **"Building Net Rentable Area"**:

One hundred fifteen percent (115%) of the Building Actual Usable Area which equals approximately 28,000 square feet.

1.9 **"Tenant's Net Rentable Area"**:

One hundred fifteen percent (115%) of the Tenant's Actual Usable Area which equals 3,002 square feet.

1.10 **"Leased Premises"**:

The space in the Building leased to Tenant hereunder, as identified on a mutually agreeable outline of the Leased Premises to be attached to this Lease as **Exhibit C** on or

before May 1, 2004. The suite number of the Leased Premises shall be designated by Landlord at a later date.

1.11 **"Tenant's Actual Usable Area":**

The area of the Leased Premises being approximately 2,610 square feet, calculated within the boundaries defined by (i) any exterior building walls (measured to the outside surface of the outer glass walls and the midpoint of the outer finished walls), (ii) the centerline of any common wall separating such area from areas leased or to be leased to other tenants, and (iii) the exterior of any walls separating such area from Common Areas. No deductions from Tenant's Actual Usable Area have been or will be made for space occupied by columns, walls, or other intrusions which constitute components of the Building. The actual square footage of the Tenant's Actual Usable Area shall be set forth on Exhibit C which is to be attached hereto as provided in Paragraph 1.10 above, provided that, in no case shall the Tenant's Actual Usable Area be less than 2,000 square feet.

1.12 **"Common Areas":**

Hallways, corridors, elevators, public restrooms, stairwells, walkways, lobbies and other parts of the Building designated by the Landlord, from time to time, as intended for use by the public and tenants of the Building.

1.13 **"Rent":**

All Minimum Rent, Additional Rent, and all other sums payable by Tenant to Landlord pursuant to the provisions of this Lease, subject to adjustment as set forth in Paragraph 3 below.

1.14 **"Minimum Rent":**

The sum of \$591,284.93 during the Lease Term, payable in monthly installments as set forth on the Rent Schedule attached hereto as Exhibit D, and subject to adjustment based on the final determination of Tenant's Actual Usable Area.

1.15 **"Additional Rent":**

See Paragraph 3.4 below.

1.16 **"Tenant's Share":**

For any calendar year, Tenant's Share shall be a percentage determined by dividing (i) the Tenant's Net Rentable Area by (ii) the Building Net Rentable Area.

1.17 **"Cost Stop for**

Operating Expenses: The "Cost Stop for Operating Expenses" shall be the sum of \$4.50 per square foot of the Building Net Rentable Area per year.

1.18 **"Tenant's Design Completion Date"**: May 1, 2004.

Each of the foregoing definitions and basic provisions shall be construed in conjunction with and limited by the references thereto in the other provisions of this Lease.

2. **Lease of Premises**. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Leased Premises.

3. **Rent**.

3.1 **Amount of Rent**. Tenant promises, agrees and separately covenants to pay the Rent for the use of the Leased Premises for the Lease Term. Each monthly installment of Minimum Rent is due and payable in advance on the first (1st) day of each calendar month during the Lease Term at the address of Landlord set forth at the beginning of this Lease, or at such other place as Landlord may designate from time to time in writing. Additional Rent, as calculated herein, shall be paid promptly when the same is due. All payments of Rent shall be made without demand and without offset or deduction of any kind whatsoever.

3.2 **Partial Months**. If the Term Commencement Date shall be a date other than the first (1st) day of a calendar month, or shall end on a day other than the last day of a calendar month, then the Minimum Rent due for such partial month shall be prorated. Minimum Rent specified herein for the first (1st) month of the Lease Term, shall be due and payable on the Term Commencement Date. All prorations required under this Paragraph and any other provisions of this Lease shall be made on the basis of a thirty (30) day month.

3.3 **Additional Rent**.

3.3.1 **Definitions**.

(a) **Operating Expenses**. "Operating Expenses" shall mean any of the following costs incurred by Landlord with respect to the Building: salaries, wages, payroll taxes, licenses, permits, inspection fees, owner's association fees, workers' compensation insurance, electricity, gas, utility charges, all Real Estate Taxes and Assessments (as defined hereinbelow), water, hazard and liability insurance premiums, janitorial services, security, maintenance, building and cleaning supplies, window cleaning, maintenance of parking areas, service contracts with independent contractors, management fees (which management fees shall not exceed (i) seven percent (7%) of the sum of any and all rent, operating expenses and additional charges payable by all tenants of the Building to Landlord, without offset or deduction of any kind (collectively, "**Gross Building Rent**"), for the period starting on the Term Commencement Date and ending at midnight on the day which is two (2) years after seventy-five percent (75%) of the

Building Actual Usable Area becomes occupied under written leases, as determined by Landlord, whether or not such occupancy level is maintained, and (ii) five percent (5%) of Gross Building Rent for the remainder of the Lease Term following such two (2) year period), telephone, telegraph, stationery, fees paid to professionals, including accountants and attorneys, and all other expenses paid in connection with the operation, management, or maintenance of the Building. In addition, it is agreed that if Landlord installs a new or replacement capital item for the purpose of reducing Operating Expenses, the cost thereof, as reasonably amortized by Landlord, with reasonable interest on the unamortized amount, shall be included in Operating Expenses.

(b) Actual Operating Expenses. The "Actual Operating Expenses" shall be the Operating Expenses which are, in fact, incurred by Landlord for any given calendar year, as certified by a duly authorized representative of Landlord.

(c) Real Estate Taxes and Assessments. "Real Estate Taxes and Assessments" shall mean and include all general and special taxes and assessments of every kind or nature levied upon or assessed against the Building and Real Property, including but not limited to, ad valorem taxes and personal property taxes. With reference to special assessments, when the same are payable over a period of years, only that portion required by law to be paid during a calendar year, together with any interest thereon, shall be treated as a tax or assessment allocable to such year. For the calendar year in which the Term Commencement Date and Term Expiration Date respectively occur, Tenant's liability for Real Estate Taxes and Assessments accrued during such calendar years shall be prorated based upon the period during such calendar years that this Lease is in effect. Landlord agrees to supply to Tenant upon Tenant's request, copies of all tax and assessment bills applicable to the Leased Premises and covering any periods constituting part of the Lease Term.

3.3.2 Payment of Additional Rent.

(a) Computation. Tenant shall pay to Landlord as additional rent in each and every year during the Lease Term, the Tenant's Share, if any, of the total Operating Expenses of the Building, to the extent Actual Operating Expenses for such calendar year exceed the product of the Building Net Rentable Area multiplied by the Cost Stop for Operating Expenses (the "Additional Rent").

(b) Timing. Landlord shall, as soon as possible after the determination of the Additional Rent for any calendar year, but not later than April 30 of the following calendar year, furnish Tenant a statement in writing (the "Increased Rent Notice") setting forth the amount of Additional Rent and the basis for the calculation thereof. Within ten (10) days after Tenant's receipt of the Increased Rent Notice, Tenant shall pay to Landlord (i) Additional Rent for the previous calendar year not theretofore paid, and (ii) one-twelfth (1/12th) of Additional Rent for the previous calendar year multiplied by the number of months in the current calendar year through the date of such Increased Rent Notice. Additionally, from and after Tenant's receipt of such Increased Rent Notice, until Tenant's receipt of subsequent Increased Rent Notice hereunder for any subsequent

calendar year, there shall be due from Tenant on the first day of each calendar month an amount equal to one-twelfth ($1/12^{\text{th}}$) of Additional Rent for the previous calendar year to be applied towards Additional Rent owed for the remainder of the then current calendar year.

(c) Adjustments. In the event that, upon expiration of any calendar year, the Additional Rent incurred exceeds the amount of Additional Rent paid by Tenant during such calendar year, Landlord shall promptly bill Tenant for such excess and Tenant shall promptly pay such excess amount to Landlord in a lump sum payment. If the amount of Additional Rent paid by Tenant during any calendar year exceeds the Additional Rent incurred, provided that Tenant is not then in default under the terms of this Lease, Landlord shall promptly credit such excess against amounts of Additional Rent next accruing.

3.3.3 Partial Years. If the Lease Term begins on a day other than the first (1^{st}) day of a calendar year or ends on a day other than the last day of a calendar year, the Additional Rent for such calendar year shall be prorated. Tenant's obligation to pay Additional Rent for the final calendar year during any part of which this Lease shall remain in effect and shall survive the expiration or termination hereof.

3.3.4 Delinquent Rent. All Rent which is not received by Landlord within ten (10) days after such Rent is due and payable shall accrue interest at the rate of one and one-half percent ($1\frac{1}{2}\%$) per month from the first (1^{st}) day of each month when due until paid. In addition, Tenant agrees to pay a late charge of five percent (5%) of any monthly installment received by Landlord after the tenth (10th) day of each calendar month. Any accrual of interest or late charges shall not prejudice any of the remedies available to Landlord hereunder or under applicable law. Tenant agrees to pay a Twenty-five Dollar (\$25.00) charge for each returned check, in addition to the foregoing. If any check from Tenant is dishonored for any reason by Tenant's bank, Landlord may require all payments due hereunder to be paid by cashier's check, money order, or cash. Any Rent or late charge paid after the fifteenth (15th) day of the month shall be payable in cashier's check money order, or cash only, with NO EXCEPTIONS. Amounts received from Tenant by Landlord shall be applied first to any interest, late charge or returned check charge due, then to the Rent due.

4. Use of Leased Premises.

4.1 Restrictions on Use. Tenant shall not use the Leased Premises, nor allow it to be used during the Lease Term for any purpose other than a medical office, pharmacy or general medical purposes, without the prior written consent of the Landlord. Tenant shall not use the Leased Premises, nor allow it to be used during the Lease Term (a) to sell or use any alcoholic beverages, (b) to sell or use any tobacco products, (c) to keep, store or use kerosene, camphor, burning fluid or other illuminating materials, including but not limited to, candles and incense, (d) to perform abortions, which includes any procedure or activity directly intended to interrupt or terminate a pregnancy, (e) to perform procedures involving euthanasia or assisted suicide, (f) for the retail sale of any type of food, drink, drugs, equipment, supplies or other items, provided that, in the event Tenant operates a pharmacy in the Leased Premises, in accordance with this

Lease, such restriction shall not apply to drugs or medical supplies or items sold in the ordinary course of business, (g) for living, sleeping or cooking quarters, (h) for manufacturing or warehousing purposes, (i) to keep any animals, (j) to maintain or store refuse, (k) to keep or use any articles, items or substances that may cause a fire, explosion, health hazard, safety hazard, or environmental hazard, except that Tenant may maintain drugs and chemicals used in the ordinary course of Tenant's business and operations, so long as they are adequately safeguarded and secured against unauthorized use, possession and access, (l) to keep, store or use any hazardous material, unless authorized by this Lease, provided that, to the extent authorized, Tenant shall be solely responsible for the proper use and disposal of any such hazardous material, or (m) for any immoral or unlawful purpose

4.2 Excessive Utilities / Increased Burden on Building. Tenant shall not overload the floors of the Building by any means, including but not limited to, keeping, storing or installing machinery, equipment, fixtures, or the like, which either alone or together are excessively heavy, as determined by Landlord. Tenant shall not, without the prior written consent of Landlord, (a) operate on the Leased Premises any equipment or machines which would cause Tenant's consumption of water, electrical, heating or air conditioning services to exceed (i) the rated capacities of the water and electrical facilities servicing the Leased Premises, or the normal capacities of the heating or air conditioning facilities servicing the Leased Premises, or (ii) standard office electrical consumption and heating or air conditioning usage, as determined by Landlord; (b) modify existing electrical wiring, install or allow to be installed any additional electrical wiring, (c) use, store, or discharge into the plumbing system of the Building any flammable fluids, explosives, chemicals or other dangerous or corrosive materials; or (d) modify existing plumbing, install or allow to be installed any additional plumbing. Landlord may condition its consent to any of the foregoing upon (a) payment or reimbursement by Tenant for the cost of any additional electrical, heating, air conditioning or plumbing facilities required to be installed to accommodate Tenant's usage of the Leased Premises or necessary to monitor or measure Tenant's excess consumption of utilities at the Leased Premises, and (b) payment by Tenant, as Additional Rent, upon demand, of the costs of electrical or other utility usage in excess of normal office usage, as determined by Landlord. Tenant agrees that it will not overload, commit waste with regard to, damage or deface the Leased Premises or the Building or do any act that might make any insurance on the Leased Premises, the Building or the Real Property void or voidable or which may result in an increase or extra premium payable for insurance or an increase in utility costs, or which would place any undue stress on any portion of the Building beyond that for which the same was designed. Without limiting any other right or remedy that may be available to Landlord, Landlord may collect from Tenant, upon demand, any increase in any insurance premium resulting from any use of the Leased Premises by Tenant.

4.3 Indemnification of Landlord. Tenant shall indemnify and hold Landlord, Landlord's Building manager, and their respective directors, managers, members, trustees, officers, employees and agents, harmless from and against any and all claims, actions, damages, liabilities and expenses arising from any violation of a restriction on use set forth in this Lease.

5. Leasehold Improvements. Landlord at its sole cost and expense, and prior to the commencement of the Lease Term, shall construct the Building according to Landlord's plans and specifications, as the same shall be developed and/or modified. Landlord shall also be

responsible for constructing all improvements to be installed or constructed in or on the Leased Premises (the "Leasehold Improvements"), and all subsequent alterations or additions thereto, as provided herein. The Leasehold Improvements shall include, but are not limited to, equipment installed in or on the Leased Premises that is affixed to or hardwired into walls, ceilings or building systems, whether purchased, installed or furnished at the expense of Landlord or Tenant. The Leasehold Improvements shall not include telephone and communications equipment, computer hardware and computer equipment, personal property, equipment, trade fixtures or furniture that Tenant places in or on the Leased Premises, but which is not installed and affixed to walls, ceilings or building systems (collectively, the "Tenant's Personal Property"). Landlord shall provide Tenant an allowance of \$25.00 per square foot of Tenant's Actual Usable Area (the "Tenant Finish Allowance") for the purchase, installation and/or construction of the Leasehold Improvements. Installation of the Leasehold Improvements, and any revisions, alterations or changes thereto, shall be conducted by Landlord in accordance with the drawings, specifications, procedures, terms and provisions set forth on Exhibit E attached hereto ("Guidelines for Preliminary Plans, Drawings and Specifications"). Tenant shall reimburse Landlord for the cost of Leasehold Improvements requested and approved by Tenant which exceeds the Tenant Finish Allowance, as set forth in the Guidelines for Preliminary Plans, Drawings and Specifications. Landlord will cooperate with Tenant, as necessary, to allow Tenant to enforce, and otherwise obtain all benefits associated with, all warranties given by third party contractors in connection with the construction of the Leasehold Improvements. All Leasehold Improvements shall become the property of Landlord upon installation, excepting Tenant's Personal Property which can be removed without resulting in any material damage to the Leased Premises, all of which may be removed at Tenant's option, provided Tenant shall be responsible for repairing any and all damage to the Leased Premises caused by such removal.

5.1 Additional Improvements. In the event Landlord, at Tenant's request, performs any additional work for the Tenant beyond the Leasehold Improvements, Tenant shall pay to Landlord all costs incurred by Landlord in the performance of such work, with one-half (1/2) of the Landlord's estimate of all amounts payable hereunder to be paid concurrently with the request that such work be performed and the remaining sum to be paid on the date of substantial completion of the work, as reasonably determined by Landlord. Any sums for which Landlord is not reimbursed within ten (10) days from demand shall (i) accrue interest at the rate of eighteen percent (18%) per annum and (ii) be subject to a late charge equal to five percent (5%) of the outstanding sum due. The accrual of interest on such amounts and such late charge shall not prejudice any other remedies available to the Landlord under this Lease.

5.2 Alterations By Tenant. Tenant shall make no alterations, decorations, additions or improvements to the Leased Premises without the prior written consent of the Landlord, which such consent shall not be unreasonably withheld. Any approved modifications to the Leased Premises shall be paid for by Tenant and shall become Landlord's property upon installation, excepting Tenant's Personal Property which can be removed without resulting in any material damage to the Leased Premises, all of which may be removed at Tenant's option, provided Tenant shall be responsible for repairing any and all damage to the Leased Premises caused by such removal.

5.3 Preparation for Occupancy. Tenant, working in conjunction and cooperation with Landlord's architect and Building manager, shall provide the blueprints, plans and other information required by Landlord relating to the Leasehold Improvements, including but not limited to the Preliminary Plans, as defined in Exhibit E, on or before the Tenant Design Completion Date. Such blueprints, plans and other information are subject to the approval of Landlord and Landlord's architect. Landlord and Landlord's architect may reject any plans that are not consistent with the design and operation of the Building. Additionally, Landlord shall provide Tenant with cost estimates of the work to complete the Leasehold Improvements. Following approval of such items, and agreement regarding the work and associated costs, Landlord shall use its best efforts to have the Leased Premises ready for occupancy on or before the Term Commencement Date. Landlord at its sole discretion, may extend the Term Commencement Date for a period equal to the period of any delays resulting from (i) any failure by Tenant to furnish blueprints, plans or other design drawings and information relating to construction work by Tenant's Design Completion Date, (ii) Tenant's failure to perform any of its obligations relating to such construction work, (iii) unusual weather conditions, (iv) governmental regulations, (v) unusual scarcity of or inability to obtain labor or materials, (vi) other labor difficulties, (vii) casualty or (viii) other causes reasonably beyond Landlord's control. If substantial completion of the Leased Premises, as reasonably determined by Landlord, does not occur on or before the Term Commencement Date, Landlord will not be liable or responsible for any claims, damages or liabilities by reason of any delays or extensions, and this Lease will continue in full force and effect. ~~Notwithstanding any other provision of this Lease, in the event that the construction of the Building has not commenced on or before June 1, 2004 or the Term Commencement Date has not occurred on or before October 1, 2005, Tenant may elect to terminate this Lease immediately upon written notice to Landlord without any liability or obligation to Landlord.~~

5.4 Acceptance of Leased Premises. Upon request from Landlord, Tenant agrees to execute a tenant acceptance letter, certifying that the Leased Premises are accepted for occupancy in accordance with the Terms of this Lease, and the date the Lease Term commenced hereunder. By taking possession of the Leased Premises, the Tenant will be deemed to have accepted the Leased Premises as suitable for the purposes for which the same are leased, to have accepted the Building and to have waived any and all defects therein which reasonable inspection of the Leased Premises would disclose, except as specified in a punch list prepared by Landlord and Tenant prior to Tenant's occupancy.

6. Tenant's Maintenance Responsibility. Tenant shall, at its sole cost and expense, keep and maintain the Leased Premises, including the Leasehold Improvements, in good order and condition and in accordance with this Lease (including the Rules and Regulations, as defined hereinbelow), and shall make and perform all repairs and maintenance associated with the Leased Premises and Leasehold Improvements. As used in this Paragraph, "repair" shall include all replacements, alterations and additions that are reasonably necessary to keep the Leased Premises and Leasehold Improvements in good order and condition, subject however, to the casualty and other terms and provisions of this Lease. All repairs made shall be at least equal in quality to the original work and shall be made by Tenant in accordance with all laws, ordinances and regulations whether heretofore or hereafter enacted. Tenant shall accomplish maintenance for which it is responsible as soon as practicable; provided, however, that Tenant shall use best

efforts to have the maintenance performed immediately if a hazardous or emergency situation exists. Tenant hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance of the Leased Premises and all Leasehold Improvements erected thereon, and Tenant waives any right permitted by any law now or hereafter in force to make repairs to the Leased Premises or Leasehold Improvements at Landlord's expense.

7. **Landlord's Services.** Landlord shall furnish to Tenant the following services, so long as Tenant is not in default under this Lease:

7.1 **Directory.** A directory in the lobby of the Building, one line upon which Tenant, at its sole cost and expense, shall be allowed to advertise its name and suite number.

7.2 **Elevator Service.** Regular elevator passenger service from 7:00 a.m. to 6:00 p.m. Monday through Friday, and from 7:00 a.m. to 1:00 p.m. on Saturday, and limited service 24 hours of each day including holidays, during the Lease Term hereof. Such service may be by self-operated elevators. Freight service shall cover any articles that cannot be carried by hand, and only by a permit from the Landlord, and may, at Landlord's option, be limited to hours prior to 8:00 a.m. and after 5:00 p.m. on Monday through Friday and after 1:00 p.m. on Saturday. Freight elevator services shall not be provided for any articles, which, in the opinion of Landlord, are too heavy for the lifting capacity of the Building's elevators, allowing a reasonable margin for safety.

~~7.3 **Janitorial Services.** Janitorial services five (5) days a week, with the days to be specified by Landlord, which janitorial services shall be of a character furnished in comparable medical office buildings in Oklahoma City, Oklahoma.~~

7.4 **Maintenance.** Maintenance of the Building, as a first-class medical office building (other than maintenance with regard to the Leased Premises and Leasehold Improvements that is expressly the responsibility of Tenant, as set forth herein), including repair of any damage to the outside walls, roof, structure, sidewalks, driveways, passageways and Common Areas, ordinary wear and tear excepted, provided that, any repairs to any portion of the Building which are necessitated by any act or omission of Tenant, its agents, employees or invitees, shall be made by Landlord at the sole cost and expense of Tenant. Tenant agrees to pay or reimburse Landlord for any repairs necessitated by any act or omission of Tenant, its agents, employees or invitees, within ten (10) days after receipt of an invoice therefor. Any sums for which Landlord is not reimbursed within ten (10) days from demand shall (i) accrue interest at the rate of eighteen percent (18%) per annum and (ii) be subject to a late charge equal to five percent (5%) of the outstanding sum due. The accrual of interest on such amounts and such late charge shall not prejudice any other remedies available to the Landlord under this Lease.

7.5 **Water** Drinking water on each floor of the Building and hot and cold water in the restrooms on each floor of the Building.

7.6 **Heating and Air Conditioning.** Landlord will furnish heat and air conditioning necessary, in Landlord's judgment, for comfortable occupancy of the Leased Premises during regular Building hours. Landlord may furnish heat and air conditioning during Tenant's use of the

Leased Premises outside of regular building hours, subject to Tenant's prior request for the same and Tenant's payment of reasonable additional charges therefor, as provided in this Lease. Landlord shall furnish Tenant with standard air filters, as may be required from time to time, for use in the Leased Premises, provided that, Landlord shall not be required to provide any special or unusual filters which may be requested or required by Tenant.

7.7 Utilities. Landlord will provide reasonable and necessary utilities required for the occupancy and use of the Leased Premises. The term "utilities" as used herein shall include sewer, water, gas, electricity or any other form of energy that shall be a major energy source for use in the Building. In the event that Tenant desires services at times other than when the services are regularly provided by the Landlord hereunder, Tenant shall request such services in advance and, although Landlord shall have no obligation to provide such services, if it agrees to do so, the Tenant agrees to pay to Landlord, as Additional Rent, upon demand, the costs of such additional usage, as determined by Landlord. Landlord shall furnish Tenant with the fluorescent tubes and incandescent bulbs as may be required from time to time in the Leased Premises; provided however, Landlord shall not be required to furnish special or unusual types of light bulbs which may be required by Tenant.

8. Access to Leased Premises. Tenant shall permit Landlord and Landlord's agents, lenders, contractors and representatives to enter into and upon all parts of the Leased Premises at all reasonable times to inspect the same or clean or make repairs, alterations or additions, as Landlord may deem necessary, and Tenant shall not be entitled to any abatement or reduction of Rent by reason thereof. That notwithstanding, Landlord shall use its best efforts to minimize interference with Tenant's business, but shall not be liable for any interference caused thereby. Without limitation of the foregoing, Tenant agrees that during the 120-day period prior to the Term Expiration Date, Landlord may exhibit and show the Leased Premises to prospective tenants.

9. Representations, Warranties and Covenants of Tenant. The Tenant represents, warrants, and covenants as follows:

9.1 Signs. Except as set forth herein, Tenant will not place any signs or advertising on or around any portion of the Building, Leased Premises or Common Areas, other than as specifically provided under this Lease. Landlord shall provide for use by Tenant a standard building sign on the corridor wall adjoining the Leased Premises. Tenant may place the name of Tenant, the names of its personnel, and a designation of its business, on such standard sign, provided that, the color, design, placement, size and lettering thereof shall be prescribed by Landlord. Landlord shall also have the right to approve the vendor which produces such sign for Tenant.

9.2 Surrender of Possession. Tenant will surrender possession of the Leased Premises to Landlord upon the Term Expiration Date in the same condition as at the Term Commencement Date, reasonable wear and tear excepted.

9.3 Rules and Regulations Tenant covenants and agrees that the rules, regulations and stipulations set forth on Exhibit F attached hereto (the "Rules and Regulations"), and such

Other and further rules, regulations and stipulations as the Landlord may establish, from time to time, which are, in the Landlord's judgment, necessary for the safety, care and cleanliness of the Building and the Leased Premises, or the comfort of the tenants of the Building, shall be faithfully kept, observed and performed by Tenant, and to the best of Tenant's efforts, by its agents, employees, clerks, servants, invitees, patients, guests and visitors, unless waived in writing by Landlord.

9.4 Permits and Licenses. Tenant shall, at its sole cost and expense, procure each and every permit, license, certificate or other authorization, and any renewals, extensions, or continuances of the same, required in connection with the lawful and proper use of the Leased Premises, or required in connection with any improvements to the Leased Premises, and shall provide Landlord a copy of the same.

9.5 Compliance with Laws. Tenant, at Tenant's expense, shall comply with (i) all laws, rules, orders, ordinances, directions, regulations and requirements of any federal, state, county and municipal authorities, pertaining to Tenant's occupancy, use, or manner of use of the Leased Premises or any Leasehold Improvements, equipment, appliances or other property at the Leased Premises, including, without limitation, all applicable federal, state and local laws, regulations or ordinances pertaining to air and water quality, Hazardous Materials (as defined hereinbelow), waste disposal, air emissions or other environmental matters, zoning and other land use matters or utility availability, the Americans With Disabilities Act, as discussed hereinbelow, (ii) any recorded covenants, conditions and restrictions, regardless of when they become effective, (iii) any direction of any public officer or officers, pursuant to law, which shall impose any duty upon Landlord or Tenant with respect to the use or occupation of the Leased Premises. (iv) any specifications of manufacturers regarding the installation, maintenance and use of equipment at the Leased Premises.

9.6 Americans With Disabilities Act. Tenant shall, at its sole expense, comply with all laws, orders, ordinances, and regulations of federal, state, county, and municipal authorities and with any directive made by any party pursuant thereto, with respect to the occupancy, use, or manner of use of the Leased Premises by Tenant or any other parties, relating to the Americans With Disabilities Act (the "ADA"). In the event access to or any portion of the interior of the Leased Premises is deemed to be in violation of the ADA by Landlord or by any governmental authority having jurisdiction, the Tenant shall at its sole cost and expense, take such steps as are necessary to bring the Leased Premises in compliance with ADA; provided, however, prior to making any improvements to the Leased Premises to conform the same to the requirements of ADA, Tenant shall first submit to Landlord for its approval the name of any contractor selected by Tenant to perform such work, and, upon obtaining such approval, submit to Landlord detailed plans and specifications with respect to any such improvements which Landlord shall have the right to review, approve of, or object to. In the event Landlord objects to any such plans and specifications, Landlord shall give a reasonably detailed written description of such objections to Tenant in which case Tenant shall have such plans and specifications revised to satisfy the objections of Landlord. Once such plans and specifications have been approved by Landlord, Tenant shall promptly commence to make such improvements to the Leased Premises as are contained in such plans and specifications. Tenant hereby agrees to indemnify and hold harmless Landlord, its directors, managers, members, trustees, officers, employees and agents of

and from any and all losses, costs, claims, expenses, fines and penalties which may be assessed against Landlord due to the fact that the Leased Premises are not in compliance with ADA.

9.7 Hazardous Material. Tenant shall furnish and otherwise have responsibility for the containment, use and disposal of any hazardous substances or waste permissibly used by Tenant in the ordinary course of its business and operations, as provided herein.

9.7.1 Prohibition Against Hazardous Material. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Leased Premises by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord, which consent shall not be unreasonably withheld as long as Tenant demonstrates to Landlord's reasonable satisfaction that such Hazardous Material is necessary or useful to Tenant's business and will be used, kept and stored, and disposed of in a manner that complies with all laws regulating any such Hazardous Material so brought upon or used or kept in or about the Leased Premises. If Tenant breaches the obligations stated herein, or if the presence of Hazardous Material on the Leased Premises caused or permitted by Tenant results in contamination of the Leased Premises, or if any contamination of the Leased Premises by Hazardous Material otherwise occurs for which Tenant is legally liable to Landlord for damage resulting therefrom, then Tenant shall indemnify, defend and hold Landlord, its directors, managers, members, trustees, officers, employees and agents, harmless from any and all claims, suits, personal injuries, death, property damage, environmental contamination, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Leased Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Leased Premises, and sums paid in settlement of claims, attorneys fees, consultants fees and expert fees) which arise during or after the Lease Term as a result of such contamination. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises. Without limiting the foregoing, if the presence of any Hazardous Material on the Leased Premises caused or permitted by Tenant results in any contamination of the Leased Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Leased Premises to the condition existing prior to the introduction of any such Hazardous Material to the Leased Premises; provided that, Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld, so long as such actions would not potentially have any material adverse effect on the Leased Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.

9.7.2 Hazardous Materials Definition. As used herein, the term "Hazardous Material" or "Contaminant" means any hazardous or toxic substance, material or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes that are or become

regulated under any applicable local, state or federal law. Hazardous Material shall also be defined as any pollutants, hazardous or toxic substances or wastes or contaminated materials, including but not limited to, oil and oil products, asbestos, asbestos containing materials, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyl's, flammable, explosives, radioactive materials, laboratory wastes, chemicals, elements, compounds or any other materials and substances (including materials, substances or things which are composed of or which have as constituents any of the foregoing substances), which are or may be subject to regulation under, or the release of which or exposure to which is prohibited, limited or regulated under any Environmental Laws (as defined herein).

9.7.3 Environmental Laws Definition. "Environmental Laws" means any and all present and future: federal, state, and local laws, statutes, ordinances, rules, and regulations, relating to the protection of human health and the environment, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, (CERCLA), 42 USC § 9601 *et seq.*; the Resource Conservation and Recovery Act, as amended, (RCRA), 42 USC § 6901 *et seq.*; the Clean Air Act, as amended, 42 USC § 7401 *et seq.*; the Federal Water Pollution Control Act, as amended (including but not limited to, as amended by the Clean Water Act), 33 USC § 1251 *et seq.*; Toxic Substances Control Act, as amended (TSCA), 15 USC § 2601 *et seq.*; the Emergency Planning and Community Right-to-Know Act (also known as SARA Title III), as amended, (EPCRA), 42 USC § 11002 *et seq.*; the Safe Drinking Water Act, as amended, 42 USC § 300(f) *et seq.*; the Federal Insecticide, Fungicide and Rodenticide Act, as amended (FIFRA), 7 USC § 136 *et seq.*; the Occupational Safety and Health Act, as amended, (OSHA), 29 USC § 651 *et seq.*; the Endangered Species Act, as amended, 16 USC § 1531 *et seq.*; the National Environmental Policy Act, as amended, (NEPA), 42 USC § 4321 *et seq.*; the Rivers and Harbors Act of 1899, 33 USC § 401 *et seq.*; the Oil Pollution Act, 33 U.S.C. § 2701 *et seq.*, and any state and local laws, rules and regulations similar to or addressing similar matters as the foregoing federal laws; laws, rules and regulations governing underground or above-ground storage tanks; laws, rules and regulations imposing liens for response costs or costs of other remediation, whether or not those liens have a higher priority than existing liens; laws, rules and regulations conditioning transfer of property upon a form of negative declaration or other approval of a governmental authority of the environmental condition of a property; laws, rules and regulations requiring the disclosure of conditions relating to contaminants in connection with transfer of title to or interest in property law; rules and regulations requiring notifying of any governmental entity with regard to a release of any contaminant; conditions or requirements imposed in connection with any permits; government orders and demands and judicial orders pursuant to any of the foregoing; laws, rules and regulations relating to the release, use, treatment, storage, disposal, transportation, transfer, generation, processing, production, refining, control, management, or handling of contaminants; any and all other laws, rules, regulations, guidance, guidelines and common law of any governmental entity relating to the protection of human health or the environment from contaminants.

9.7.4 Tenant Disclosure and Environmental Representations and Warranties. On the Term Commencement Date, and on January 1 of each year thereafter, including January 1 of the year following the Term Expiration Date, Tenant shall disclose to Landlord the names and amounts of all Hazardous Materials, or any combination thereof, which Tenant intends to store, use or dispose of on the Leased Premises, or which were stored, used or disposed of on the Leased Premises. Tenant represents and warrants to Landlord, and covenants with Landlord that Tenant will, at Tenant's expense: (a) ensure that Tenant's employees are properly trained in matters relating to safety in the use of equipment and performance of any functions which may involve the use of Hazardous Materials; and (b) comply with record-keeping and reporting requirements of governmental agencies and regulatory authorities with respect to use, storage, maintenance, transport, delivery and disposal of Hazardous Materials.

9.7.5 Right of Inspection. Landlord, and its agents, contractors or employees, shall have the right, but not the duty, to inspect the Leased Premises at any time to determine whether Tenant is complying with Environmental Laws. If Tenant is not in compliance, in any regard, Landlord shall have the right to immediately enter upon the Leased Premises to remedy any contamination caused by Tenant's failure to comply, notwithstanding any other provision of this Lease. Landlord shall use its best efforts to minimize interference with Tenant's business, but shall not be liable for any interference caused thereby.

~~9.8 Authority.~~ Tenant represents to Landlord that (a) Tenant has full right, power and authority to enter into and perform this Lease, (b) all corporate or other actions required to be taken by Tenant in order to enter into and perform Tenant's obligations under this Lease have been duly and validly taken, and (c) this Lease is and will constitute the valid and legally binding obligation of Tenant, and is and will be enforceable against Tenant in accordance with its terms.

9.9 Duty to Report. Tenant shall immediately notify Landlord of (a) any serious health or safety hazard at the Leased Premises or the Building, (b) any action by any governmental agency, regulatory authority, licensing body, certification body or other organization revoking, suspending, denying, limiting, restricting or otherwise adversely affecting the ability of Tenant to conduct its business, (c) any nuisance created by any other Tenant, Building occupant or visitor, (d) violations of Building rules by other Tenants, occupants or visitors, and (e) noncompliance by other Tenants, Building occupants, visitors and others with legal requirements applicable to the use and occupancy of the Building.

- 10. Insurance and Risks.** Landlord shall not be obligated to carry insurance on the Leasehold Improvements or Tenant's Personal Property, and Landlord shall incur no liability caused by or resulting from (a) any damage caused by, or resulting from fire, explosion, wind, storm, tornado, leakage of water, gases, steam, rain, snow, falling tiles, glass breakage, theft, burglary, robbery, vandalism, riot or any other casualty or other risk of the type covered by a standard fire insurance policy, with an extended coverage endorsement, including earthquakes; or (b) any damage caused by or resulting from the acts or omissions of the Tenant, other tenants of the Building, or their respective agents, employees or invitees, trespassers, or any third party, and Tenant shall

hold harmless the Landlord for any claim of the same. No such occurrence shall be deemed to be an actual or constructive eviction from the Leased Premises or result in an abatement of Rent.

10.1 Landlord's Hazard Insurance. At all times during the Lease Term, Landlord shall maintain in full force and effect fire and extended coverage insurance on the Building in an amount not less than one hundred percent (100%) of the replacement value thereof, as reasonably determined by Landlord, and further carry and maintain in full force and effect commercial general public liability and property damage insurance in a comprehensive general liability policy form with a combined single limit of not less than \$2,000,000.00 per occurrence. Upon Tenant's request, Landlord shall provide to Tenant certificates of all insurance maintained hereunder and certificates of each renewal or continuation of such insurance.

10.2 Tenant's Hazard Insurance. Prior to the Term Commencement Date, Tenant, at Tenant's sole expense, shall provide a special form insurance coverage, which shall include, at a minimum, business and rent interruption insurance and fire and extended coverage insurance for the replacement value of Tenant's property, equipment, fixtures, supplies and furniture located in the Leased Premises and for the replacement value of the Leasehold Improvements in the Leased Premises to the extent of the replacement value thereof exceeds the cost of such Leasehold Improvements installed at Landlord's expense. Such insurance coverage shall be on a per occurrence basis. Additionally, Tenant agrees to provide building ordinance insurance coverage in an amount of \$100,000.00 per occurrence. All insurance referred to in this Lease shall be written with a maximum deductible of \$5,000.00 and Tenant shall maintain such insurance throughout the Term.

10.3 Tenant's Liability Insurance. Landlord shall not be liable to Tenant or to Tenant's agents, contractors, employees, patrons, invitees or visitors for any damage to persons or property caused by any action, omission or negligence of Tenant, or any other tenant of the Building, and Tenant agrees to indemnify, defend and hold Landlord, Landlord's Building manager, and their respective directors, managers, members, trustees, officers, employees and agents, harmless from all claims for any such damage, including but not limited to claims by any governmental entity. At all times during the Lease Term, Tenant shall maintain in full force and effect a comprehensive general liability insurance policy with a combined single limit of not less than \$2,000,000.00 per occurrence and \$2,000,000.00 aggregate, with respect to Tenant's occupancy and use of the Leased Premises and the Common Area of the Building and adjacent parking areas. Notwithstanding anything to the contrary contained herein, Landlord reserves the right to require that Tenant carry comprehensive general liability insurance having greater combined single limits than set forth in the guidelines above should Landlord, in its sole discretion, determine that Tenant's operation poses a hazard warranting an increase in liability insurance. Upon receipt of notice of such a requirement from Landlord, Tenant agrees to obtain the additional insurance within thirty (30) days, which insurance must be in compliance with the other provisions set forth herein.

10.4 Approval and Canceling of Policies; Forced Insurance. The policies of insurance described in this Lease shall be subject to the review and approval of Landlord and shall be non-cancelable without thirty (30) days prior written notice to Landlord. All policies obtained by Tenant hereunder shall name Tenant, Landlord and Landlord's agents as insureds, as their

interests may appear, with Landlord named as loss payee, and shall be maintained with an insurance company authorized to do business in Oklahoma that is satisfactory to Landlord. Tenant shall furnish to Landlord Certificates of Insurance for each policy obtained, together with evidence of the payment of premiums therefore. Should Tenant fail to obtain any policy as provided in this Lease, or furnish proof thereof, Landlord may obtain such insurance and the premiums on such insurance shall be deemed part of Additional Rent to be paid by Tenant to Landlord upon demand or, alternatively, Landlord may terminate this Lease.

11. Assignment, Subletting and Transfers by Tenant.

11.1 Restrictions. Tenant may not sell, assign, sublet, encumber, mortgage or in any manner transfer this Lease, or any part thereof or interest therein, or permit the use of the Leased Premises by any third party (each, a "Transfer"), without the prior written consent of Landlord. For purposes of this Paragraph, a Transfer shall include the following events: (a) the sale or liquidation of any assets not in the ordinary course of business, (b) the merger, acquisition or consolidation of Tenant by or with any other person, corporation, partnership or other entity, (c) any sale, encumbrance, or other transfer of a majority of the issued stock of Tenant (if Tenant is a corporation) or a majority of the interest in Tenant (if Tenant is a limited liability company), or (d) a change of control or other material change in the structure of Tenant.

11.2 Landlord's Approval; Procedure. If Tenant desires to assign this Lease or enter into any sublease of the Leased Premises, Tenant shall deliver written notice of such intent to Landlord, together with a copy of the proposed assignment or sublease, at least thirty (30) days prior to the effective date of the proposed assignment or commencement date of the term of the proposed sublease. Subject to Landlord's right to recapture as set forth hereinbelow in Paragraph 11.5, Landlord shall, within fifteen (15) days of the date of receipt of such notice, approve or disapprove of the proposed assignment or sublease and if Landlord does not disapprove within such fifteen (15) day period, the proposed assignment or sublease will be presumed approved. Landlord's approval of a sublease or assignment shall not constitute a waiver of Tenant's obligation to obtain Landlord's consent to further assignments or subleases. Any single consent to any Transfer by Tenant shall not constitute a waiver of the requirement for such consent with respect to any subsequent Transfer.

11.3 Tenant Qualifications. Tenant shall not seek to assign this Lease, or sublet any part of the Leased Premises, to any individual or entity that is not primarily engaged in a business that Landlord classifies as medical or health related.

11.4 Continuing Liability and Obligations of Tenant. Any sublease or assignment (regardless of whether or not consented to by Landlord) shall be expressly subject to the terms and conditions of this Lease. The acceptance of Rent from an assignee, subtenant or occupant shall not constitute a release of Tenant or any guarantor from the obligations and covenants in this Lease. Tenant and any guarantor shall remain liable under this Lease in the event of a Transfer (which is with or without Landlord's consent), unless and until Landlord executes and delivers a written release of such liability. If Landlord consents to a Transfer, Tenant shall pay all reasonable attorneys' fees and expenses incurred by Landlord with respect to such Transfer. Tenant shall deliver to Landlord a copy of any and all agreements executed by Tenant and any subtenant or assignee, with respect to the Leased Premises.

11.5 Recapture. In addition to Landlord's other rights and remedies contained in this Paragraph 11, Landlord shall have the option to terminate this Lease with respect to the portion of the Leased Premises covered by any proposed assignment or subletting ("Recapture" the "Recaptured Space"). Landlord may exercise its option to Recapture within fifteen (15) days of the date of receipt of notice from Tenant of Tenant's intent to assign or sublet, given in accordance with Paragraph 11.2 above, by written notice thereof to Tenant. This Lease shall expire as to the Recaptured Space, and Tenant shall surrender possession thereof, on the date that such proposed assignment or subletting was to be effective or commence (the "Recapture Date") Landlord shall accordingly adjust the Minimum Rent, Additional Rent, and the Tenant's Actual Usable Area, effective as of the Recapture Date.

11.6 Assumption and Attornment; Further Documentation. If Tenant assigns this Lease as permitted herein, the assignee shall assume all of the obligations of Tenant in a written instrument satisfactory to Landlord and furnished to Landlord not later than ten (10) days prior to the effective date of the assignment. If Tenant subleases any portion of the Leased Premises as permitted herein, Tenant shall, at Landlord's option, within ten (10) days following any request by Landlord, obtain and furnish to Landlord a written agreement providing that subtenant attorn to Landlord and pay all rent directly to Landlord. Any subtenant or assignee shall execute any additional documents which Landlord may reasonably require to evidence the subtenant's or assignee's assumption of such obligations and liabilities.

12. Priority of Mortgage.

12.1 Attornment Agreement. This Lease is expressly subject and subordinate to the lien of any Mortgage (as defined hereinbelow) or other security instrument which may now or hereafter encumber the fee interest in the Real Property of which the Leased Premises is a part or that Landlord may hereafter at any time elect to place on the Building, to the extent of sums secured thereby; provided that, as a condition precedent to such subordination, each holder of such a Mortgage shall covenant or provide that as long as Tenant is not in default under this Lease, the Tenant's quiet possession of the Leased Premises shall remain undisturbed, on the terms and conditions stated herein, whether or not the Mortgage is in default and notwithstanding any foreclosures or other action brought by the holder of the Mortgage. If the Mortgage is foreclosed, Tenant will attorn to the purchaser in such foreclosure proceedings and will recognize the purchaser as Landlord under this Lease. In such regard, Tenant agrees to execute and deliver at any time, on request of Landlord, a Subordination, Non-Disturbance and Attornment Agreement, substantially in the form attached hereto as Exhibit G, as may be modified by any Mortgagee (as defined herein) of Landlord. This provision shall be self-executing and shall take effect without the execution of any further instrument, lease or agreement.

12.2 Estoppel Certificate. The Tenant agrees to execute and deliver at any time and from time to time, within ten (10) days after written request by Landlord or its Mortgagee, or with the consent of Landlord, any prospective purchaser of the Building, a certificate in writing, or any three-party agreement among Landlord, Tenant and any Mortgagee, to the effect that (if true): (a) the Lease is then presently in full force and effect and unmodified (or stating the modifications); (b) the Lease Term has commenced and the full Rent is then accruing hereunder; (c) the Tenant has accepted possession of the Leased Premises; (d) all Leasehold Improvements

have been completed to the satisfaction of Tenant; (e) no Rent has been paid more than thirty (30) days in advance of its due date; (f) the addresses for notices to be sent to the Tenant is as set forth in such certificate or at the Leased Premises; (g) the date to which Rent has been paid hereunder; (h) the Tenant will look solely to the Landlord for the return of any deposit hereunder (or if such claim is made, the grounds for such claim); (i) the Tenant claims no off-set against Rent due or to become due hereunder; and (j) to the knowledge of the Tenant, the Landlord is not then in default under this Lease or (stating the defaults, if any); (k) such other factually accurate matters as Landlord may reasonably request (the "Certificate"). The Tenant hereby agrees that the Certificate will also contain an affirmation by the Tenant to the Mortgagee that after the date of such Certificate, the Tenant will not pay any Rent more than thirty (30) days in advance of its due date, surrender or consent to the modification or termination of this Lease by the Landlord, or seek to terminate this Lease by reason of any default by the Landlord, until the Tenant has given written notice of such default to the Mortgagee, and such default shall not have been cured within a reasonable time of not less than thirty (30) days after the giving of such notice. As used herein the term "Mortgagee" shall mean any person holding a Mortgage covering the Leased Premises or Building or any person proposing to take such Mortgage, or any modification extension, renewal or replacement thereof. The word "Mortgage" when used herein includes mortgages, deeds of trust, and other similar instruments and any modifications, extensions, renewals or replacements thereof. The Certificate may be relied upon by Landlord and by any Mortgagee or prospective Mortgagee under a Mortgage affecting the Leased Premises. The Tenant acknowledges and agrees that failure of Tenant to timely execute and deliver such estoppel certificate shall be a material default under the terms of this Lease.

13. **Waiver of Subrogation.** Notwithstanding anything to the contrary herein contained, the parties hereto expressly waive any right of recovery against each other that either may have by virtue of any loss or damage to the Leased Premises caused by fire, windstorm, or other risks of the type covered by a standard fire insurance policy, with extended coverage endorsement. Provided, however, this waiver shall be in force and effect only if such waiver does not conflict with or impair the right of the party making such waiver to recover under any hazard insurance policy in force at the time of the loss. Landlord and Tenant agree to use their best efforts to obtain a waiver of subrogation endorsement to their respective hazard insurance policies, provided such may be accomplished without jeopardizing coverage provided by such policies of insurance. Any charge for a waiver of subrogation endorsement by an insurance company shall be paid by the party benefited thereby.
14. **Holding Over.** In the event Tenant remains in possession of the Leased Premises, or any part thereof, after the expiration of the Lease Term, Tenant shall be deemed to be occupying the Leased Premises from month to month, otherwise subject to all conditions, provisions and obligations of this Lease, except that during such period the Minimum Rent payable for the Leased Premises shall be two hundred percent (200%) of the amount of Minimum Rent applicable during the final month of the Lease Term. The forgoing provisions shall not serve as permission for Tenant to holdover, nor serve to extend the Lease Term.
15. **Loss or Damage to Leased Premises.**

15.1 Total Destruction. If the Leased Premises or such other portion of the Building necessary for Landlord to provide the services required to be provided hereunder are damaged by casualty and, in the opinion of the Landlord, cannot be economically repaired, this Lease shall terminate (as of the date of such destruction or damage) and all obligations of Landlord and Tenant shall terminate upon Landlord giving written notice thereof to Tenant within thirty (30) days after such occurrence.

15.2 Partial Destruction. If the Leased Premises are damaged by casualty, and in the opinion of the Landlord can be economically repaired, and proceeds of insurance actually available to Landlord are sufficient to effect such repair, Landlord shall, with reasonable diligence and with allowance for insurance adjustments, strikes, shortage of materials and labor, repair the damage. If, during the period of repair, the entire Leased Premises are rendered totally untenable, Minimum Rent shall abate for such period. In such event, Tenant agrees that the Lease Term shall be extended from its expiration date for a period equal to that period during which Minimum Rent shall be abated. If the Leased Premises can be partially used during such period, there shall be an equitable apportionment of the Minimum Rent based on the portion of the Leased Premises rendered untenable, until the damage has been repaired. Repairs may be made during normal business hours and there shall be no abatement of Minimum Rent by reason of inconvenience, provided that such repairs are made within a reasonable time. It is agreed that Landlord's obligation to repair and restore the Leased Premises shall be limited to the value of the Leasehold Improvements being installed or supplied by, and at the expense of, Landlord, without additional charge to Tenant at the commencement of the Lease Term. Landlord agrees to repair and restore the Leasehold Improvements to the extent of any greater value, provided that Tenant furnishes Landlord insurance proceeds or other sums sufficient to pay the excess costs to be incurred in connection therewith. Tenant agrees to furnish Landlord such additional sums, or with Landlord's prior written consent, to have the Leasehold Improvements repaired by a contractor reasonably acceptable to Landlord, in which event Landlord shall furnish Tenant, or its contractor, with sums equal to the value of the Leasehold Improvements installed at Landlord's expense at the commencement of the Lease Term.

16. Condemnation.

16.1 Partial Taking. Subject to the provisions of this Paragraph set forth below, if a portion of the Leased Premises is condemned, this Lease shall terminate only as to that portion thereof so condemned on the date Tenant is required to yield possession thereof. Rent payable hereunder for the remainder of the Lease Term shall be the product of the Rent otherwise payable (together with any Additional Rent that may be due and owing) hereof and a fraction, the numerator of which is the area expressed in square feet of the portion of the Leased Premises not so taken, and the denominator of which is the area expressed in square feet of the Leased Premises. If the whole of the Leased Premises shall be taken or condemned or purchased in lieu thereof by a competent authority for any public or quasi-public use or purpose, then, in such event, the Lease Term shall terminate from the time when possession shall be required for such use and purpose.

16.2 Substantial Taking. If over thirty percent (30%) of the Leased Premises or the Building, as reasonably determined by Landlord, shall be taken or condemned or purchased in

lieu thereof by any competent authority of any public or quasi-public use or purpose, then Landlord shall have the option to cancel this Lease as of the date on which it is required to yield possession of the portion so taken. Such option shall be exercised by giving Tenant written notice within one hundred twenty (120) days after Landlord's receipt of notice of such condemnation proceedings.

16.3 **Awards.** Any award or proceeds resulting from the condemnation, or sale in lieu thereof, of the whole or any part of the Leased Premises, shall belong solely to the Landlord, except for the awards allowed for Tenant's relocation costs. It is agreed that in the event of cancellation or termination of this Lease, in whole or in part, pursuant to any provision of this Lease, Tenant shall not be entitled to any recovery for the loss of the leasehold estate.

17. **Mechanic's and Materialmen's Liens.** If any mechanic's or materialmen's liens shall at any time be filed against the Leased Premises, or any part thereof by reason of any work, labor, services, materials, or equipment furnished to or for Tenant, the Tenant, within fifteen (15) days after notice of the filing thereof shall cause the same to be discharged of record. Nothing herein shall be deemed or construed in any way as constituting the consent or the request of Landlord express or implied, to any contractor, subcontractor, laborer or materialmen for the performance of any labor or the furnishing of any materials for any improvement, alteration or repair of the Leased Premises or any part thereof, nor as giving the Tenant any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the Leased Premises or any part thereof.

18. **Default by Tenant.** The following shall constitute a default under this Lease:

- a) if Tenant fails to pay any Rent due hereunder on the day the same shall be due, and such default shall continue for a period of ten (10) days;
- b) if Tenant fails to perform of any of the covenants, agreements, terms and conditions of this Lease, other than the payment of Rent and those affecting patient care, and such failure remains uncured for thirty (30) days following written notice;
- c) if Landlord has elected to cure Tenant's default hereunder and Tenant has failed to pay Landlord the cost and expenses incurred to cure such default within fifteen (15) days after demand;
- d) if Tenant attempts any Transfer or takes other actions requiring Landlord's consent, without receiving such consent;
- e) if Tenant abandons any portion of the Leased Premises;
- f) if Tenant willfully or maliciously does injury to the Leased Premises or Building;
- g) if Tenant files a petition in bankruptcy or has any involuntary petition in bankruptcy filed against it;

- h) if Tenant makes an assignment for the benefit of creditors.
- i) if Tenant, or any employee, principal or owner of Tenant, as the case may be, fails to maintain insurance coverage, as required in this Lease;
- j) the loss, restriction or suspension of the license to practice medicine in the State of Oklahoma of Tenant, or of any employee, principal or owner of Tenant, as the case may be, at any time, or the restriction or termination of any such party's narcotics and controlled substances numbers, certificates or licenses as required by federal, state and local laws and regulations;
- k) if Tenant, or any employee, principal or owner of Tenant, as the case may be, becomes unable to satisfactorily perform his/her regular full-time duties for a period of thirty (30) or more days;
- l) if Tenant, or any employee, principal or owner of Tenant, as the case may be, makes false or misleading representations about his/her qualifications to render medical services; and
- m) if Tenant, or any employee, principal or owner of Tenant, as the case may be, is convicted of a felony or any crime involving moral turpitude.

Notwithstanding the foregoing, upon occurrence of a default under any of Subsections (j) through (m) above, Landlord shall not be entitled to exercise its remedies based thereupon unless and until a majority in number of the physician investors of Landlord, other than the physicians affiliated with Tenant, affirmatively vote to approve Landlord's exercise of its remedies in such regard.

19. Landlord's Remedies.

19.1 Termination of Lease; Acceleration of Rent. Upon Tenant's default, Landlord may declare this Lease terminated. In such event, the remaining balance of the Rent for the full Lease Term will be accelerated and will be immediately due and payable by Tenant. Additionally, Tenant shall reimburse Landlord for all expenses incurred by Landlord as a result of Tenant's default, including court costs, reasonable attorneys' fees, the costs of taking possession of and repairing any damage to the Leased Premises, all other damages caused by or resulting from Tenant's default and all related or incidental costs.

19.2 Reentry. Upon Tenant's default, Landlord may reenter the Leased Premises and expel the Tenant using such force as may be necessary, without prejudice to any other remedies which the Landlord may have hereunder. If Tenant does not surrender possession, Landlord may enter and take possession of the Leased Premises and remove Tenant and Tenant's Personal Property without being subject to any claim for damages for such action, and without prejudice to any remedies which the Landlord may have to collect the remaining balance of the Rent for the Lease Term

19.3 Reletting. If Landlord does not terminate this Lease, Landlord may at its option reenter the Leased Premises and remove any Tenant's Personal Property (forcibly, if necessary, without being guilty of or liable for trespass), and relet the Leased Premises for the benefit of Tenant. In such event, Tenant shall pay Landlord all costs that Landlord incurs in such action, including the costs of taking possession of and repairing the Leased Premises, the cost of preparing the Leased Premises for reletting, attorneys' fees, brokerage commissions, and all other damages caused by Tenant's default. Additionally, in such event Tenant shall remain obligated to Landlord for the difference between the rent Landlord charges in any reletting and the Rent for which Tenant is obligated under this Lease. Landlord shall have no duty to relet the Leased Premises. If Landlord does not relet the Leased Premises, Tenant will nevertheless remain liable for Rent and damages and will not be released from liability for its obligations under this Lease. If Landlord relets the Leased Premises at a rental rate that is higher than the Rent under this Lease, Landlord shall be entitled to retain the excess rent payable under the new lease.

19.4 Landlord's Right to Cure. If Tenant defaults in the performance of any provision of this Lease, Landlord shall have the right (but not the obligation), in addition to any and other rights and remedies in the event of default, to cure such default for the account of Tenant, and Tenant shall upon receipt of notice thereof and demand for payment from Landlord pay any payment or expenditure made by Landlord with the next installment of Minimum Rent. Any sums for which Landlord is not reimbursed within ten (10) days from demand shall (i) accrue interest at the rate of eighteen percent (18%) per annum, and (ii) be subject to a late charge equal to five percent (5%) of the outstanding sum due. The accrual of interest and late charge on such amounts shall not prejudice any other remedies available to the Landlord hereunder.

19.5 Remedies – General. No action by the Landlord during the Lease Term will be deemed an acceptance of an attempted surrender of the Leased Premises and no agreement to accept a surrender of the Leased Premises will be valid unless made in writing and signed by the Landlord. No re-entry or taking possession of the Leased Premises by the Landlord will be construed as an election by the Landlord to terminate this Lease, unless a written notice of termination is signed by the Landlord. The acceptance by the Landlord, or payment by the Tenant, of Rent following the occurrence of an event of default will not be construed as the waiver of such event of default. No waiver of any default by either the Landlord or the Tenant will be deemed to constitute a waiver of any other or future default hereunder. Forbearance by the Landlord to enforce one or more of the remedies herein provided will not be deemed to constitute a waiver of any default. No provision of this Lease will be deemed to have been waived by the Landlord unless such waiver is in writing signed by the party effecting such waiver. The rights granted to the Landlord in this Lease are cumulative of every other right or remedy which Landlord might otherwise have at law or in equity and the exercise of one or more rights or remedies will not prejudice the concurrent or subsequent exercise of other rights or remedies. If the Landlord or Tenant brings any action for enforcement of any right under this Lease or if the Landlord places any amount payable by the Tenant hereunder with an attorney for collection, the prevailing party agrees to pay the reasonable attorney's fees and other expenses incurred by the other party in connection therewith. No consent granted by the Landlord will constitute a waiver of the provisions of this Lease except as to the specific instance covered thereby.

20. **Default by Landlord; Tenant's Remedies.** In the event Landlord fails to comply with any term of this Lease to be observed by Landlord, within thirty (30) days after Tenant has notified Landlord in writing of such failure (unless such failure cannot be reasonably accomplished within such thirty (30) day period, in which case such period shall be extended so long as Landlord has commenced such cure during such thirty (30) day period and is diligently pursuing such cure after such commencement), Tenant will have the option to do any one or more of the following: (i) Tenant may perform or cause to be performed the obligation of Landlord under this Lease which Landlord has failed to perform, with Landlord to reimburse Tenant on demand for all reasonable expenses incurred by Tenant in affecting such cure, and/or (ii) Tenant may pursue such other rights and remedies at law or in equity, as may be available under applicable law, provided however, in no event shall Tenant have any right in the case of Landlord's default, to terminate this Lease.
21. **Indemnification.** Subject to the waiver of subrogation provisions contained in this Lease, Tenant will at all times protect, keep harmless and indemnify Landlord, Landlord's manager, and their respective directors, managers, members, trustees, officers, employees and agents, against all claims, demands, causes of action, suits, judgments, damages, liabilities or losses of every kind and character which may arise, be imposed, or be incurred as a consequence of or arising out of any act, default, negligence or omission, willful or otherwise, on the part of Tenant, its agents, employees, contractors, subleases, assigns or invitees, or arising out of the conduct by Tenant of its business upon or about the Leased Premises or the Building, or relating to any breach of this Lease by Tenant. In the event that Landlord, Landlord's manager, and/or their respective directors, managers, members, trustees, officers, employees and agents, is made a party to any litigation commenced by Tenant against any third party or by any third party against Tenant, its agents, employees, contractors, sublessees, assigns or invitees, then Tenant shall protect and hold Landlord, Landlord's manager, and their respective directors, managers, members, trustees, officers, employees and agents, as the case may be, harmless and shall pay all costs, expenses and reasonable attorneys' fees that may be incurred or paid thereby in the course of such litigation.
22. **Legal Relationship.** The legal relationship between Landlord and Tenant shall be that of landlord and tenant.
23. **Abandoned Property.** All personal property and fixtures not removed by Tenant from the Leased Premises within ten (10) days after the termination of this Lease will be conclusively presumed to have been abandoned by Tenant, and the Landlord may at its option, take possession of such property and dispose of it in such manner, and for such consideration as Landlord deems advisable.
24. **Notices.** All notices, requests, demands, instructions, or other communications called for hereunder or contemplated hereby shall be in writing and shall be deemed to have been given if personally delivered or deemed given three (3) business days after mailing, if mailed first class, postage prepaid, by certified mail, return receipt requested, to the appropriate party at its notice address set forth at the beginning of this Lease. Any party may change the address to which notices are given hereunder by giving notice in the manner herein provided.

William J. Hale, M.D.

25. **Recording.** The parties hereto agree that, upon the request of either party, a memorandum of this Lease in the form attached hereto as **Exhibit H** (the "**Memorandum of Lease**") may be filed of record in the office of the County Clerk of Oklahoma County, in lieu of recording the Lease. Upon such request, the parties agree to execute such Memorandum of Lease. In no event shall either party file of record the original or any copy of this Lease.
26. **Time of the Essence.** Time shall be of the essence with respect to the performance by the parties of their respective obligations hereunder.
27. **Whole Agreement - No Oral Modification.** This Lease embodies all representations, warranties, and agreements of the parties hereto relating to the Leased Premises and may not be altered or modified except by an instrument in writing signed by the parties.
28. **Remedies Cumulative.** The various rights, powers, elections and remedies of the parties hereto shall be considered as cumulative, and no one of them is exclusive of the others, or exclusive of any right or priority allowed by law, and no right shall be exhausted by being exercised on one or more occasions.
29. **Benefit of Agreement.** It is agreed that all the terms, conditions, covenants and obligations contained herein shall be binding upon and the benefits shall inure to the parties and their respective successors, heirs, and assigns, subject to the provisions of this Lease.
30. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Oklahoma applicable to contracts made and performed entirely therein. 3/28/04 WJH
31. **Quiet Enjoyment.** Landlord covenants that upon Tenant paying the Rent and performing and observing all of Tenant's other obligations under this Lease, Tenant may peaceably and quietly have, hold, and enjoy the Leased Premises for the Lease Term, subject and subordinate as provided in this Lease. Provided, however, if Tenant is a partner or member of the Landlord, or if Tenant participates as a guarantor in the Landlord's granting of a mortgage or other security instrument encumbering the fee interest in the Leased Premises and Landlord defaults under such mortgage or security interest, this provision shall become null and void. Tenant Initials
Landlord Initials
3-27-04
32. **Severability.** If any clause or provision of the Lease is illegal, invalid or unenforceable under any present or future law, the remainder of the Lease will not be affected thereby. It is the intention of the parties that if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible and be legal, valid and enforceable. If Landlord and Tenant cannot resolve the matter and reach an agreement that is satisfactory to both of them within thirty (30) days after Landlord so notifies Tenant, then Landlord may terminate this Lease upon notice to Tenant.
33. **Consent to Breach.** Any consent, express or implied, to any breach of a covenant or condition herein contained, shall operate as such only in a specific instance and shall not be construed as an assent or waiver of any such covenant or condition, generally, or any subsequent breach thereof.
34. **Landlord's Transfer.** In the event the Landlord transfers the Landlord's interest in the Building, the Landlord will thereby be released from any further obligation hereunder and the Tenant agrees to attorn and look solely to the transferee for the performance of such obligations. The agreement of the Tenant to attorn to the designee of the Landlord will survive any termination of

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 33. **Consent to Breach.** Any consent, express or implied, to any breach of a covenant or condition herein contained, shall operate as such only in a specific instance and shall not be construed as an assent or waiver of any such covenant or condition, generally, or any subsequent breach thereof.
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rights of the Landlord in the Building and the Tenant agrees to execute and deliver to the designee of the Landlord from time to time within ten (10) days, after written request therefor, all instruments which might be required by the Landlord to confirm such attornment.

35. **Reservation by Landlord.** In addition to other rights conferred by this Lease or by law, Landlord reserves the right, to be exercised in Landlord's sole discretion, to: (a) change the name of the Building, after thirty (30) days' written notice to Tenant; (b) install and maintain a sign or signs on the exterior or interior of the Building; (c) change the street address of the Building, after thirty (30) days' written notice to Tenant; (d) approve all sources furnishing signs, sign painting and lettering; (e) take all measures as may be necessary or desirable for the safety and protection of the Leased Premises or of the Building; (f) sell, transfer or mortgage the Building; (g) carry on any work, repairs, alterations or improvements in, on or about the Building or in the vicinity thereof; and (h) enter the Leased Premises at any time and from time to time without notice.
36. **Real Estate Brokers.** Each party hereby represents and warrants to the other that it has not dealt with any real estate broker, sales person or finder in connection with the negotiation, preparation or execution of this Lease, and no such party initiated or participated in negotiations of this Lease or show the Leased Premises to the Tenant. Each party agrees to indemnify, defend and hold harmless the other party from and against any and all liabilities and claims for real estate commissions and fees asserted by any party which alleges it derives its interest by and through the indemnifying party, in connection with the negotiation, preparation or execution of this Lease. Both Landlord and Tenant acknowledge that Snoddy Properties, Inc., and its principal, James E. Snoddy (collectively "Snoddy"), have been involved in the negotiation, preparation and execution of this Lease, provided, however, Snoddy is not asserting any rights with respect to any real estate commission or fee in connection therewith.
37. **Tenant's Financial Statement.** Prior to Landlord accepting this Lease Agreement and within ten (10) business days after notice of Landlord's request for the purpose of refinancing, Tenant shall provide to Landlord a detailed financial statement of Tenant, in form reasonably satisfactory to Landlord, covering the just completed prior fiscal year of Tenant. All such financial statements shall be duly certified by the president or chief financial officer of Tenant, as being accurate and complete in all material respects.
38. **Personal Guaranty.** Landlord's obligations under this Lease are wholly conditioned upon the execution of a Personal Guaranty in the form attached hereto as **Exhibit I**, by a person or persons, entity or entities, acceptable to Landlord.
39. **Indoor Air Quality.** Landlord may impose restrictions relating to Tenant's activities, operations, equipment and materials to the extent that they may generate unacceptable levels of indoor air contaminants in the Building, Building systems or Building components. Tenant shall not use, store, install or handle (or permit use, storage, installation or handling) of any chemicals, materials or other potential pollution sources in the Building without first obtaining the written consent of Landlord. If Landlord provides consent, Tenant shall not use, store, install or handle any such items at levels that exceed those established by OSHA, the Environmental Protection Agency; or other local, state or federal laws or regulations or industry standards. Tenant shall

not modify or alter any ventilation equipment in the Building nor does anything that might adversely impact the indoor air quality of the Building. Tenant will immediately notify Landlord of any complaints that might typically be associated with indoor air quality, such as complaints of chronic eye, nose and throat irritation, respiratory problems, acquired allergies or chemical sensitivities, unusually high rates of occupant absenteeism or unusually low rates of employee productivity. Landlord may, as it considers appropriate, conduct investigations and monitor indoor air quality. Tenant shall remedy, to the satisfaction of Landlord, any problems in the Building relating to indoor air quality caused by Tenant that Landlord discovers or identifies. Tenant shall indemnify and hold Landlord, Landlord's Building manager, and their respective directors, managers, members, trustees, officers, employees and agents, harmless from and against any and all claims, actions, damages, liabilities and expenses arising from Tenant's violation of this Paragraph. Landlord makes no express warranties to Tenant and disclaims any implied warranties relating to the indoor air quality in the Building and environmental condition of the Building.

40. **Landlord's Liability.** Notwithstanding any other provision in this Lease, the obligations of Landlord under this Lease shall be binding and enforceable only out of Landlord's interest in the Building and not upon or out of any other assets of Landlord.
41. **Control in Crisis.** If Tenant reasonably believes, at any time, that an event has occurred that has or, in the judgment of Landlord, may cause harm or injury to Building tenants, occupants, visitors or guests or adversely affect the image or reputation of Landlord (including such matters as sanitary or health problems, natural disasters, violent crimes, etc.) (each a "Crisis Situation"), Tenant shall immediately notify Landlord of same in person or by telephone. In such event, or in the event Landlord informs Tenant that it believes a Crisis Situation has occurred, Tenant and its employees and agents shall refrain from making any external announcements (including communications with the news media) regarding the Crisis Situation. To the extent Landlord considers it appropriate, Landlord may control the manner in which the Crisis Situation is handled, including but not limited to, conducting all communications with the news media, providing or arranging care or assistance for injured persons, restricting access to certain areas of the Building, and suspending specified operations. Tenant shall cooperate fully with Landlord in such efforts and activities and will be bound by all Crisis Situation and disaster plan procedures and policies that Landlord may establish.
42. **Joint and Several Liability.** If Tenant is more than one person, Tenant's obligations under this Lease are joint and several. If there is a Guarantor, Tenant's obligations under this Lease are joint and several obligations of Tenant and Guarantor, and the release, forbearance or discharge of any Guarantor will not relieve Tenant from the performance of Tenant's obligations under this Lease.
43. **Provisions Surviving Termination.** Notwithstanding the expiration or termination of this Lease, the provisions of this Lease relating to the following shall survive and continue in effect: (a) any agreement or obligation of Tenant to attorn to the transferee of Landlord, (b) any indemnification by Tenant in this Lease, (c) remedies available to the parties, including the remedies available to Landlord relating to Tenant's use or storage of Hazardous Materials or relating to indoor air quality in the Building and remedies available to Landlord in the event of Tenant's default or violation of

such provisions, and (d) any other provision which, by its nature, involves an obligation extending beyond the expiration of the Lease Term or termination of this Lease.

44. **Additional Taxes.** If, during the Lease Term, or any renewal or extension, any taxes are imposed on Rent payments under this Lease, or on renting or occupying the Leased Premises, or on any services provided by Landlord, Tenant will pay each month, as Additional Rent, an amount equal to the tax or charge that is imposed for such month. Tenant shall not be required to pay any income, estate, excess profits, excise, or franchise tax imposed on Landlord.
45. **Counterparts.** This Lease may be executed in any number of counterparts which, taken together, shall constitute one and the same instrument.
46. **Paragraph Headings.** The paragraph headings contained in this Lease are for convenience of reference only and shall not in any way affect the meaning or interpretation of this Lease.
47. **Parking.** It is understood that the parking area surrounding the Building is intended for the common use of the Landlord, its tenants, their patients and all invitees. Consequently, Landlord has no control of the availability or adequacy of parking.
48. **No Liability.** If for any reason, the Building (or any significant portion thereof), is not constructed, neither the Landlord nor any of Landlord's agents or successors shall be liable for failure to deliver possession of the Leased Premises. Further, the interruption or inadequacy of, or the failure of Landlord to furnish, any of the services attendant to Tenant's use of the Leased Premises or Building, including but not limited to elevator, janitorial, maintenance, water, heating, air conditioning or other utility services, resulting from causes beyond reasonable control of Landlord, or when Landlord uses reasonable diligence to provide the same, shall not render Landlord or any of Landlord's agents liable in any respect, shall not be construed as an eviction of Tenant, shall not work an abatement of Rent, and shall not relieve Tenant from the obligation to fulfill all of Tenant's covenants and agreements contained in this Lease. Nevertheless, Landlord shall diligently and continuously attempt to remedy any such interruption, inadequacy or failure.
49. **Incorporation by Reference.** Exhibit A, Exhibit B, Exhibit C, Exhibit D, Exhibit E, Exhibit F, Exhibit G, Exhibit H, Exhibit I and Exhibit J referenced herein are hereby incorporated and made a part of this Lease.
50. **Effectiveness of Lease.** The submission of this Lease by Landlord or Landlord's Building manager or agents does not constitute an offer to enter into this Lease by Landlord. Landlord's execution of this Lease depends upon a number of matters, which may include, among other matters, approval of financial information submitted by Tenant and any guarantor, approval of Tenant's design and blueprints relating to construction/renovation work on the Leased Premises, availability of space in the Building, Tenant's proposed use of the Leased Premises, requests by others for space in the Building, and other factors. Accordingly, this Lease will not be effective, valid or enforceable against Landlord, nor shall it constitute a binding agreement and obligation on the part of Landlord, until both Landlord and Tenant have executed it.

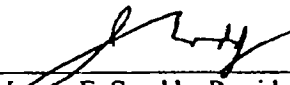
EXECUTED AND DELIVERED the day and year first above written.

LANDLORD:

PARKWAY MEDICAL CENTER, LLC,
An Oklahoma Limited Liability Company

BY: SNODDY PROPERTIES, INC.,
An Oklahoma Corporation,
Managing Member

BY:


James E. Snoddy, President

TENANT:

WILLIAM J. HALE, M.D.

BY:


William J. Hale, M.D.

ATTACHMENTS

Exhibit A	Legal Description of Real Property
Exhibit B	Site Plan
Exhibit C	Outline of Leased Premises
Exhibit D	Rent Schedule
Exhibit E	Guidelines for Preliminary Plans, Drawings and Specifications
Exhibit F	Rules and Regulations
Exhibit G	Subordination, Non-Disturbance and Attornment Agreement
Exhibit H	Memorandum of Lease
Exhibit I	Lease Guaranty
Exhibit J	Standard Building Improvements

EXHIBIT A
LEGAL DESCRIPTION OF REAL PROPERTY

Parkway Medical Center

Portland and Memorial
Oklahoma City, Oklahoma

A tract of land being a part of PARKWAY COMMONS ADDITION, an addition to the City of Oklahoma City, Oklahoma County, Oklahoma, according to the recorded Plat thereof, lying in the Southwest Quarter (SW/4) of Section Twelve (12), Township Thirteen (13) North, Range Four (4) West of the Indian Meridian, City of Oklahoma City, County of Oklahoma, Oklahoma, being described as follows:

Lot Five (5), Block Two (2), PARKWAY COMMONS ADDITION, an addition to the City of Oklahoma City, Oklahoma County, Oklahoma, according to the Plat recorded in Book Sixty (60) of Plats, Page Ninety-Four (94).

EXHIBIT B

SITE PLAN

(To be inserted by Landlord at a later date.)

EXHIBIT C

OUTLINE OF LEASED PREMISES

(To be inserted by Landlord at a later date.)

**EXHIBIT D
RENT SCHEDULE**

BUILDING: Parkway Medical Center
TENANT: William J. Hale, M.D.

Sq. Ft.	3,000	T.I.	\$ -
Term/lys	10	Interest	0%
Base Rent Rate	\$ 19.71	Term/Yrs.	0
Term Rent	\$ 591,284.93		
2% ANNUAL INCREASE		TOTAL:	\$ -
		monthly:	\$ -

GRAND TOTAL: \$ 591,284.93 \$ 19.71 psf

	ANNUAL RENT	MO. RENT	BASE PSF	T.I. PSF	TOTAL PSF
Year 1	\$ 54,000.00	\$ 4,500.00	\$ 18.00	\$ -	\$ 18.00
Year 2	\$ 55,080.00	\$ 4,590.00	\$ 18.36	\$ -	\$ 18.36
Year 3	\$ 56,181.60	\$ 4,681.80	\$ 18.73	\$ -	\$ 18.73
Year 4	\$ 57,305.23	\$ 4,775.44	\$ 19.10	\$ -	\$ 19.10
Year 5	\$ 58,451.34	\$ 4,870.94	\$ 19.48	\$ -	\$ 19.48
Year 6	\$ 59,620.36	\$ 4,968.36	\$ 19.87	\$ -	\$ 19.87
Year 7	\$ 60,812.77	\$ 5,067.73	\$ 20.27	\$ -	\$ 20.27
Year 8	\$ 62,029.03	\$ 5,169.09	\$ 20.68	\$ -	\$ 20.68
Year 9	\$ 63,269.61	\$ 5,272.47	\$ 21.09	\$ -	\$ 21.09
Year 10	\$ 64,535.00	\$ 5,377.92	\$ 21.51	\$ -	\$ 21.51
TOTAL:	\$ 591,284.93		\$ 19.71 psf		\$ 19.71 psf

EXHIBIT E

GUIDELINES FOR PRELIMINARY PLANS, DRAWINGS AND SPECIFICATIONS

1. Tenant shall submit to Landlord preliminary proposed plans, including drawings and specifications, for all construction work to be conducted by Landlord, as to the Leasehold Improvements, whether at Landlord's or Tenant's expense, pursuant to the Lease (collectively, the "Preliminary Plans"). The minimum requirements for such Preliminary Plans are as follows:

- A. Location and types of all glass partitions, other partitions and interior windows.
- B. Location and types of all doors and designs for special entrances, if any.
- C. Location and types of all electrical items, including telephone outlets, other outlets, switches, and special or dedicated circuits, if any.
- D. Location and types of all lighting fixtures.
- E. Location, type and drawings showing any millwork, dimensions and descriptions, of all equipment to be installed in the Leased Premises (other than ordinary office equipment such as calculators, adding machines and typewriters), including, without limitation, all medical equipment.
- F. Location, descriptions, sizes and weights of any equipment or filing systems exceeding fifty (50) pounds per square foot live load.
- G. Location of the telephone equipment room, if any, accompanied by the telephone company's written approval to the same and its specific requirements related thereto.
- H. All critical dimensions necessary for construction of the Leased Premises and Leasehold Improvements.
- I. Identification of any special requirements of Tenant for air conditioning and ventilation of the Leased Premises.
- J. Locations, types and colors of floor coverings.
- K. Locations, types and colors of paint and finishes.
- L. Locations, types and colors of special wall coverings.
- M. Identification of desired signage and special logos, for Landlord's approval, to be incorporated into construction.

2. The Preliminary Plans, and any revisions or changes thereto, shall be prepared by a mutually acceptable licensed architect. The cost of all architectural services shall be deducted from Tenant's Finish Allowance.

3. Within twenty-one (21) days after receipt of the initial Preliminary Plans from Tenant, Landlord shall review the same and advise Tenant of the approximate costs of (i) construction of the Leasehold Improvements in excess of the standard building improvements to be constructed, as set forth on Exhibit J attached to the Lease (the "Standard Building Improvements"), and (ii) all modifications to the Building, its mechanical, electrical or other systems made necessary by the equipment to be installed by Tenant, which such costs are to be paid by Tenant pursuant to the Lease. In the event that Tenant determines that such approximate costs are in excess of the amount which Tenant desires to expend for such work, Tenant may so advise Landlord within five (5) days after Tenant's receipt of notice of such approximate costs. Thereafter, Tenant, at its sole expense, shall revise the Preliminary Plans and deliver such revised Preliminary Plans to Landlord within ten (10) days after Landlord's receipt of notice from Tenant that the initial approximate costs are unacceptable. The failure on the part of Tenant to timely advise Landlord that the approximate costs are unacceptable, or to timely provide revised Preliminary Plans, as the case may be, shall be deemed an acceptance by Tenant of the initial approximate costs provided by Landlord hereunder.

4. After Landlord and Tenant have agreed upon the Preliminary Plans, or ~~Tenant fails to timely advise that the initial approximate costs are unacceptable, as the case may be,~~ the architect shall prepare and furnish to Landlord for its review the architectural drawings and specifications (the "Working Drawings and Specifications") necessary to perform the work to be done by the Landlord hereunder.

5. After receipt of the Working Drawings and Specifications, Landlord shall provide to Tenant for Tenant's review and execution, a letter agreement (the "Letter Agreement"), providing for (i) the construction of all Leasehold Improvements by Landlord, (ii) the payment for the cost of all Standard Building Improvements by Landlord, (iii) the payment of the cost of all improvements by Tenant, other than the Standard Building Improvements and the Leasehold Improvements to be paid by Landlord, (iv) the pre-payment by Tenant of one-half (1/2) of Landlord's estimate of the total cost and fees to be paid by Tenant hereunder upon execution of the Letter Agreement and the payment of remaining amounts due upon substantial completion of the Leasehold Improvements, as determined by Landlord, (v) the payment by Tenant of all costs incurred as a result of any change orders, alterations or revisions to the Preliminary Plans or Working Drawings and Specifications requested by Tenant, and (vi) such other terms as Landlord may reasonably require. Within ten (10) days of Tenant's receipt of the Letter Agreement, Tenant shall execute and return the same to Landlord, accompanied by a certified or cashier's check payable to Landlord, in an amount equal to one-half (1/2) of Landlord's estimate of the total cost and fees to be paid by Tenant hereunder.

6. Following receipt of the Working Drawings and Specifications and the executed Letter Agreement, Landlord shall commence construction of the Leasehold Improvements (provided the Leased Premises are in a stage of completion appropriate for such work, as

determined by Landlord) and shall use reasonable efforts to complete the same as expeditiously as possible.

EXHIBIT F**RULES AND REGULATIONS**

1. The sidewalks, entries, passages, courtyards, corridors, stairways and elevators in and around the Building, shall not be obstructed by the Tenant, its employees or agents, or used by them for other purposes than for ingress and egress to and from the Leased Premises.
2. All safes or other heavy articles shall be carried up or into the Leased Premises only at such times and in such manner as shall be prescribed by the Landlord and the Landlord shall in all cases have the right to specify the proper weight and position of any such safe or other heavy article. Any damage done to the Building by taking in or removing any safe or other heavy article from overloading any floor in any way shall be paid by the Tenant. Defacing or injuring in any way any part of the Leased Premises or Building by the Tenant, or Tenant's invitees, his contractors, agents, employees or representatives, shall be paid for by the Tenant.
3. No sign, advertisement or notice permitted under the terms of this Lease shall be inscribed, painted or affixed on any part of the inside or outside of the Building, unless of such color, size and style, and in such place upon or in the Building, as shall be first designated by the Landlord. Signs on doors and windows which have been approved by Landlord shall be painted, at Tenant's sole expense, by a sign painter designated by Landlord. At least one directory in a conspicuous place in the Building will be provided by Landlord, setting forth the names of all Tenants.
4. No showcases shall be placed in or around the Building or on the Real Property, without prior written consent of the Landlord.
5. Landlord reserves the right to remove all unapproved signs and showcases, without notice to Tenant, at the expense of Tenant.
6. Tenant shall not, without the prior written consent of Landlord, use the name of the Building in connection with its business, except as its address.
7. Tenant shall not, without the prior written consent of Landlord, employ any person or persons for the purpose of cleaning or maintaining the Leased Premises. Landlord shall engage a janitorial service for such purposes; it being understood and agreed that Landlord shall be in no way responsible to Tenant, its agents, representatives, contractors, employees or invitees, for any loss of property, however occurring, or for any damage to Tenant's Personal Property, or the Leasehold Improvements, by the janitor or any of its employees, or by any other person or persons. Any person or persons employed by the Tenant, with the written consent of the Landlord, must be subject to and under the control and direction of the janitorial service engaged by Landlord.
8. The janitorial service of the Building shall at all times keep a pass key to all external entrances to the Leased Premises, and such janitorial service, its employees, agents, and the

Landlord, its employees or agents, shall at all times be allowed admittance to the Leased Premises.

9. No additional locks shall be placed upon any doors without the written consent of the Landlord, nor shall any duplicate keys be made. All necessary keys shall be furnished by Landlord. Upon termination of this Lease, all keys shall be immediately surrendered to Landlord and Tenant shall simultaneously provide Landlord or its agent with the combination of all locks upon the doors of any vaults on the Leased Premises.
10. The floors, skylights and windows, as the case may be, which reflect or admit light into any part of the Building, shall not be covered or obstructed by any Tenant in any way.
11. The water closets and other water fixtures shall not be used for any purpose other than those for which they were constructed, and any damage resulting to them from misuse, or from the defacing or injury of any part of the Building, shall be borne by the person or party who caused such damage. No person shall waste water by interfering with the faucets or otherwise.
12. No person shall disturb the occupants of the Building by the use of any musical instruments, making unseemly noises, or by interference in any way.
13. ~~No dogs or other animals (except Seeing Eye dogs and service/personal assistance dogs)~~ will be allowed in the Building.
14. No bicycles, skateboards, scooters or similar vehicles will be allowed in the Building.
15. Nothing shall be thrown out of the windows of the Building, or down the stairways or other passages.
16. Landlord shall not be liable for any damages from the stoppage of elevators for what Landlord reasonably deems necessary or desirable repairs or improvements.
17. If Tenant desires telegraphic, telephonic or other electric connections, Landlord or its agents will direct the electricians as to where and how the wires may be introduced, and without such directions, no boring or cutting for wires will be permitted.
18. If Tenant desires window coverings, shades or awnings, (other than those included in the Building) they must be of such shape, color, materials and make as shall be prescribed by the Landlord.
19. The Landlord or its agents shall have the right to enter the Leased Premises and examine the same to ensure conformance by Tenant with these Rules and Regulations or to make such repairs, alterations or additions as the Landlord shall deem necessary for the safety, preservation or improvement of the Building.

20. For one month prior to the expiration of this Lease, Landlord or its agents may show the Leased Premises to prospective tenants and may place on the windows or doors thereof, a notice or sign indicating that the Leased Premises is available for lease.
21. Tenant shall be responsible for any damages or injury sustained by other tenants, their guests or invitees, and/or by Landlord, its employees or agents, resulting from the default or carelessness of Tenant, its employees, agents, representatives, guests or invitees.
22. All glass, locks and trimmings, in or about the doors and windows of the Building, and all light fixtures in the Building, shall be kept whole, and whenever broken by the Tenant or its agents or employees, shall be replaced or repaired and put in order by the Tenant, within five (5) calendar days, under the direction and to the satisfaction of Landlord.
23. Building hours shall be 7:00 a.m. to 6:00 p.m. Monday through Friday, excluding holidays.
24. Tenant shall keep all mechanical apparatus free of vibrations and noise which may be transmitted beyond the confines of the Leased Premises.
25. Tenant shall not cause or permit objectionable odors to emanate from the Leased Premises.
26. Tenant shall not permit any agent, employee or representative of Tenant to go onto the roof of the Building, without Landlord's prior written consent.
27. Landlord reserves the right to amend these Rules and Regulations and to make such other Rules and Regulations, from time to time, as Landlord in its sole judgment may deem necessary for the safety, care, cleanliness or preservation of the Leased Premises and/or Building.

EXHIBIT G**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (the "Agreement"), is made as of the ____ day of _____, _____, by and _____, a _____ corporation, (the "Mortgagee"), and _____, an Oklahoma _____ (the "Tenant");

WITNESSETH:

A. The Tenant has entered into a certain Lease Agreement dated _____, _____, (hereinafter referred to as the "Lease"), with _____ (hereinafter referred to as the "Landlord"), which Lease covers the project known as _____, which is located on the real property more particularly described on Exhibit "A" attached hereto and incorporated herein (the "Leased Premises");

B. The Lease is evidenced of record by a Memorandum of Lease recorded in Book _____ at Page _____ of the records of the County Clerk of Oklahoma County, Oklahoma;

C. The Mortgagee, is the holder of a certain Mortgage dated _____, _____, executed by Landlord, covering the Leased Premises, and recorded in Book _____ at Page _____ of the records of Oklahoma County, Oklahoma (the "Mortgage");

D. The Mortgagee has agreed to the extension of credit secured by the Mortgage provided that the Lease is subordinated to the lien of the Mortgage;

E. The Tenant desires to be assured of continued occupancy of the Leased Premises under the terms of the Lease and subject to the terms of the Mortgage.

NOW THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. SUBORDINATION. The Lease is and shall be subject and subordinate to the Mortgage and the lien thereof as it affects the Leased Premises and to all renewals, modifications, consolidations, replacements and extensions of such Mortgage, as fully and as if the Mortgage and all of its renewals, modifications, consolidations, replacements and extensions had been executed, delivered and recorded prior to execution of the Lease.

2. JOINDER IN FORECLOSURE. In the event of foreclosure of the Mortgage, the Mortgagee thereunder will not join the Tenant in foreclosure proceedings so long as the Tenant is not in default under any of the terms, covenants or conditions of the Lease.

3. IMPACT ON LEASE. It is the express intent of the parties hereto that a foreclosure of the Mortgage or the exercise of any other remedies provided therein, or provided in any other instrument securing the indebtedness secured by the Mortgage, or the delivery of a

deed to the Leased Premises in lieu of foreclosure shall not, or itself, result in the termination of the Lease, but any purchaser or other grantee upon foreclosure of the Mortgage or conveyance in lieu of foreclosure shall thereby automatically succeed to the position of the Landlord under the Lease.

4. SUCCESSOR TO LANDLORD. If, by disposition, foreclosure or otherwise, the Mortgagee, its successors or assigns, or any purchaser at a foreclosure sale or otherwise, shall come into possession or become the owner of the Leased Premises, such person shall succeed to the interest of the Landlord under the Lease, and the Lease shall take effect as a lease of the Leased Premises, together with all of the rights and privileges therein contained, between such person and the Tenant for the balance of the Lease Term. The Tenant agrees to attorn to and accept such person as Landlord under the Lease, and to be bound by and to perform all of the obligations imposed by the Lease upon the Tenant therein, and the Mortgagee, its successors or assigns, or any purchaser at a foreclosure sale or otherwise will not disturb the possession of the Tenant, and will be bound by all of the obligations imposed by the Lease upon the Landlord therein; provided, however, that the Mortgagee, or any purchaser at a foreclosure sale or otherwise shall not be:

4.1. liable for any act or omission of a prior landlord (including the Landlord); or

4.2. subject to any offsets or defenses which the Tenant might have against any prior landlord (including the Landlord); or

4.3. bound by any rent or additional rent which the Tenant might have paid in advance to any prior landlord (including the Landlord) for any period beyond the month in which foreclosure, sale or transfer in lieu of foreclosure occurs; or

4.4. bound by any agreement or modification of the Lease made without the written consent of the Mortgagee.

5. EXECUTION OF NEW LEASE. Upon the written request of either Tenant or Mortgagee to the other, given at the time of a foreclosure of the Mortgage or conveyance in lieu of foreclosure which covers the Leased Premises, the parties agree to execute a new lease of the Leased Premises upon the same terms and conditions as the Lease between the Landlord and the Tenant, which lease shall cover only any unexpired term of the Lease existing prior to such foreclosure or conveyance in lieu of foreclosure.

6. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the date first above written.

"MORTGAGEE":

A _____ Corporation

BY: _____
President

"TENANT":

BY: _____
NAME: _____
TITLE. _____

STATE OF _____)
) SS:
COUNTY OF _____)

This instrument was acknowledged before me on this _____ day of _____,
_____ by _____, as _____ of
_____, a _____ corporation.

Commission No. _____
Notary Public
My Commission Expires: _____

(SEAL)

STATE OF _____)
) SS:
COUNTY OF _____)

This instrument was acknowledged before me on this _____ day of _____,
_____, by _____, as _____
of _____.

Commission No. _____
Notary Public
My Commission Expires: _____

(SEAL)

EXHIBIT H
MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE, entered into this ___ day of _____, 20___, by and between Parkway Medical Center, LLC, an Oklahoma limited liability company (the "Landlord"), and _____, a _____, (the "Tenant").

PREMISES

For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the Landlord hereby demises, leases and lets to the Tenant, certain real property and improvements located in the County of Oklahoma, State of Oklahoma, which real property is more particularly described on Exhibit "A" attached hereto and made a part hereof (and which improvements are more particularly described in the Lease hereinafter referenced), together with all the hereditaments, privileges and appurtenances thereto belonging (the "Leased Premises").

TO HAVE AND TO HOLD the Leased Premises for a term of _____ (____) years, commencing on and terminating at 12:00 p.m. on _____, _____ at the rentals and subject to the terms, covenants and conditions appearing in the such Lease between the parties hereto.

The terms, covenants and conditions of the Lease are incorporated herein by reference with the same force and effect as though fully set forth herein.

The purpose of this Memorandum of Lease is to give notice of the existence of such Lease, and it is understood that this Memorandum of Lease shall not modify or amend the Lease in any respect.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

LANDLORD:

PARKWAY MEDICAL CENTER, LLC,
An Oklahoma Limited Liability Company

BY: SNODDY PROPERTIES, INC.,
An Oklahoma Corporation,
Managing Member

BY: _____
James E. Snoddy, President

TENANT: _____

BY: _____

NAME: _____

TITLE: _____

STATE OF OKLAHOMA)
) SS:
 COUNTY OF OKLAHOMA)

This instrument was acknowledged before me on this _____ day of _____, 2003, by James E. Snoddy, as President of SNODDY PROPERTIES, INC., an Oklahoma corporation, as Managing Member of Parkway Medical Center, LLC, an Oklahoma limited liability company.

Commission No. _____ Notary Public

My Commission Expires: _____

(SEAL)

STATE OF _____)
) SS:
 COUNTY OF _____)

This instrument was acknowledged before me on this _____ day of _____, _____, by _____, as _____ of _____.

Commission No. _____ Notary Public

My Commission Expires: _____

EXHIBIT I**LEASE GUARANTY**

IN CONSIDERATION of the execution of the foregoing Lease Agreement (the "Lease") by and between PARKWAY MEDICAL CENTER, LLC, an Oklahoma limited liability company (the "Landlord") and WILLIAM J. HALE, M.D., an individual, (the "Tenant"), and the benefits to be derived by the undersigned (each person signing this Guaranty being referred to jointly and severally as "Guarantor"), and Tenant, Guarantor hereby guarantees to Landlord the absolute, complete and punctual payment and performance of the obligations of Tenant in the Lease, including the payment of all Rent (as defined in the Lease), and other amounts owing or owed by Tenant to Landlord. Guarantor's obligation is an absolute, unconditional, continuing guaranty of payment and performance by Tenant and will not terminate until Tenant has paid in full all amounts owing to Landlord and performed all of Tenant's obligations under the Lease.

Guarantor agrees that Guarantor's liability under this Guaranty will not be released, reduced, impaired or affected by the occurrence of any one or more of the following events: Landlord's obtaining collateral from Tenant or any other person to secure payment or performance under the Lease; the assumption of liability by any other person (whether as guarantor or otherwise) for payment or performance under the Lease; the release, surrender, exchange, loss, termination, waiver or other discharge of any collateral securing payment or performance under the Lease; the subordination, relinquishment or discharge of Landlord's rights relating to the Lease or any collateral; the full or partial release from liability of Tenant or any other person who may be liable for payment or performance under the Lease; the death, insolvency, bankruptcy, reorganization, disability, discharge, waiver or other exoneration of Tenant, any party holding any interest in Tenant, or any other person who may be liable for payment or performance under the Lease; the assignment by Landlord, renewal or amendment of the Lease or of any one or more provisions of the Lease (in which event this Guaranty shall cover all obligations of Tenant under the Lease as so renewed or amended); the failure, delay, waiver or refusal by Landlord to exercise any right or remedy held by Landlord under the Lease or by law; the sale, encumbrance, transfer or other modification of Tenant's interest under the Lease; the invalidity, unenforceability or insufficiency of any one or more of the terms of the Lease or any collateral securing payment or performance; or the failure of Guarantor to receive notice of any one or more of the foregoing actions or events.

Landlord may, at Landlord's option, proceed to enforce this Guaranty directly against Guarantor without first proceeding against Tenant or any other person liable for payment or performance under the Lease and without first proceeding against or exhausting any collateral held by Landlord to secure payment or performance under the Lease.

Guarantor waives diligence, presentment, protest, notice of dishonor, demand for payment, notice of nonpayment or nonperformance, notice of acceptance of this Guaranty and all other notices of any nature in connection with the exercise of Landlord's rights under the Lease or this Guaranty. Guarantor waives all rights to setoffs and counterclaims against Landlord and agrees that any rights which Guarantor might now or in the future have against Tenant will be subordinate, junior and inferior to all rights which Landlord might now or in the future have against Tenant.

This Guaranty will be binding on Guarantor and all heirs, personal representatives, successors and assigns of Guarantor and will inure to the benefit of Landlord and all successors and assigns of Landlord. Guarantor consents to the assignment of all or any portion of the rights of Landlord hereunder in connection with any assignment of the rights of Landlord under the Lease, without notice to Guarantor.

Dated: January _____, 2004

GUARANTOR:



William J. Hale, M.D., an individual

Address:
105 S. Bryant, Suite 410
Edmond, OK 73034

ACKNOWLEDGMENTS

STATE OF _____)
COUNTY OF _____) SS:

This instrument was acknowledged before me on this _____ day of January, 2004,
by William J. Hale, M.D., an individual.

Commission No. _____
My Commission Expires: _____

Notary Public

(SEAL)

EXHIBIT J

STANDARD BUILDING IMPROVEMENTS

In addition to the Leasehold Improvements, Landlord at Landlord's expense, shall construct and/or provide the following items for the Leased Premises (the "Standard Building Improvements"):

- Mini blinds
 - Demising walls, sheet rock, tape and bed
 - Main HVAC with thermostat, no run outs or grills
 - Main sprinkler system loop (no stub outs)
 - Ceiling grid
 - Hot water (no stub outs)
 - Domestic cold water (no stub outs)
-
- Sewer/drain (loop, no stub outs)
 - Electrical service to electric closet with breakers
 - Phone board in electric closet
 - Common area door and one (1) glass/wood door at private entrance

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT OF LEASE is made as of the 2nd day of March, 2006, between Parkway Medical Center, L.L.C an Oklahoma limited liability company (hereinafter called Landlord) and William J Hale, M.D , (hereinafter called Tenant).

WHEREAS, by agreement of lease made as of the 30th day of June, 2004, (hereinafter called the Lease) Landlord leased to Tenant certain premises in a building known as Parkway Medical Center, Suite 202, located at 14100 Parkway Commons Drive, Oklahoma City, Oklahoma, 73134, more particularly set forth in the Lease, and

WHEREAS, Landlord and Tenant desire to amend the Lease by this First Amendment of Lease.

NOW, THEREFORE, Landlord and Tenant do hereby agree as follows

- 1 Page 2, Paragraph 1.5, "Term Commencement Date" shall be amended as follows:

"Term Commencement Date": The Term Commencement Date of the Lease Term shall be November 1, 2005.

- 2 Page 2, Paragraph 1.6, "Term Expiration Date" shall be amended as follows:

"Term Expiration Date": The Term Expiration Date of the Lease Term shall be October 31, 2015.

- 3 Page 2, Paragraph 1.7, "Building Actual Usable Area" shall be amended as follows.

"Building Actual Usable Area": The total square footage of the Building, less and except all Common Areas, but including all space located in the Building to be leased to tenants, whether occupied or unoccupied, and which, for the purpose of this Lease, is agreed to be approximately 22,161 square feet

- 4 Page 2, Paragraph 1.8, "Building Net Rentable Area" shall be amended as follows

"Building Net Rentable Area": One hundred fifteen percent (115%) of the Building Actual Usable Area which equals approximately 25,485 square feet

- 5 Page 2, Paragraph 1.10, "Leased Premises" shall be amended as follows

"Leased Premises": The space in the Building leased to Tenant hereunder, as identified on a mutually agreeable outline of the Leased Premises attached to this Lease as Exhibit C - Revised Leased Premises The suite number of the Leased Premises shall be Suite 202

- 6 Page 3, Paragraph 1.11, "Tenant's Actual Usable Area", shall be amended as follows

"Tenant's Actual Usable Area": The area of the Leased Premises being approximately 2,610-square feet, calculated within the boundaries defined by (i) any exterior building walls (measured to the outside surface of the outer glass walls and the midpoint of the outer finished

walls), (ii) the centerline of any common wall separating such area from the areas leased or to be leased to other tenants, and (iii) the exterior of any walls separating such area from Common Areas. No deductions from Tenant's Actual Usable Area have been or will be made for space occupied by columns, walls, or other intrusions, which constitute components of the Building. The actual square footage of the Tenant's Actual Usable Area shall be set forth on Exhibit C - Revised Leased Premises, which is attached hereto as provided in Paragraph 1.10 above.

7. Page 3, Paragraph 1.14, "Minimum Rental", shall be amended as follows:

"Minimum Rental": The sum of \$591,679.12 during the Lease Term, payable in monthly installments as set forth on the Rent Schedule attached hereto as Exhibit D - Revised Minimum Rent.

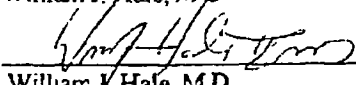
8. All provisions of the Lease are ratified and affirmed by Landlord and Tenant and shall apply to this First Amendment to Lease except as amended herein and the terms of said Lease, as amended herein, shall continue in full force and effect and shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.
9. Executed effective the day and year first hereinabove written.

LANDLORD: Parkway Medical Center, L.L.C.,
an Oklahoma limited liability company

BY Snoddy Properties, Inc.,
an Oklahoma corporation, Managing Member

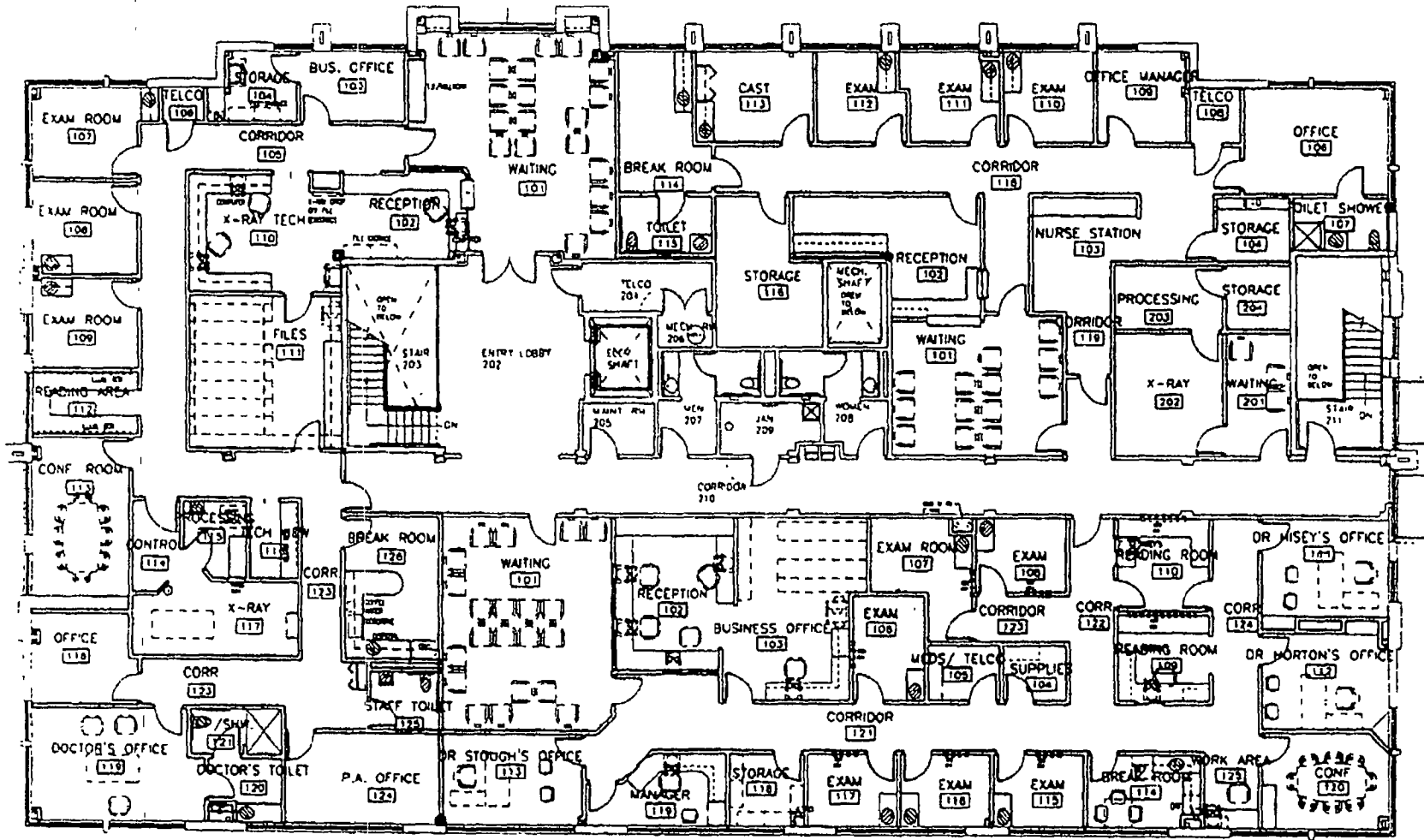
BY 
James E. Snoddy, President

TENANT: William J. Hale, M.D.

BY 
William J. Hale, M.D.

Attachments:

Exhibit C - Revised Leased Premises
Exhibit D - Revised Minimum Rent



SECOND FLOOR PLAN

**EXHIBIT D - Revised Minimum Rent
RENT SCHEDULE**

BUILDING. Parkway Medical Center
TENANT WILLIAM HALE, M.D.

Sq.Ft	3,002	r.s.f.	T.I.	\$	-
Term/Yrs	10		Interest		0%
Base Rent Rate	\$	19.71	Term/Yrs		0
Term Rent	\$	591,679.12			
			TOTAL.	\$	-
	2% ANNUAL INCREASE		monthly:	\$	-

GRAND TOTAL: \$ 591,679.12 \$ 19.71 psf

	ANNUAL RENT	MO. RENT	BASE PSF	T.I. PSF	TOTAL PSF
Year 1	\$ 54,036.00	\$ 4,503.00	\$ 18.00	\$ -	\$ 18.00
Year 2	\$ 55,116.72	\$ 4,593.06	\$ 18.36	\$ -	\$ 18.36
Year 3	\$ 56,219.05	\$ 4,684.92	\$ 18.73	\$ -	\$ 18.73
Year 4	\$ 57,343.44	\$ 4,778.62	\$ 19.10	\$ -	\$ 19.10
Year 5	\$ 58,490.30	\$ 4,874.19	\$ 19.48	\$ -	\$ 19.48
Year 6	\$ 59,660.11	\$ 4,971.68	\$ 19.87	\$ -	\$ 19.87
Year 7	\$ 60,853.31	\$ 5,071.11	\$ 20.27	\$ -	\$ 20.27
Year 8	\$ 62,070.38	\$ 5,172.53	\$ 20.68	\$ -	\$ 20.68
Year 9	\$ 63,311.79	\$ 5,275.98	\$ 21.09	\$ -	\$ 21.09
Year 10	\$ 64,578.02	\$ 5,381.50	\$ 21.51	\$ -	\$ 21.51
TOTAL	\$ 591,679.12		\$ 19.71 psf		\$ 19.71 psf

Lease Agreement

Dated June 30, 2004, and
First Amendment dated March 2, 2006,

Between

Parkway Medical Center, LLC, Landlord,
and
William J. Hale, M.D.

Now

Assignment of Lease

From William J. Hale, M.D., to
Mercy Physicians of Oklahoma, Inc.
“Tenant”

Parkway Medical Center
14100 Parkway Commons Drive
SUITE 202
Oklahoma City, OK 73134

August 1, 2010,
through
October 31, 2015

With Consent to Lease Assignment

ASSIGNMENT OF LEASEHOLD INTERESTS

THIS ASSIGNMENT OF LEASEHOLD INTERESTS is executed effective this 1st day of August, 2010, by William J. Hale, M.D., having an office address of 14100 Parkway Commons Drive, Suite 202, Oklahoma City, Oklahoma 73134 (the "Assignor"), to and for the benefit of Mercy Physicians of Oklahoma, Inc. an Oklahoma not for profit corporation, having an office address of 4300 W. Memorial Road, Oklahoma City, OK 73120 (the "Assignee").

PREMISES

A. On or before the date hereof, Assignor has conveyed to Assignee substantially all of Assignor's tangible and intangible personal property relating to the operation of a medical office located in Parkway Medical Center, Oklahoma City, Oklahoma, with a street address of 14100 Parkway Commons Drive, Suite 202, Oklahoma City, Oklahoma 73134 (the "Premises"), which Premises Assignor has or is occupying pursuant to the terms of that Lease Agreement dated the 30th day of June, 2004, and amended by First Amendment to Lease dated the 2nd day of March, 2006, between Parkway Medical Center, L.L.C., an Oklahoma limited liability company (the "Landlord"), and Assignor, as Tenant, as such Lease Agreement has been renewed, extended and modified up to the effective date hereof (the "Lease"); and

B. By means of this instrument, the Assignor desires to assign to the Assignee all of its right, title and interest, including Assignor's personal guaranty as found on Exhibit I of the Lease Agreement, in and to the Premises and the Lease (collectively the "Leasehold Interests").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Assignor hereby assigns, transfers and sets over unto the Assignee all of the Leasehold Interests.

Assignee hereby assumes and agrees to perform the obligations of Assignor, as the Tenant holding under the Leasehold Interests but only to the extent such obligations accrue and are to be performed from and after the date hereof, but Assignee does not accept any liability or assume the obligations of Assignor in regard to acts or omissions of Assignor with respect to the Leasehold Interests prior to the date hereof

Assignor hereby covenants and warrants that (i) Assignor has not heretofore assigned or hypothecated any portion of the Leasehold Interests, (ii) Assignor is not in default under any of its obligations under the Leasehold Interests, and (iii) the Landlord is not presently in default under any obligation owed to Assignor pursuant to the Leasehold Interests.

Assignee hereby attorns to the Landlord and agrees that upon Landlord's execution of the consent set forth hereinbelow, Assignee shall become the Tenant under the Lease to the same

extent as if Assignee had originally executed the Lease, subject however, to the terms set forth hereinabove.

Executed effective the day and year first hereinabove written.

"Assignor"

By: William J. Hale, M.D.
William J. Hale, M.D.

"Assignee"

Mercy Physicians of Oklahoma, Inc.
an Oklahoma not for profit corporation

By: [Signature]

Title: CEO

CONSENT

Landlord hereby consents to the foregoing Assignment effective this 1st day of August, 2010

"Landlord"

Parkway Medical Center, L.L.C.,
an Oklahoma limited liability company

BY: Snoddy Properties, Inc.,
an Oklahoma corporation, Managing Member

BY: [Signature]
James E. Snoddy, President

AN AGREEMENT BETWEEN
THE UNIVERSITY OF SOUTH ALABAMA COLLEGE OF NURSING
AND

Mercy Physicians of Oklahoma Inc.

(Name of Agency)

City Oklahoma City State Oklahoma

The purpose of this agreement is to provide a working relationship between the University of South Alabama College of Nursing and Mercy Physicians of Oklahoma Inc. in providing learning opportunities
(Agency)

for Helen Vogt who is enrolled in CMN 573 Advanced Nursing Practicum 2 for Summer 2011
(Student) (Course No. and Name) (Semester)

This agreement between the University of South Alabama and Mercy Physicians of Oklahoma Inc.
(Agency)

will be effective from May, 2011 through December 20, 2011
(Beginning Date) (Ending Date)

Both parties agree:

Professional liability insurance coverage will be maintained by each party to this agreement in amounts deemed adequate by both parties with costs of the coverage borne by the University of South Alabama for the students and by the agency for themselves. As evidence of such coverage, each will furnish to the other a certificate of such insurance prior to commencement of this agreement and annually thereafter. Such certificate shall provide that the aforementioned coverage cannot be materially altered or canceled without at least thirty (30) days written notice received by the other party. Failure of either party to obtain and maintain such coverage shall be grounds for immediate termination of this agreement.

University of South Alabama College of Nursing agrees:

1. That faculty from the University of South Alabama College of Nursing will provide indirect supervision for nursing students engaged in a mutually agreeable practicum experience with a preceptor at the agency.
2. That faculty of the College of Nursing will initiate and/or participate in conferences as mutually agreed upon with a designee of the agency for the purpose of discussing objectives of the learning experiences and student performance in caring for patients.
3. That the nursing faculty and students will work in accordance with the agency procedures and policies in making plans for the practicum experience.
4. That during the term of this Agreement the College of Nursing shall endeavor to maintain approval and accreditation standards accepted and required by the state Board of Nursing and national and regional accrediting bodies.
5. That to the best of the College of Nursing's knowledge all nursing students have met health and immunization requirements as outlined in the University of South Alabama College of Nursing Health Policy prior to clinical experiences.

The Agency agrees:

1. To make available to the nursing faculty and the student of the University of South Alabama College of Nursing a mutually agreeable preceptor and the clinical facilities of the agency.
2. To inform the faculty of changes in policies and procedures as they pertain to and affect the students and faculty of the University of South Alabama College of Nursing participating in preceptorships at the agency.
3. That the agency is responsible for all care and supervision of the services rendered to its patients.
4. To provide emergency medical care to University of South Alabama College of Nursing students and faculty in the event of an accident or illness that occurs while the student or faculty are at the agency. The cost of such care shall be borne by the individual receiving the care, except to the extent the agency is deemed negligent or willful.
5. That during the term of this Agreement the agency shall endeavor to maintain J.C.A.H.O. or other accreditation/approval appropriate to the facility.

The University of South Alabama College of Nursing students shall:

1. Abide by existing policies, rules, and regulations of the agency and the University of South Alabama College of Nursing.
2. Assume responsibility for personal illness occurring during clinical hours.
3. Wear college name tags at all times during their clinical rotation at the agency and wear uniforms or other attire acceptable to the University of South Alabama College of Nursing and the agency during clinical hours.
4. Respect the confidential nature of all information, which may come to them with regard to patients and patient records.

Signatures:

Helen Vogt 4-28-11
 Student Signature Date

Address: 4708 Pinon Ct
 Norman, OK 73072
 Telephone: 405-694-8400
 Email: hbv901@jaguar1.usouthal.edu

Helen Vogt, RN
 Student Name - Typed

 Faculty Facilitator Date

Address: USA College of Nursing
 HAHN Bldg/Room
 307 University Drive North
 Mobile AL 36688-0002
 Telephone: 334-701-1948
 Email: nturnham@aol.com

Dr. Nancy Turnham
 Faculty Facilitator - Typed

 Preceptor Date

Lauren Hopkins, D.O.
 Preceptor - Typed

Address: Mercy Physicians of Oklahoma Inc.
 1919 E. Memorial, Oklahoma City, OK 73008
 Telephone: 405-341-7009
 Email: laurenpope@hotmail.com

 Appropriate Agency Official Date

Address: Mercy Physicians of Oklahoma Inc.
 1919 E. Memorial
 Oklahoma City, OK 73008
 Telephone: 405-752-3419
 Email: robin.vorel@mercy.net

 Typed

Return to:
 Dean, College of Nursing
 UNIVERSITY OF SOUTH ALABAMA
 HAHN Bldg/Room 3071
 307 University Drive North
 Mobile, Alabama 36688-0002

DCD/as6/09/2010

The University of South Alabama College of Nursing students shall:

1. Abide by existing policies, rules, and regulations of the agency and the University of South Alabama College of Nursing.
2. Assume responsibility for personal illness occurring during clinical hours.
3. Wear college name tags at all times during their clinical rotation at the agency and wear uniforms or other attire acceptable to the University of South Alabama College of Nursing and the agency during clinical hours.
4. Respect the confidential nature of all information, which may come to them with regard to patients and patient records.

Signatures:

Helen Vogt 4-28-11
Student Signature Date

Address: 4708 Pinon Ct
Norman, OK 73072
Telephone: 405-884-8400
Email: hbv901@jaguar1.usouthal.edu

Helen Vogt, RN

Student Name - Typed

Nancy Turnham 5/10/2014
Faculty Facilitator Date

Address: USA College of Nursing
HAHN Bldg/Room
307 University Drive North
Mobile AL 36688-0002
Telephone: 334-701-1948
Email: nturnham@aol.com

Dr. Nancy Turnham

Faculty Facilitator - Typed

Preceptor Date

Lauren Hopkins, D.O.

Preceptor - Typed

Address: Mercy Physicians of Oklahoma Inc.
1919 E. Memorial, Oklahoma City, OK 73008
Telephone: 405-341-7009
Email: laurenpope@hotmail.com

Appropriate Agency Official Date

Address: Mercy Physicians of Oklahoma Inc.
1919 E. Memorial
Oklahoma City, OK 73008
Telephone: 405-752-3419
Email: robin.vorel@mercy.net

Typed

Return to:
Dean, College of Nursing
UNIVERSITY OF SOUTH ALABAMA
HAHN Bldg/Room 3071
307 University Drive North
Mobile, Alabama 36688-0002

DCD/ms6/09/2010

2

DCT/mw/09/2010

Return to:
Dean, College of Nursing
UNIVERSITY OF SOUTH ALABAMA
HAHN Bldg/Room 3071
307 University Drive North
Mobile, Alabama 36688-0002

Typed

Address: Mary Physicians of Oklahoma Inc.
1818 E. Memorial
Oklahoma City, OK 73008
Telephone: 405-341-7009
Email: robh.vorel@mercy.net

Appropriate Agency Official
Date 4/29/11

Preceptor - Typed

Address: Mary Physicians of Oklahoma Inc.
1818 E. Memorial, Oklahoma City, OK 73008
Telephone: 405-341-7009
Email: lauren.pope@hotmail.com

Preceptor
Date 4/29/11

Faculty Facilitator - Typed

Address: USA College of Nursing
HAHN Bldg/Room
307 University Drive North
Mobile AL 36688-0002
Telephone: 334-701-1946
Email: mturnham@aol.com

Faculty Facilitator
Date

Student Name - Typed

Address: 4708 Pinon Ct
Norman, OK 73072
Telephone: 405-894-8400
Email: hbv601@jaguar1.usouthal.edu

Student Signature
Date

Signatures:

1. Abide by existing policies, rules, and regulations of the agency and the University of South Alabama College of Nursing.
2. Assume responsibility for personal illness occurring during clinical hours.
3. Wear college name tags at all times during their clinical rotation at the agency and wear uniforms or other attire acceptable to the University of South Alabama College of Nursing and the agency during clinical hours.
4. Respect the confidential nature of all information, which may come to them with regard to patients and patient records.

The University of South Alabama College of Nursing students shall:

AGREEMENT
Between
Mercy Physicians of Oklahoma, Inc.
and
Northern Oklahoma College

THIS AGREEMENT, made and entered into as of this 11th day of February 2011 (the "Effective Date") between Mercy Physicians of Oklahoma, Inc. hereinafter referred to as **AGENCY** and Northern Oklahoma College, hereinafter referred to as **SCHOOL**.

WITNESSETH:

WHEREAS, AGENCY is desirous of assisting **SCHOOL** in the development of a program for students who are nursing majors, and

WHEREAS, SCHOOL recognizes the need for such a program to be established to meet the needs for the local and national community and in the interest of assisting the health care community. The **SCHOOL** is agreeable to establish such a program with the **AGENCY'S** assistance and participation which shall be limited to functions as set out herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, it is agreed by and between **AGENCY** and **SCHOOL**, as follows, to wit:

1. **AGENCY** will make available to **SCHOOL** the facilities for students to have on-site experience which is pertinent and meaningful for students enrolled in the nursing major.
2. The administration of the total operation at the **AGENCY** shall be the responsibility of and under control and supervision of **AGENCY** and shall be administered through the staff.
3. The administration and general supervision of the **SCHOOL** instruction shall be the responsibility of and under the control and supervision of the **SCHOOL** and shall be administered through the **SCHOOL** staff. **AGENCY** will provide the administration and general supervision of the individuals provided to by **SCHOOL** while those individuals are at the **AGENCY**.
4. Prior to the first on-site experience, the **SCHOOL** will provide the following information about the participants to the **AGENCY**:
 - 4.1 Student's names
 - 4.2 Schedules and activities to be carried out throughout the experience
 - 4.3 Theory objectives
 - 4.4 Academic coordinator's name, address, office and home telephone numbers
 - 4.5 Information on physical and educational requirements per **AGENCY** policy
5. The **AGENCY** will assume administrative responsibility for providing competent supervision of the individuals while they are at the **AGENCY**. The **SCHOOL** shall assume academic responsibility for all classroom instruction of the **SCHOOL** students.

6. The responsibility for selecting student experiences, planning the schedule of student assignments and the number of students receiving experiences at **AGENCY** will be mutually agreed upon by **AGENCY** and **SCHOOL**.
7. **AGENCY** will designate a representative to work jointly with the Administration of the **SCHOOL** and said **AGENCY'S** representative will serve in a liaison capacity with **SCHOOL** faculty. The **AGENCY** and **SCHOOL** representatives will evaluate the experience to determine performance improvement outcome.
8. The **AGENCY** shall, on reasonable advance notice, permit inspection of facilities, records, or other items relating to the experience of students, by the **SCHOOL** and/or its accrediting agencies.
9. **SCHOOL** will assume full academic and administrative responsibility for the planning and execution of the educational program in nursing, including, but not limited to, administration, programming, curriculum content, and faculty appointment, requirements for student admission, matriculation, promotion and graduation.
10. Should the occasion arise, all **SCHOOL** students and instructors will be furnished emergency care and treatment as is available by the **AGENCY** until the individual can be transferred to the care of a personal physician. Charges for such care provided to **SCHOOL** students or faculty are the responsibility of the individual student or faculty.
11. **SCHOOL** agrees to furnish verification of liability insurance covering the participating students. **AGENCY** shall maintain insurance in amounts sufficient to cover its responsibilities hereunder.
12. **SCHOOL** shall direct both students and instructors to comply with applicable published rules and regulations of **AGENCY**, including **JCAHO**. **AGENCY** will be responsible for providing orientation to instructors and students as to rules and regulations of the **AGENCY** and any changes thereto.
13. **SCHOOL**, along with **SCHOOL'S** students, shall respect and conscientiously observe the confidential nature of all information which may come to either or all of them, individually or collectively, with respect to patients and patients' records.
14. **SCHOOL** accepts the condition that no student or **SCHOOL** faculty member is to be considered an employee of the **AGENCY** under this Agreement. It is understood by the parties that the **AGENCY** will not be paid for its services or for the use of its facilities, nor will the **SCHOOL** faculty or the students receive any monetary compensation whatsoever from **AGENCY** for their involvement with this contract.
15. **AGENCY** may exclude from the on-site experience any student or faculty whose professional conduct or health status is a detriment to the successful completion of the on-site experience or the welfare of the patients, or whose performance continues to fall below the level required to do practice. However, **AGENCY** must first notify the **SCHOOL** of the problems thereby affording the **SCHOOL** an opportunity to address and correct such problems.
16. **SCHOOL** and **AGENCY** will mutually agree to appropriate attire, including identification badges for students and faculty, which will meet **AGENCY** standards.

17. This Agreement shall be effective on the Effective Date and shall continue until further notice of **AGENCY**. It may be terminated by either upon ninety (90) days written notice thereof. provided, however, that students shall be allowed to complete their on-site experiences should termination occur during a semester. Either party may terminate the Agreement immediately in the event of material breach of the Agreement.
18. The **AGENCY** has complete responsibility for the quality of care rendered to patients
19. This Agreement and/or rights, duties and obligations hereunder may not be assigned by either party.
20. The Agreement shall be governed by the laws of the State of Oklahoma without regard to its conflict of laws provisions.
21. As applicable, the provisions of Executive Order 11246, as amended by EO 11375 and EO 11141 and as supplemented in Department of Labor regulation (41 CFR Part 60 et. Seq.) are incorporated into this Agreement and must be included in any subcontracts awarded involving this Agreement. The parties represent that all services are provided without discrimination on the basis of race, color, religion, national origin, disability, political beliefs, sex, or veteran's status; they do not maintain nor provide for their employees any segregated facilities, nor will the parties permit their employees to perform their services at any location where segregated facilities are maintained. In addition, the parties agree to comply with the applicable provisions of Section 504 of the Rehabilitation Act and Vietnam Era Veteran's Assistance Act of 1974, 38 U.S.C 4212.

22 CONFIDENTIALITY AND SECURITY OF PROTECTED HEALTH INFORMATION

To the extent any provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPPA"), including but not limited to the Privacy Rule and Security Rule, apply to the parties and their function or activities under the Agreement, the parties agree to the terms below. Each party acknowledges that it may have or obtain access to confidential protected health information ("PHI") of the other party, including but not limited to individually identifiable health information, some of which may be Electronic Protected Health Information ("Electronic PHI") Electronic PHI includes PHI that is transmitted by or maintain in an electronic media, as defined in the Security Rule.

Each party may use PHI solely to perform its duties and responsibilities under the Agreement and only as provided in the Agreement. Each party acknowledges and agrees that PHI is confidential and shall not be used or disclosed, in whole or in part, except as provided in Agreement or as required by law. Specifically, each party agrees it will:

- (a) not use or further disclose PHI except as permitted in the Agreement or as required by law, and in such case, use or disclose PHI only consistent with the minimum necessary requirements of HIPPA;
- (b) protect and appropriately safeguard from any oral and written disclosure all confidential information, regardless of the types of media on which it is stored, with which it may come contact;

- (c) implement appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of Electronic PHI that it creates, receives, maintains, or transmits for or on behalf of the other party, and make its policies, procedures, and documentation required by Security Rule available to the Secretary of the Department of Health and Human Services in compliance with the Security Rule,
- (d) prevent use or disclosure of PHI by its subcontractors, vendors, and agents, other than as permitted by the Agreement or as required by law;
- (e) require that all of its subcontractors, vendors, and agents to whom it provides PHI or that create, receive, use, disclose, or have access to PHI pursuant to the terms of this Agreement shall agree to all of the same restrictions and conditions to which the party is bound and agree to implement reasonable and appropriate safeguards to protect Electronic PHI;
- (f) report any use or disclosure of PHI that is not permitted under the Agreement immediately upon becoming aware of it and mitigate any harmful effects known to it of a use or disclosure made in violation of the Agreement;
- (g) report and require its subcontractors, vendors, and agents to report any Security Incident, as defined in the Security Rule, with respect to Electronic PHI,
- (h) to the extent allowed by law, to indemnify the other for all claims, liabilities, costs, and damages arising out of or in any manner related to its disclosure, of any PHI or to the breach of any obligation related to PHI;
- (i) make PHI available in accordance with the Privacy Rule;
- (j) make PHI available for amendment and incorporate any amendments to PHI in accordance with the Privacy Rule;
- (k) within 15 days of receiving a request from another party, make the information required to provide an accounting of disclosures available in accordance with the Privacy Rule;
- (l) make its internal practices, books, and records related to the use and disclosure of PHI received from or created or received by one party on behalf of the other available to the Secretary of Health and Human Services, governmental officers and agencies, and OU for the purpose of determining compliance with the Privacy Rule;
- (m) upon termination of the Agreement, return or destroy all PHI, if feasible, received from or created or received on behalf of the other which it maintain in any form, and retain no copies of such information. If such return or destruction is not feasible, will extend the precautions of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible;
- (n) comply with all applicable laws and regulations related to privacy and security, specifically including, but not limited to, HIPPA; and
- (o) require that its subcontractors, vendors, and agents comply with these terms and to the extent allowed by law, indemnify the other for failure to do so.

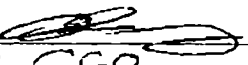
Each party recognizes that any breach of confidentiality or misuse of information may result in the termination of the Agreement and/or legal action. Said termination may be immediate and need not comply with any termination provision in the parties' Agreement. Unauthorized disclosure may cause irreparable injury to the patient or to the owner of such information.

Except as otherwise limited in the Agreement, each party may use or disclose PHI or Electronic PHI to perform the function, activities, and services for, or on behalf of, the other, as specified in the Agreement, provided that such use or disclosure would not violate applicable HIPPA provisions if done by it.

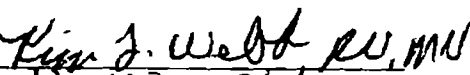
23. This Agreement constitutes the entire Agreement between the parties and supersedes all prior agreements, arrangements, and understandings relating to the subject matters hereof. Any modifications hereto shall be valid only if set forth in writing and signed by all parties hereto.

If this contract is executed in duplicate, each of which will be regarded as an original by both parties.

Mercy Physicians of Oklahoma, Inc.

By: 
Title: CEO

Northern Oklahoma College

By:  KIM J. WEBB R.N., M.S.
Title: Nursing Chair

AGREEMENT
Between
Mercy Physicians of Oklahoma, Inc.
and
Murray State College

THIS AGREEMENT, made and entered into as of this 28 day of February, 2011 (the "Effective Date") between Mercy Physicians of Oklahoma, Inc. hereinafter referred to as **AGENCY** and Murray State College hereinafter referred to as **SCHOOL**.

WITNESSETH:

WHEREAS, AGENCY is desirous of assisting **SCHOOL** in the development of a program for individuals for students who are nursing majors, and

WHEREAS, SCHOOL recognizes the need for such a program to be established to meet the needs for the local and national community and in the interest of assisting the health care community. The **SCHOOL** is agreeable to establish such a program with the **AGENCY'S** assistance and participation which shall be limited to functions as set out herein

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, it is agreed by and between **AGENCY** and **SCHOOL**, as follows, to wit.

- 1 **AGENCY** will make available to **SCHOOL** the facilities for students to have on-site experience which is pertinent and meaningful for students enrolled in the nursing major.
2. The administration of the total operation at the **AGENCY** shall be the responsibility of and under control and supervision of **AGENCY** and shall be administered through the staff.
3. The administration and general supervision of the **SCHOOL** instruction shall be the responsibility of and under the control and supervision of the **SCHOOL** and shall be administered through the **SCHOOL** staff. **AGENCY** will provide the administration and general supervision of the individuals provided to by **SCHOOL** while those individuals are at the **AGENCY**.
- 4 Prior to the first on-site experience, the **SCHOOL** will provide the following information about the participants to the **AGENCY**:
 - 4.1 Student's names
 - 4.2 Schedules and activities to be carried out throughout the experience
 - 4.3 Theory objectives
 - 4.4 Academic coordinator's name, address, office and home telephone numbers
 - 4.5 Information on physical and educational requirements per **AGENCY** policy
- 5 The **AGENCY** will assume administrative responsibility for providing competent supervision of the individuals while they are at the **AGENCY**. The **SCHOOL** shall -- assume academic responsibility for all classroom instruction of the **SCHOOL** students --

6. The responsibility for selecting student experiences, planning the schedule of student assignments and the number of students receiving experiences at **AGENCY** will be mutually agreed upon by **AGENCY** and **SCHOOL**.
7. **AGENCY** will designate a representative to work jointly with the Administration of the **SCHOOL** and said **AGENCY**'S representative will serve in a liaison capacity with **SCHOOL** faculty. The **AGENCY** and **SCHOOL** representatives will evaluate the experience to determine performance improvement outcome
8. The **AGENCY** shall, on reasonable advance notice, permit inspection of facilities, records, or other items relating to the experience of students, by the **SCHOOL** and/or its accrediting agencies.
9. **SCHOOL** will assume full academic and administrative responsibility for the planning and execution of the educational program in nursing science, including, but not limited to, administration, programming, curriculum content, and faculty appointment, requirements for student admission, matriculation, promotion and graduation
10. Should the occasion arise, all **SCHOOL** students and instructors will be furnished emergency care and treatment as is available by the **AGENCY** until the individual can be transferred to the care of a personal physician. Charges for such care provided to **SCHOOL** students or faculty are the responsibility of the individual student or faculty.
11. **SCHOOL** agrees to furnish verification of liability insurance covering the participating students. **AGENCY** shall maintain insurance in amounts sufficient to cover its responsibilities hereunder.
12. **SCHOOL** shall direct both students and instructors to comply with applicable published rules and regulations of **AGENCY**, including **JCAHO**. **AGENCY** will be responsible for providing orientation to instructors and students as to rules and regulations of the **AGENCY** and any changes thereto.
13. **SCHOOL**, along with **SCHOOL**'S students, shall respect and conscientiously observe the confidential nature of all information which may come to either or all of them, individually or collectively, with respect to patients and patients' records
14. **SCHOOL** accepts the condition that no student or **SCHOOL** faculty member is to be considered an employee of the **AGENCY** under this Agreement. It is understood by the parties that the **AGENCY** will not be paid for its services or for the use of its facilities, nor will the **SCHOOL** faculty or the students receive any monetary compensation whatsoever from **AGENCY** for their involvement with this contract.
15. **AGENCY** may exclude from the on-site experience any student or faculty whose professional conduct or health status is a detriment to the successful completion of the on-site experience or the welfare of the patients, or whose performance continues to fall below the level required to do practice. However, **AGENCY** must first notify the **SCHOOL** of the problems thereby affording the **SCHOOL** an opportunity to address and correct such problems.
16. **SCHOOL** and **AGENCY** will mutually agree to appropriate attire, including identification badges for students and faculty, which will meet **AGENCY** standards

17. This Agreement shall be effective on the Effective Date and shall continue until further notice of **AGENCY**. It may be terminated by either upon ninety (90) days written notice thereof. provided, however, that students shall be allowed to complete their on-site experiences should termination occur during a semester. Either party may terminate the Agreement immediately in the event of material breach of the Agreement.
18. The **AGENCY** has complete responsibility for the quality of care rendered to patients.
19. This Agreement and/or rights, duties and obligations hereunder may not be assigned by either party.
20. The Agreement shall be governed by the laws of the State of Oklahoma without regard to its conflict of laws provisions.
21. As applicable, the provisions of Executive Order 11246, as amended by EO 11375 and EO 11141 and as supplemented in Department of Labor regulation (41 CFR Part 60 et. Seq.) are incorporated into this Agreement and must be included in any subcontracts awarded involving this Agreement. The parties represent that all services are provided without discrimination on the basis of race, color, religion, national origin, disability, political beliefs, sex, or veteran's status; they do not maintain nor provide for their employees any segregated facilities, nor will the parties permit their employees to perform their services at any location where segregated facilities are maintained. In addition, the parties agree to comply with the applicable provisions of Section 504 of the Rehabilitation Act and Vietnam Era Veteran's Assistance Act of 1974, 38 U.S.C. 4212

22. CONFIDENTIALITY AND SECURITY OF PROTECTED HEALTH INFORMATION

To the extent any provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including but not limited to the Privacy Rule and Security Rule, apply to the parties and their function or activities under the Agreement, the parties agree to the terms below. Each party acknowledges that it may have or obtain access to confidential protected health information ("PHI") of the other party, including but not limited to individually identifiable health information, some of which may be Electronic Protected Health Information ("Electronic PHI"). Electronic PHI includes PHI that is transmitted by or maintain in an electronic media, as defined in the Security Rule.

Each party may use PHI solely to perform its duties and responsibilities under the Agreement and only as provided in the Agreement. Each party acknowledges and agrees that PHI is confidential and shall not be used or disclosed, in whole or in part, except as provided in Agreement or as required by law. Specifically, each party agrees it will:

- (a) not use or further disclose PHI except as permitted in the Agreement or as required by law, and in such case, use or disclose PHI only consistent with the minimum necessary requirements of HIPAA;
- (b) protect and appropriately safeguard from any oral and written disclosure all confidential information, regardless of the types of media on which it is stored, with which it may come contact;

- (c) implement appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of Electronic PHI that it creates, receives, maintains, or transmits for or on behalf of the other party, and make its policies, procedures, and documentation required by Security Rule available to the Secretary of the Department of Health and Human Services in compliance with the Security Rule;
- (d) prevent use or disclosure of PHI by its subcontractors, vendors, and agents, other than as permitted by the Agreement or as required by law;
- (e) require that all of its subcontractors, vendors, and agents to whom it provides PHI or that create, receive, use, disclose, or have access to PHI pursuant to the terms of this Agreement shall agree to all of the same restrictions and conditions to which the party is bound and agree to implement reasonable and appropriate safeguards to protect Electronic PHI;
- (f) report any use or disclosure of PHI that is not permitted under the Agreement immediately upon becoming aware of it and mitigate any harmful effects known to it of a use or disclosure made in violation of the Agreement;
- (g) report and require its subcontractors, vendors, and agents to report any Security Incident, as defined in the Security Rule, with respect to Electronic PHI;
- (h) to the extent allowed by law, to indemnify the other for all claims, liabilities, costs, and damages arising out of or in any manner related to its disclosure, of any PHI or to the breach of any obligation related to PHI;
- (i) make PHI available in accordance with the Privacy Rule;
- (j) make PHI available for amendment and incorporate any amendments to PHI in accordance with the Privacy Rule;
- (k) within 15 days of receiving a request from another party, make the information required to provide an accounting of disclosures available in accordance with the Privacy Rule;
- (l) make its internal practices, books, and records related to the use and disclosure of PHI received from or created or received by one party on behalf of the other available to the Secretary of Health and Human Services, governmental officers and agencies, and OU for the purpose of determining compliance with the Privacy Rule;
- (m) upon termination of the Agreement, return or destroy all PHI, if feasible, received from or created or received on behalf of the other which it maintain in any form, and retain no copies of such information. If such return or destruction is not feasible, will extend the precautions of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible;
- (n) comply with all applicable laws and regulations related to privacy and security, specifically including, but not limited to, HIPAA; and
- (o) require that its subcontractors, vendors, and agents comply with these terms and to the extent allowed by law, indemnify the other for failure to do so

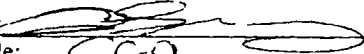
Each party recognizes that any breach of confidentiality or misuse of information may result in the termination of the Agreement and/or legal action. Said termination may be immediate and need not comply with any termination provision in the parties' Agreement. Unauthorized disclosure may cause irreparable injury to the patient or to the owner of such information.

Except as otherwise limited in the Agreement, each party may use or disclose PHI or Electronic PHI to perform the function, activities, and services for, or on behalf of, the other, as specified in the Agreement, provided that such use or disclosure would not violate applicable HIPAA provisions if done by it.

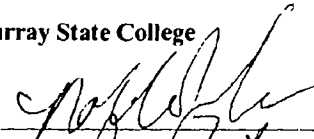
23. This Agreement constitutes the entire Agreement between the parties and supersedes all prior agreements, arrangements, and understandings relating to the subject matters hereof. Any modifications hereto shall be valid only if set forth in writing and signed by all parties hereto.

If this contract is executed in duplicate, each of which will be regarded as an original by both parties.

Mercy Physicians of Oklahoma, Inc.

By: 
Title: CEO

Murray State College

By: 
Title: President

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
Clinics	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Board of Regents of the University of Oklahoma	12173.13595C	Clinical Affiliation Agreement	7/1/2013	6/30/2014	Pediatric Residency Program
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Board of Regents of the University of Oklahoma	12173.10315C	Clinical Affiliation Agreement	4/16/2012	4/16/2017	Medical Education Program Student Agreement
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Board of Regents of the University of Oklahoma Health Sciences Center	12173.10460C	Clinical Affiliation Agreement	4/16/2012	4/16/2017	Clinical Affiliation Agreement - Medical Education
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Board of Regents of the University of Oklahoma Health Sciences Center	12173.10470C	Clinical Affiliation Agreement	5/1/2012	6/30/2014	Affiliated Health
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy	BYU-Idaho Department of Nursing	12173.13501C	Clinical Affiliation Agreement	7/8/2013	7/7/2014	Nursing

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
	Physicians of Oklahoma, Inc.						
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Canadian Valley Technology Center	<u>12173.13232C</u>	Clinical Affiliation Agreement	4/23/2013	4/22/2014	Medical Assistant and PSSTS Program
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Chisolm Trail Technology Center	<u>12173.10002C</u>	Clinical Affiliation Agreement	3/15/2012	3/14/2014	Health careers students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Concordia University	<u>12173.13643C</u>	Clinical Affiliation Agreement	8/13/2013	8/12/2014	Nursing Practitioner Programs
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Eastern Virginia Medical School	<u>12173.9962C</u>	Clinical Affiliation Agreement	3/14/2012	3/13/2015	Agreement for physician assistant program
Human Resources	Mercy Clinic Oklahoma	Francis Tuttle Technology	<u>12173.12470C</u>	Clinical Affiliation	1/28/2013	1/27/2015	Medical Assistant - LPN Programs

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
	Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Center		Agreement			
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Georgetown University	<u>12173.13233C</u>	Clinical Affiliation Agreement	5/30/2013	5/29/2017	Nurse Practitioner Program Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Graceland University	<u>12173.13608C</u>	Clinical Affiliation Agreement	7/30/2013	7/29/2014	Nurse Practitioner Program Students
Administration	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Harding University	<u>12173.12457C</u>	Clinical Affiliation Agreement	1/16/2013	1/15/2015	Physician Assistant Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Indiana State University	<u>12173.13622C</u>	Clinical Affiliation Agreement	7/18/2013	7/17/2014	Master's Family Nurse Practitioner Programs

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Maryville University	<u>12173.13234C</u>	Clinical Affiliation Agreement	3/28/2013	3/27/2014	Nurse Practitioner Program Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Metro Tech Technology Centers	<u>12173.12839C</u>	Clinical Affiliation Agreement	2/11/2013	2/10/2014	Medical Assistant and LPN Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Metro Technology Centers	<u>12173.8786C</u>	Clinical Affiliation Agreement	10/7/2011	10/6/2014	Nursing Student Agreement
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Moore Norman Technology Center	<u>12173.12896C</u>	Clinical Affiliation Agreement	4/12/2013	4/11/2014	Medical Assistant and LPN Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Murray State College	<u>12173.7284C</u>	Clinical Affiliation Agreement	2/28/2011	2/27/2015	Nursing students

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
	Physicians of Oklahoma, Inc.						
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Northern Oklahoma College	<u>12173.7062C</u>	Clinical Affiliation Agreement	2/11/2011	2/10/2014	Nursing - Clinical Affiliation Agreement - Enid
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Oklahoma City University	<u>12173.11948C</u>	Clinical Affiliation Agreement	10/18/2012	10/17/2014	Nurse Practitioner Program
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Samford University	<u>12173.12895C</u>	Clinical Affiliation Agreement	3/20/2013	3/19/2014	Nurse Practitioner Program Students
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Texas Tech University Health Sciences Center	<u>12173.12899C</u>	Clinical Affiliation Agreement	3/6/2013	3/5/2014	Nurse Practitioner Program Students
Human Resources	Mercy Clinic Oklahoma	University of Central	<u>12173.9858C</u>	Clinical Affiliation	2/1/2012	1/31/2014	Graduate Athletic Training Education

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
	Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Oklahoma		Agreement			Program - Department of Kinesiology & Health Studies
Clinics	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	University of Central Oklahoma Speech-Language Pathology	<u>12173.12825C</u>	Clinical Affiliation Agreement	4/4/2013	4/3/2014	Speech Therapy Program Students
Clinics	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	University of Cincinnati College of Nursing	<u>12173.12828C</u>	Clinical Affiliation Agreement	3/18/2013	3/17/2014	Nurse Practitioner Program
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	University of Oklahoma College of Nursing	<u>12173.15445C</u>	Clinical Affiliation Agreement	2/1/2014	1/21/2017	OKC (HR) - Nursing Degree Program
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	University of South Alabama	<u>12173.14874C</u>	Clinical Affiliation Agreement	10/17/2013	10/16/2014	OKC (HR) - Clinical Affiliation Agreement for Nurse Practitioner program

<u>Department</u>	<u>Contracting Entity</u>	<u>Vendor (Other Party)</u>	<u>Contract No.</u>	<u>Contract Type</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Description</u>
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	University of South Alabama College of Nursing	<u>12173.7429A</u>	Clinical Affiliation Agreement	5/1/2011	12/20/2011	Helen Vogt Clinical Affiliation Agreement
Human Resources	Mercy Clinic Oklahoma Communities, Inc. fka Mercy Physicians of Oklahoma, Inc.	Wilson School of Nursing	<u>12173.8848C</u>	Clinical Affiliation Agreement	8/30/2011	8/29/2014	Nurse Practitioner Students

**SCHEDULE R
(Form 990)**Department of the Treasury
Internal Revenue Service**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

▶ Attach to Form 990.

▶ See separate instructions.

OMB No 1545-0047

2011
Open to Public
Inspection

Name of the organization

**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**Employer identification number
27-0473057**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
MERCY ACCESS, LLC - 37-1594503 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	CLINIC OPERATIONS	OKLAHOMA	504,283.	120,617.	MERCY CLINIC OKLAHOMA COMMUNITIES
MERCY CARE, LLC - 27-1304342 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	BILLING AND PHYSICIAN COMP REVIEW	OKLAHOMA	5,257,819.	841,354.	MERCY CLINIC OKLAHOMA COMMUNITIES
MEMORIAL MED GRP EMERGENCY PHYSICIANS, LLC - 26-0261710, 1011 14TH NW, ARDMORE, OK 73401	PHYSICIAN SERVICES	OKLAHOMA	0.	0.	MERCY CLINIC OKLAHOMA COMMUNITIES
MS CENTER OF OKLAHOMA, LLC - 74-3125527 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	PHYSICIAN SERVICES	OKLAHOMA	81,024.	0.	MERCY CLINIC OKLAHOMA COMMUNITIES

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
ADVANCE CARE HOSPITAL - 71-0816634 300 WERNER ST, 3RD FLOOR HOT SPRINGS, AR 71913	LONG TERM ACUTE-CARE HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH		X
CASA DE MISERICORDIA - 74-2912461 1602 MCCLELLAND STREET LAREDO, TX 78044	WOMEN'S DOMESTIC VIOLENCE SHELTER	TEXAS	501C3	7	MERCY MINISTRIES OF LAREDO		X
LAREDO MEDICAL GROUP - 74-2764726 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	9	MERCY HEALTH SYSTEM TX		X
MCAULEY PORTFOLIO MGMT CO - 26-1708048 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	PORTFOLIO MANAGEMENT	MISSOURI	501C3	11-II	MERCY HEALTH		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2011

Schedule R (Form 990)

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY CLINIC EAST COMMUNITIES - 43-1771217 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	PHYSICIAN GROUP	MISSOURI	501C3	9	MERCY HEALTH EAST COMMUNITIES		X
MERCY CLINIC FORT SMITH COMM - 26-1318597 7301 ROGERS AVENUE FORT SMITH, AR 72917	PHYSICIAN CLINIC	ARKANSAS	501C3	9	MERCY HEALTH FORT SMITH COMM		X
MERCY CLINIC HOT SPRINGS COMM - 26-1125131 1 MERCY LANE HOT SPRINGS, AR 71913	PHYSICIAN CLINIC	ARKANSAS	501C3	9	MERCY HEALTH HOT SPRINGS COMM		X
MERCY CLINIC SPRINGFIELD COMM - 43-1560263 1965 FREMONT STREET, SUITE 2950 SPRINGFIELD, MO 65804	PHYSICIAN GROUP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY FAMILY CENTER - 72-1069468 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	FAMILY COUNSELING SERVICES	MISSOURI	501C3	7	MERCY HEALTH		X
MERCY FDTN HEALTH INNOV - 20-0901499 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH - 43-1423050 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	HEALTH SYSTEM - CORPORATE OFFICE	MISSOURI	501C3	1	N/A		X
MERCY HEALTH EAST COMMUNITIES - 43-1718408 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	HEALTH SYSTEM	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH FORT SMITH COMM - 26-1318515 7301 ROGERS AVENUE FORT SMITH, AR 72917	HOLDING COMPANY	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH FOUNDATION ARDMORE - 71-0962525 1011 14TH AVENUE NW ARDMORE, OK 73401	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HOSPITAL ARDMORE		X
MERCY HEALTH FOUNDATION BERRYVILLE - 71-0759301, 214 CARTER STREET, BERRYVILLE, AR 72616	FOUNDATION	ARKANSAS	501C3	11-I	MERCY HOSPITAL BERRYVILLE		X
MERCY HEALTH FOUNDATION FT SCOTT - 48-1077073, 401 WOODLAND HILLS BLVD, FORT SCOTT, KS 66701	FOUNDATION	KANSAS	501C3	11-III	MERCY KANSAS COMMUNITIES, INC.		X

Schedule R (Form 990)

**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HEALTH FOUNDATION HOT SPRINGS - 71-0804718, 300 WERNER STREET, HOT SPRINGS, AR 71913	FOUNDATION	ARKANSAS	501C3	11-II	MERCY HOSPITAL HOT SPRINGS		X
MERCY HEALTH FOUNDATION INDEPENDENCE - 48-1079981, 800 W. MYRTLE, INDEPENDENCE, KS 67301	FOUNDATION	KANSAS	501C3	11-I	MERCY KANSAS COMMUNITIES, INC.		X
MERCY HEALTH FOUNDATION JOPLIN - 27-0906136 2817 ST. JOHNS BLVD JOPLIN, MO 64804	FOUNDATION	MISSOURI	501C3	11-I	MERCY HEALTH SW MO/KS COMM		X
MERCY HEALTH FOUNDATION NW ARK - 71-0601687 2710 RIFE MEDICAL LN ROGERS, AR 72858	FOUNDATION	ARKANSAS	501C3	11-III	MERCY HOSPITAL ROGERS		X
MERCY HEALTH FOUNDATION OK CITY - 73-1593024 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HOSPITAL OKLAHOMA CITY		X
MERCY HEALTH FOUNDATION OF OK - 45-4732301 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	FOUNDATION	OKLAHOMA	501C3	11-I	MERCY HEALTH OK COMMUNITIES		X
MERCY HEALTH FOUNDATION SPRINGFIELD - 32-0195818, 1235 E. CHEROKEE STREET, SPRINGFIELD, MO 65804	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HEALTH FOUNDATION STL - 56-2410020 615 SOUTH NEW BALLAS ROAD ST. LOUIS, MO 63141	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH EAST COMMUNITIES		X
MERCY HEALTH FOUNDATION WASHINGTON - 56-2410022, 901 E. FIFTH STREET, WASHINGTON, MO 63090	FOUNDATION	MISSOURI	501C3	11-II	MERCY HEALTH EAST COMMUNITIES		X
MERCY HEALTH HOT SPRINGS COMM - 26-1125064 300 WERNER STREET HOT SPRINGS, AR 71913	HOLDING COMPANY	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH NW ARK COMMUNITIES - 62-1684203 2710 RIFE MEDICAL LN ROGERS, AR 72758	PHYSICIAN GROUP	ARKANSAS	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH OK COMMUNITIES - 73-1453048 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	HOLDING COMPANY	OKLAHOMA	501C3	11-II	MERCY HEALTH		X

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MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HEALTH SW MO/KS COMM - 30-0584463 2817 ST. JOHNS BLVD JOPLIN, MO 64804	HEALTH SYSTEM	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH SPRINGFIELD COMM - 43-1856028 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	HOLDING COMPANY	MISSOURI	501C3	11-II	MERCY HEALTH		X
MERCY HEALTH SYSTEM TX - 74-2764727 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	11-II	MERCY HEALTH		X
MERCY HOME HEALTH BERRYVILLE - 87-0781247 804 W FREEMAN, SUITE 4 BERRYVILLE, AR 72616	HOME HEALTH AND HOSPICE OPERATIONS.	ARKANSAS	501C3	11-III	MERCY HOSPITAL SPRINGFIELD		X
MERCY HOSPITAL ARDMORE - 73-1500629 1011 14TH AVENUE NW ARDMORE, OK 73401	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL AURORA - 43-1936696 500 PORTER AVENUE AURORA, MO 65605	OPERATING CO FOR LEASED HOSP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL BERRYVILLE - 71-0759299 214 CARTER STREET BERRYVILLE, AR 72616	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL CARTHAGE - 45-3808607 3125 DR. RUSSELL SMITH WAY CARTHAGE, MO 64836	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL CASSVILLE - 43-1936699 94 MAIN STREET CASSVILLE, MO 65625	OPERATING CO FOR LEASED HOSP	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL COLUMBUS - 27-0842031 220 PENNSYLVANIA AVENUE COLUMBUS, KS 66725	CRITICAL ACCESS HOSPITAL	MISSOURI	501C3	9	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL EL RENO - 27-2716065 2115 PARKVIEW DRIVE EL RENO, OK 73036	OPERATING CO FOR LEASED HOSP	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL FORT SMITH - 71-0240352 7301 ROGERS AVENUE FORT SMITH, AR 72917	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH FORT SMITH COMM		X

Schedule R (Form 990)

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HOSPITAL HEALDTON - 26-3173902 918 SOUTH STREET HEALDTON, OK 73438	HOSPITAL	OKLAHOMA	501C3	3	MERCY HOSPITAL ARDMORE		X
MERCY HOSPITAL HOT SPRINGS - 71-0236913 300 WERNER STREET HOT SPRINGS, AR 71913	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH HOT SPRINGS COMM		X
MERCY HOSPITAL JOPLIN - 27-0814858 2817 ST. JOHNS BLVD JOPLIN, MO 64804	HOSPITAL	MISSOURI	501C3	9	MERCY HEALTH SW MO/KS COMM		X
MERCY HOSPITAL LEBANON - 43-1767432 100 HOSPITAL DRIVE LEBANON, MO 65536	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL LOGAN COUNTY, INC. - 45-2998842, 200 SOUTH ACADEMY, GUTHRIE, OK 73044	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL OF LAREDO - 74-1189682 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	INACTIVE	TEXAS	501C3	3	MERCY HEALTH SYSTEM TX		X
MERCY HOSPITAL OKLAHOMA CITY - 73-0579285 4300 W. MEMORIAL ROAD OKLAHOMA CITY, OK 73120	HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITAL OZARK - 71-0689680 801 W. RIVER STREET OZARK, AR 72949	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL PARIS - 71-0655753 500 E. ACADEMY PARIS, AR 72855	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL ROGERS - 71-0294390 2710 RIFE MEDICAL LN ROGERS, AR 72758	HOSPITAL	ARKANSAS	501C3	3	MERCY HEALTH NW ARK COMMUNITIES		X
MERCY HOSPITAL SPRINGFIELD - 44-0552485 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY HOSPITAL TISHOMINGO - 27-4433830 1000 SOUTH BYRD TISHOMINGO, OK 73460	HOSPITAL	OKLAHOMA	501C3	3	MERCY HOSPITAL ARDMORE		X

Schedule R (Form 990)

**MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.**

27-0473057

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
MERCY HOSPITAL WALDRON - 71-0557895 1341 W. 6TH STREET WALDRON, AR 72958	HOSPITAL	ARKANSAS	501C3	3	MERCY HOSPITAL FORT SMITH		X
MERCY HOSPITAL WATONGA, INC. - 45-5199762 500 CLARENCE NASH BLVD WATONGA, OK 73772	LEASED HOSPITAL	OKLAHOMA	501C3	3	MERCY HEALTH OK COMMUNITIES		X
MERCY HOSPITALS EAST COMM - 43-0653493 645 MARYVILLE CTR DR STE 100 ST. LOUIS, MO 63141	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH EAST COMMUNITIES		X
MERCY KANSAS COMMUNITIES, INC. - 48-0956045 401 WOODLAND HILLS BLVD FT. SCOTT, KS 66701	HOSPITAL; RURAL HEALTH CLINICS	KANSAS	501C3	3	MERCY HEALTH SW MO/KS COMM		X
MERCY MEDICAL RESEARCH INST - 87-0796305 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	RESEARCH - CLINICAL TRIALS	MISSOURI	501C3	4	MERCY HEALTH SPRINGFIELD COMM		X
MERCY MINISTRIES OF LAREDO - 20-0198462 2500 ZACATECAS LAREDO, TX 78043	HEALTHCARE, OUTREACH, FOOD PANTRY.	TEXAS	501C3	7	MERCY HEALTH		X
MERCY ST. FRANCIS HOSPITAL - 44-0607149 100 W. HIGHWAY 60 MOUNTAIN VIEW, MO 65548	HOSPITAL	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X
MERCY SUPPORT SERVICES - 43-1677952 615 S. NEW BALLAS ROAD ST. LOUIS, MO 63141	INACTIVE	MISSOURI	501C3	11-III	MERCY HOSPITALS EAST COMM		X
MHM SUPPORT SERVICES - 20-2553101 14528 S OUTER FORTY ST 100 CHESTERFIELD, MO 63017	CENTRALIZED HEALTH SYSTEM FUNCTIONS	MISSOURI	501C3	11-II	MERCY HEALTH		X
MISSION CLINICAL SERVICES - 13-4239691 300 WERNER STREET HOT SPRINGS, AR 71913	PHYSICIAN CLINICS	ARKANSAS	501C3	9	MERCY HEALTH HOT SPRINGS COMM		X
ST. EDWARD MERCY FOUNDATION - 23-7330425 PO BOX 17000 FORT SMITH, AR 72917	FOUNDATION	ARKANSAS	501C3	7	MERCY HOSPITAL FORT SMITH		X
ST. JOHNS CHILDRENS HOSP 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	INACTIVE	MISSOURI	501C3	3	MERCY HEALTH SPRINGFIELD COMM		X

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule R (Form 990) 2011 F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

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Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportion- ate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
SOUTHERN OKLAHOMA DIAG CTR, LLC - 43-1971232, 1011 FOURTEENTH AVENUE NW, ARDMORE, OK 73401	MRI SERVICES	OK	MERCY HOSPITAL ARDMORE, INC.	N/A				X	N/A		X	
RESOURCE OPTIMIZ & INNOV, LLC - 46-0468368, 645 MARYVILLE CTR DR, STE 200, ST. LOUIS, MO 63141	CENTRAL DISTRIBUTION CENTER	MO	MHN, INC - MHN SR, INC.	N/A				X	N/A		X	
MERCY AMBULATORY SURGERY CENTER, LLC - 71-0827721, 7301 ROGERS AVENUE, FORT SMITH, AR 72917	AMBULATORY SURGERY CENTER	AR	MERCY HOSPITAL FORT SMITH	N/A				X	N/A		X	
FORT SMITH EMERGENCY MEDICAL SERVICES - 71-0416615, 1701 SOUTH GREENWOOD, FORT SMITH, AR 72901	EMERGENCY MEDICAL SERVICES	AR	MERCY HOSPITAL FORT SMITH	N/A				X	N/A		X	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
MERCY COMM SERVICES, INC. - 48-1078101 401 WOODLAND HILLS BLVD. FORT SCOTT, KS 66701	RETAIL PHARMACY	KS	MERCY KANSAS COMM INC	C CORP			
FRONTENAC PROPERTIES, INC. - 52-1914421 14528 S. OUTER FORTY, SUITE 100 CHESTERFIELD, MO 63017	HOLDS ANCILLARY ASSETS & OWNS AIRCRAFT	DE	MERCY HEALTH	C CORP			
INVENO HEALTH, INC. - 26-4509571 1235 E. CHEROKEE STREET SPRINGFIELD, MO 65804	TECHNOLOGY TRANSFER COMPANY	MO	MERCY HEALTH SPRINGFIELD COMM	C CORP			
UNITY SUPPORT SERVICES, INC. - 43-1797042 645 MARYVILLE CENTRE DRIVE, SUITE 100 ST. LOUIS, MO 63141	INACTIVE	MO	MERCY HEALTH EAST COMMUNITIES	C CORP			
UH L CORP., INC. - 74-2499535 645 MARYVILLE CENTRE DRIVE, SUITE 100 ST. LOUIS, MO 63141	HOLDING COMPANY	MO	MERCY HEALTH SERVICES, LLC	C CORP			

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Schedule R (Form 990)

27-0473057

Part IV Continuation of Identification of Related Organizations Taxable as a Corporation or Trust[illegible]

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

Schedule R (Form 990) 2011

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Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Sale of assets to related organization(s)

g Purchase of assets from related organization(s)

h Exchange of assets with related organization(s)

i Lease of facilities, equipment, or other assets to related organization(s)

j Lease of facilities, equipment, or other assets from related organization(s)

k Performance of services or membership or fundraising solicitations for related organization(s)

l Performance of services or membership or fundraising solicitations by related organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n Sharing of paid employees with related organization(s)

o Reimbursement paid to related organization(s) for expenses

p Reimbursement paid by related organization(s) for expenses

q Other transfer of cash or property to related organization(s)

r Other transfer of cash or property from related organization(s)

	Yes	No
1a		X
1b		X
1c		X
1d		X
1e		X
1f		X
1g		X
1h		X
1i		X
1j		X
1k		X
1l		X
1m		X
1n	X	
1o	X	
1p	X	
1q		X
1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) MERCY HEALTH	P	485,536.	
MERCY HEALTH NETWORK OF THE SOUTHERN			
(2) REGION, INC.	O	52,013.	
(3) MERCY HEALTH NETWORK, INC.	O	177,712.	
(4) MERCY HEALTH OKLAHOMA COMMUNITIES, INC.	O	3,558,797.	
(5) MERCY HOSPITAL ARDMORE, INC.	N	73,327.	
(6) MERCY HOSPITAL ARDMORE, INC.	P	2,621,114.	

Schedule R (Form 990)

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.
F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

27-0473057

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) MERCY HOSPITAL LOGAN COUNTY, INC.	P	671,227.	
(8) MERCY HOSPITAL OKLAHOMA CITY, INC.	N	327,353.	
(9) MERCY HOSPITAL OKLAHOMA CITY, INC.	P	109,813,269.	
(10) MHM SUPPORT SERVICES	O	8,580,025.	
(11) RESOURCE OPTIMIZATION & INNOVATION, LLC	O	780,146.	
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule R (Form 990) 2011

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC.

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Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

MERCY CLINIC OKLAHOMA COMMUNITIES, INC.

Schedule R (Form 990) 2011

F/K/A MERCY PHYSICIANS OF OKLAHOMA, INC. 27-0473057 Page 5

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Lined area for supplemental information.

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 28th day of January, 2011 (the "Effective Date") by and between MERCY PHYSICIANS OF OKLAHOMA, INC., an Oklahoma not-for-profit corporation ("Buyer"), NORTHSIDE DIGESTIVE DISEASES, INC., an Oklahoma corporation ("Seller"), and the undersigned individuals who own all of the issued and outstanding stock of Seller (collectively referred to herein as "Owners").

RECITALS:

A. Seller owns and operates a physician practice with its principal place of business located at 4200 W. Memorial Road, Suite 901, in Oklahoma City, Oklahoma at which Seller provides physician and other ancillary services to the community (the "Business");

B. Seller owns the furniture and equipment, patient records, inventory, supplies and certain other assets utilized by Seller in the Business; and

C. Seller desires to sell certain assets of Seller related to the Business to Buyer, and Buyer desires to purchase such assets, pursuant to the terms and conditions set forth herein.

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

ARTICLE I

DEFINITIONS

"Agreement" shall have the meaning set forth in the introductory paragraph above.

"Assets" shall have the meaning set forth in Section 2.01 of this Agreement.

"Assumed Contracts" shall have the meaning set forth in Section 2.01(c) of this Agreement.

"Assumed Liabilities" shall have the meaning set forth in Section 2.03 of this Agreement.

"Business" shall have the meaning set forth in the Recitals above.

"Buyer" shall have the meaning set forth in the introductory paragraph above.

"Closing" shall mean the consummation and effectuation of the transactions contemplated herein pursuant to the terms and conditions of this Agreement as such shall be held on the Closing Date and at such time and place as is mutually agreed upon by the parties hereto.

"Closing Date" shall mean 12:01 a.m. on February 1, 2011 or, if all corporate, third party, and governmental approvals necessary to consummate the transaction have not been obtained by such date, within ten (10) days following the receipt of all required approvals.

"Consents" shall have the meaning set forth in Section 4.09 of this Agreement.

"Effective Date" shall have the meaning set forth in the introductory paragraph above.

"Encumbrances" shall mean all security interests, liens, pledges, claims, charges, escrows, encumbrances, encroachments, rights of first refusal, subleases, conditional sales agreements, options, mortgages, indentures, easements, licenses, restrictions or other covenants, agreements, understandings, obligations, defects or irregularities affecting title to any of the Assets.

"Excluded Assets" shall have the meaning set forth in Section 2.02 of this Agreement.

"Excluded Liabilities" shall have the meaning set forth in Section 2.04 of this Agreement.

"Non-Physician Personnel" shall have the meaning set forth in Section 7.03 of this Agreement.

"Owners" shall have the meaning set forth in the introductory paragraph above.

"Purchase Price" shall have the meaning set forth in Section 2.05 of this Agreement.

"Seller" shall have the meaning set forth in the introductory paragraph above.

ARTICLE II

SALE OF ASSETS

Section 2.01. Sale of Assets. Subject to the terms and conditions of this Agreement, Seller hereby assigns, transfers and delivers to Buyer, free and clear of all Encumbrances, all right, title and interest in and to the following assets (collectively, the "Assets"):

(a) All of Seller's interest in the tangible personal property identified in Schedule 2.01(a) attached hereto and all other office equipment, furniture, fixtures, inventory and supplies owned by Seller and used in connection with the operation of the Business;

(b) All medical or patient records relating to past and present patients of Seller and Owners, as well as, to the extent transferable, all electronic health record software, licenses and maintenance and support agreements that Seller and/or Owners have currently entered or that Seller and/or Owners currently possess;

(c) All rights under those contracts, agreements, leases, commitments, and other instruments relating to the Business and listed on Schedule 2.01(c), to the extent transferable and assumable (the "Assumed Contracts"); and

(d) All manufacturer's and vendor's warranties relating to the assets described in subparagraphs (a) and (b) above, to the extent transferable.

Section 2.02. Excluded Assets. Notwithstanding anything to the contrary set forth in Section 2.01 above, Seller shall keep and retain title to and ownership of and shall not transfer, assign or deliver to Buyer any of the following assets and properties, all of which shall remain the exclusive property of Seller (collectively, the "Excluded Assets"):

(a) All cash and cash equivalents generated in connection with the operation of the Business prior to the Closing Date;

(b) All accounts receivable and notes receivable generated in connection with the operation of the Business prior to the Closing Date;

(c) The Medicare provider agreements and related provider numbers used in the operation of the Business;

(d) The corporate seals, charter documents, taxpayer and other identification numbers, by-laws, minute books, stock record books and other documents relating to the organization, maintenance and existence of Seller as a corporation;

(e) All rights of Seller under this Agreement (or under any side agreement between Seller on the one hand and Buyer on the other hand entered into on or after the date of this Agreement); and

(f) All other assets of Seller not specifically identified in Section 2.01.

The parties further acknowledge that the tangible personal property located at the offices of Seller includes certain personal property of the Owners. The Assets shall not include any personal property of any of the Owners.

Section 2.03. Assumed Liabilities. As partial consideration for the transfer, assignment, and delivery of the Assets to Buyer, and upon the terms and subject to the conditions set forth in this Agreement, the Buyer shall assume, pay and perform the following liabilities and obligations of Seller (collectively, the "Assumed Liabilities") from and after the Closing Date, and no others: All liabilities and obligations of Seller arising in the ordinary course of business after the Closing Date under the Assumed Contracts.

Section 2.04. Excluded Liabilities. Except for the Assumed Liabilities, Buyer shall not assume, pay or perform any indebtedness, liabilities or other obligations of Seller, all of which shall remain the sole and exclusive obligation of Seller (collectively, the "Excluded Liabilities").

Section 2.05. Consideration for Sale and Transfer. As the consideration for the Assets and the other covenants and agreements set forth herein, Buyer shall pay to Seller an amount equal to Sixty Thousand and NO/100 Dollars (\$60,000.00) (the "Purchase Price"). The Purchase Price shall be paid at Closing to Seller through wire transfer or delivery of other immediately available funds.

Section 2.06. Allocation. The contribution of the Assets to Buyer and assumption of the Assumed Liabilities by Buyer shall be allocated as described in Schedule 2.06. Buyer and Seller agree to report the contribution of the Assets and Assumed Liabilities to Buyer on a basis consistent with the terms of this Agreement and such allocation in their respective financial records, statements and forms prepared or filed pursuant to reporting requirements under the Internal Revenue Code of 1986, as amended, including, but not limited to, the preparation of Internal Revenue Service Form 8594, and not to take any contrary position with respect thereto.

Section 2.07. Further Acts and Assurances. Each party shall at any time and from time to time at and after Closing, upon request of the other party, take any and all steps necessary to effectuate the terms of this Agreement and will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required for the better transferring and conveying to Buyer, or for reducing to its possession, any or all of the Assets and for any other transaction contemplated herein.

Section 2.08. Proration of Certain Expenses. Personal property taxes and other prepaid expenses relating to the Assets and/or the operation of the Business (e.g., software license fees and insurance premiums for professional liability insurance) shall be prorated through the Closing Date based on the latest information available.

ARTICLE III

INTENTIONALLY OMITTED

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER AND OWNERS

Seller and Owners, jointly and severally, represent and warrant to Buyer as follows:

Section 4.01. Organization and Standing of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate the Assets and to carry on the Business as and where it is now being conducted.

Section 4.02. Authority; Binding Effect. Seller has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Seller has taken all action required by law and by Seller's Certificate of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Seller and Owners enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally.

Section 4.03. No Conflicts. Except as described in Schedule 4.09, neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Seller or any Owner hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Seller's Articles of Incorporation or Bylaws, or any provision of any agreement to which Seller or such Owner is a party or by which it, he or she is bound.

Section 4.04. Title to Assets.

(a) Except as otherwise provided in this Section 4.04, Seller has or will have on the Closing Date good and marketable title to all of the Assets free and clear of all Encumbrances (including, without limitation, UCC filings).

(b) The Bill of Sale and such other assignments and other instruments to be executed and delivered by Seller at Closing will be valid, binding and enforceable in accordance with their respective terms, and will effectively vest in Buyer good and marketable title to all the Assets.

Section 4.05. Defaults and Consents. Except as described in Schedule 4.09, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement will not (a) result in any material liability to Seller; (b) constitute a violation of or a default under, or a conflict with, any order, writ, injunction or decree of any court, governmental agency or arbitration tribunal, or any contract, commitment, indenture, lease,

sublease or other agreement, or any other restriction of any kind to which Seller is a party or by which Seller is bound; (c) cause, or give any party grounds to cause (with or without notice, the passage of time or both), the maturity of any material liability or obligation of Seller to be accelerated, or increase any such liability or obligation; or (d) require on the part of Seller any consent, approval or authorization of, or declaration, filing or registration with, any governmental or regulatory authority.

Section 4.06. No Litigation. Except as set forth in Schedule 4.06, there is no litigation, arbitration, governmental claim, investigation or proceeding pending or threatened against Seller or otherwise affecting the Business or the Assets, at law or in equity, before any court, arbitration tribunal or governmental agency.

Section 4.07. Court Orders, Decrees and Laws. There are no outstanding or, to the knowledge of the Owners, threatened orders, writs, injunctions or decrees of any court, governmental agency or arbitration tribunal against or affecting the Business, Seller, or the Assets. Neither Seller nor any Owner is aware of pending or threatened investigations or proceedings by any governmental authorities.

Section 4.08. Condition of Assets. The parties acknowledge and agree that the Assets are being sold, transferred, conveyed and delivered to Buyer subject to and with the benefit of only those representations, warranties and covenants set forth in this Agreement. Except for such representations, warranties and covenants set forth herein, all tangible "Assets" shall be sold, transferred, conveyed and delivered to Buyer "AS IS, WHERE IS", and no representations or warranties, either express or implied, are made with respect to title, maintenance, repair, condition, design or marketability of the tangible Assets including, without limitation, as to any personal property, equipment, inventory or fixtures comprising a part of the Assets (i) any implied warranty of merchantability, or (ii) any implied warranty of fitness for a particular purpose. Seller and Owners make no representation or warranty of any kind regarding any software or any software licenses or agreements included among the Assets.

Section 4.09. Consents. Schedule 4.09 identifies each of the Assumed Contracts requiring consent as a result of the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby (the "Consents"). Seller shall cooperate with and assist Buyer in obtaining such Consents prior to Closing.

Section 4.10. Assumed Contracts. True and complete copies of each of the Assumed Contracts have been delivered by Seller to Buyer, and there are no undisclosed amendments, modifications, or provisions of, and no waivers of any provisions of, any of the Assumed Contracts. Each of the Assumed Contracts is a valid and binding agreement of Seller and, to the knowledge of Seller and Owners, is in full force and effect in accordance with their respective terms. Neither Seller nor, to the knowledge of the Seller, any other party thereto, is in default or breach in any material respect under the terms of any such agreement. Seller has not received notice from any party that it desires to terminate or renegotiate any of the Assumed Contracts.

Section 4.11. Legal Compliance.

(a) To the best of Seller's knowledge, Seller has complied in all material respects with all 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) that are applicable to the Business.

(b) To the best of Seller's knowledge, Seller has not engaged in any activities which are prohibited under, and each of the Assumed Contracts (to the extent applicable) complies with, 42 U.S.C. § 1320a-7a or § 1320a-7b, or the regulations promulgated thereunder, or any other related state or local statutes and regulations. To the best of Seller's knowledge, no physician (or his or her immediate family members) having a "financial relationship" (as that term is defined in 42 U.S.C. § 1395nn) with Seller or the Business is in a position, directly or indirectly, to refer patients or services to Seller or the Business, or any such referral complies with the requirements of 42 U.S.C. § 1395nn and the regulations promulgated pursuant thereto.

(c) To the best of Seller's knowledge, Seller is in compliance in all material respects with the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including, without limitation, the privacy requirements at 45 C.F.R. Part 160 et seq. and the security regulations set forth at 45 C.F.R. Part 142 et seq. There is no complaint, audit, proceeding, investigation, or claim against or, to the best of Seller's knowledge, threatened against Seller by any governmental authority or any person with respect to the collection, use, storage or disclosure of personal information.

Section 4.12. Tax Proceedings. No deficiencies have been assessed against Seller by any federal, state or local tax authorities, and Seller is not aware of any tax audits by any federal, state or local tax authorities pertaining to the Business. Seller has duly and timely filed in proper form all federal, state and local income, franchise, sales, use, property, excise, payroll and other tax returns and all other reports (whether or not relating to taxes) required to be filed by law with all governmental authorities. To the knowledge of Seller and Owners, all taxes, fees and assessments of whatever nature due or payable by Seller pursuant to such returns, reports or otherwise have been paid.

Section 4.13. No Other Agreements and Options. Excepting the Assumed Contracts requiring a Consent, Seller is not subject to any commitment, obligation or agreement, including, but not limited to, any right of first refusal, option to purchase or lease granted to a third party, which could or would prevent Seller from completing or impair Seller's ability to complete the transfer of the Assets or which would bind Buyer subsequent to consummation of the transaction contemplated in this Agreement.

Section 4.14. No Finders or Brokers. Seller has not engaged any finder or broker in connection with the transactions contemplated hereunder, and no person acting on behalf of Seller has a claim against Seller for any brokerage, finder's fee or similar compensation.

Section 4.15. Disclosure. Seller has no knowledge of any untrue statement of material fact or the omission or failure to state a fact necessary to make the statements contained herein not misleading.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller and Owners as follows:

Section 5.01. Organization and Standing of Buyer. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate its properties and assets and to carry on its business as and where it is now being conducted.

Section 5.02. Authority; Binding Effect. Buyer has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Buyer has taken all action required by law and by Buyer's Articles of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Buyer enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally.

Section 5.03. No Conflicts. Neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Buyer hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Buyer's Articles of Incorporation or Bylaws, or any provision of any agreement to which Buyer is a party or by which it is bound.

Section 5.04. No Finders or Brokers. Neither Buyer nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder, and no person or entity acting on behalf of Buyer has a claim against Buyer or Seller for any brokerage, finder's fee or similar compensation.

Section 5.05. Litigation; Court Orders. There is no litigation, arbitration, proceeding, either pending or threatened, or outstanding orders, writs, injunctions or decrees of any court, governmental agency or tribunal which prevents Buyer from consummating the transactions contemplated hereby.

ARTICLE VI

COVENANTS OF SELLER AND OWNERS

Seller and Owners hereby covenant and agree as follows:

Section 6.01. Corporate Action and Consents. Seller and Owners will take all necessary corporate and other action and use commercially reasonable efforts to obtain all consents, approvals and amendments of agreements required of it and/or them to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 6.02. Confidential Information. Seller and Owners shall keep confidential the terms of this Agreement and the agreements to be executed at Closing and all information provided by Buyer regarding the Buyer and shall exercise the same care in handling such information as they would exercise with similar information of their own.

Section 6.03. Operation and Preservation of Business. Prior to Closing, Seller will not engage in any practice, take any action, or enter into any transaction outside the ordinary course of business. Seller and Owners will use commercially reasonable efforts to cause Seller's business and properties (including, without limitation, the Assets) to remain substantially intact, including its present operations, physical facilities, working conditions, insurance policies, and relationships with lessors, licensors, suppliers, patients and employees.

Section 6.04. Employee Benefit Plans. Prior to Closing, Seller will take such actions as are reasonably necessary to ensure all obligations of Seller with respect to any employee benefit

plan are met and satisfied by Seller, and Seller will take all actions reasonably necessary to ensure that no employee benefit plan or obligations thereunder become the responsibility of Buyer.

Section 6.05. Noncompetition.

(a) In consideration for the substantial consideration to be paid to Seller pursuant to this Agreement, Seller and each Owner agrees to be bound by the restrictive covenants set forth in this Section 6.05. Seller and each Owner acknowledges that the restrictive covenants set forth in this Section 6.05 are ancillary to the sale of assets, business interests, and goodwill described in this Agreement and are a material inducement to Buyer agreeing to enter into this Agreement with Seller and Owners and that, absent such restrictive covenants, Buyer would not have entered into this Agreement. Each Owner further acknowledges that such Owner has an indirect financial interest in Buyer consummating the transactions described in this Agreement because of his or her ownership of Seller, and such Owner desires to enter into this Agreement as a material inducement for Buyer to enter into this Agreement and consummate the transactions described in this Agreement. Accordingly, for a period of two (2) years from and after the Closing Date, Seller and each Owner agrees to refrain from engaging directly or indirectly in any Restricted Activities within the Restricted Territory in any capacity other than as a Private Physician. For purposes of this Section 6.05, the following definitions shall apply:

(i) "Restricted Territory" shall mean any location within the geographic area comprised of Oklahoma County, Oklahoma and each county contiguous to Oklahoma County, Oklahoma;

(ii) "Restricted Activities" shall mean Owner providing, directly or indirectly, any type of physician services (whether patient care, management or administrative services and whether on a full or part-time basis) in any capacity on behalf of any person or entity in the Restricted Territory, including, without limitation, any hospital, health system, medical group, clinic, health care facility, or physician network affiliated through a management services or billing organization, other than as a Private Practice Physician (as defined below) and other than engaging in outside medical activities permitted by Schedule 4.4 of the Owner's employment agreement with Mercy Physicians of Oklahoma, Inc. ("MPO") or approved by the Board of Directors of MPO. The term "Restricted Activities" does not include Owner establishing or maintaining medical staff privileges at any hospital or health care facility within the Restricted Territory.

(iii) "Private Practice Physician" shall mean Owner establishing and maintaining a private practice of medicine as an independent solo practitioner, unaffiliated in any manner with any other physician, physician group, physician practice entity, or physician network affiliated through a management services or billing organization, and not as an employee or independent contractor physician of any hospital, health system, medical group, clinic, health care facility, or physician network affiliated through a management services or billing organization.

(b) In the event the provisions of this Section 6.05 are declared by a court of competent jurisdiction to exceed the time, geographic, occupational or other limitations permitted by applicable law, then such provisions shall be deemed reformed to the maximum time, geographic, occupational or other limitation held reasonable and enforceable by such court. The covenants and restrictions contained in this Section 6.05 are separate and divisible. Each provision and clause shall be enforced to the maximum extent permitted by law.

(c) The parties acknowledge and agree that, since a remedy at law for any breach or attempted breach of the provisions of Section 6.05 of this Agreement shall be inadequate, Buyer shall be entitled to injunctive and other equitable relief, including specific performance, in case of any such breach or attempted breach, in addition to such other remedies as may exist at law. The parties waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. The parties hereby consent to jurisdiction and venue in Oklahoma County, Oklahoma, and hereby waive any objection to the jurisdiction of, or the venue of any action instituted in, such courts.

ARTICLE VII COVENANTS OF BUYER

Section 7.01. Corporate Action and Consents. Buyer will take all necessary corporate and other action and use commercially reasonable efforts to obtain all consents, approvals and amendments of agreements required of it to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 7.02. Confidential Handling of Documents. Except as required in connection with any financing, Buyer shall keep confidential all information regarding the business, financial condition and operations of Seller and Owners which is not in the public domain and shall exercise the same care in handling such information as it would exercise with similar information of its own.

Section 7.03. Non-Physician Personnel. Subject to standard background checks, Buyer will offer employment to all nonphysician personnel (including clinical and administrative personnel) employed by the Seller as of the Closing Date (the "Non-Physician Personnel") at rates of pay determined by Buyer. Such employment shall be at will. The Non-Physician Personnel may participate in any employee benefit plans offered by Buyer to the same extent as any new employee of Buyer; provided that Seller will take each Non-Physician Personnel's time period of employment with Seller into account for all purposes in determining the benefits to which each such Non-Physician Personnel is entitled under Buyer's employee benefit plans (including, without limitation, in determining the amount of vacation and retirement benefits to which each such Non-Physician Personnel is entitled under Buyer's employee benefit plans). In the event either Seller or any Non-Physician Personnel terminates their employment relationship prior to the Closing Date, then, Seller shall be solely responsible for all liabilities associated with the termination of employment of such Non-Physician Personnel, and all liabilities arising out of the employment of such Non-Physician Personnel by the Seller prior to the Closing Date shall be treated as Excluded Liabilities.

Section 7.04. Patient Medical Records. Buyer shall have ownership and custody of, and administrative control over, all medical records transferred hereunder on the Closing Date. As Seller may reasonably request from time to time, and to the extent permitted by law, Buyer shall grant Seller and such other persons as may be required by law or regulation reasonable access to and copies of the patient medical record purchased by Buyer as an Asset under this Agreement and that has been retained by Buyer through such time. In such instance, Seller shall bear the expense of the retrieval and copying of any such patient medical record(s).

Section 7.05. Taxes. Buyer shall pay all sales, use, transfer, purchase, recording and documentary taxes and fees, if any, arising out of the transfer of the Assets.

ARTICLE VIII

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER AND OWNERS

All obligations of Seller and Owners which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Buyer on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Seller and Owners at any time prior to the Closing Date):

Section 8.01. Representations and Warranties True. All of the representations and warranties made by Buyer contained in Article V of this Agreement shall be true as of the Effective Date, shall be deemed to have been made again on and as of the Closing Date and shall be true on and as of the Closing Date in all material respects; and Buyer shall have performed and complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date.

Section 8.02. No Obstructive Proceeding. No action or proceeding shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency.

Section 8.03. Consents and Approvals. Any consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller, including, without limitation, the Consents.

Section 8.04. Proceedings and Documents Satisfactory. All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith.

ARTICLE IX

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

All obligations of Buyer which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Seller and Owners on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Buyer at any time at or prior to the Closing Date):

Section 9.01. Representations and Warranties True. All of the representations and warranties of Seller and Owners contained in Article IV of this Agreement shall be true as of the Effective Date, and shall be deemed to have been made again on and as of the Closing Date, and shall be true on and as of the Closing Date in all material respects; and Seller and Owners shall have performed or complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it, him or her on or before the Closing Date.

Section 9.02. No Obstructive Proceeding. No action or proceedings shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency.

Section 9.03. Consents and Approvals. Any corporate approvals and/or consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller and Owners, including, without limitation, the Consents.

Section 9.04. Proceedings and Documents Satisfactory. All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith.

ARTICLE X

CLOSING DELIVERIES

Section 10.01. Deliveries by Seller. On the Closing Date, Seller shall deliver or cause to be delivered to Buyer the following:

(a) **Transfer Documents.** A Bill of Sale executed by Seller and such other assignments and transfer documents that shall be sufficient to vest in Buyer all rights, title and interest to the Assets in the name of Buyer, free and clear of all Encumbrances except as permitted in this Agreement.

(b) **Assignment and Assumption Agreement.** A duly executed Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") with respect to the Assumed Contracts.

(c) **Other Deliveries.** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

Section 10.02. Deliveries by Buyer. On the Closing Date, Buyer shall deliver to Seller the following:

(a) **Purchase Price.** The Purchase Price as provided in Section 2.05.

(b) **Assignment and Assumption Agreement.** The Assignment and Assumption Agreement, executed by Buyer.

(c) **Other Deliveries.** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by the Agreement and to comply with the terms hereof.

ARTICLE XI

TERMINATION

Section 11.01. Methods of Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

(a) By the mutual written consent of Seller and Buyer;

(b) By Buyer, if all of the conditions set forth in Article IX of this Agreement shall not have been satisfied or waived on or prior to the Closing Date; provided that the right to terminate this Agreement under this Section 11.01(b) shall not be available to Buyer if a breach by Buyer of any of its representations, warranties or covenants contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date;

(c) By Seller or Owners, if all of the conditions set forth in Article VIII of this Agreement shall not have been satisfied or waived on or prior to the Closing Date; provided that the right to terminate this Agreement under this Section 11.01(c) shall not be available to Seller or Owners if a breach by Seller or Owners of any of its, his or her representations, warranties or covenants contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date.

If this Agreement is terminated pursuant to this Section 11.01, it shall become null and void and of no further force or effect, except as provided in Section 11.02.

Section 11.02. Procedure Upon Termination. In the event of termination and abandonment of this Agreement by Seller or Buyer pursuant to Section 11.01 hereof, written notice thereof shall forthwith be given to the other party as provided herein, and this Agreement shall terminate and the transactions contemplated hereby shall be abandoned, without further action by Seller or Buyer, and Seller and Buyer shall each return to the other party any documents or copies thereof in possession of such party furnished by such other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated as provided herein, no party to this Agreement shall have any liability or further obligation to any other party to this Agreement with respect to this Agreement or the transactions contemplated hereby except as provided in this Section 11.02 and in Sections 6.02 and 7.02; provided, however, that no termination of this Agreement pursuant to the provisions of this Article XI shall relieve any party of liability for a breach of any provision of this Agreement occurring prior to such termination.

ARTICLE XII

INDEMNIFICATION

Section 12.01. Indemnity by Seller. Subject to the conditions and provisions herein set forth, Seller and Owners, jointly and severally, agree to indemnify, defend and hold harmless Buyer and its affiliates, and its and/or their officers, directors, assigns, subsidiaries, affiliates and agents (collectively, the "Buyer Indemnitees") from and against any and all direct or indirect damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, encumbrances and all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) (collectively, "Damages") which are sustained, incurred or paid by any Buyer Indemnitee resulting from or arising out of:

- (a) Any inaccuracy in any representation or breach of any warranty of Seller or Owners contained in this Agreement;
- (b) Any failure by Seller or Owners to perform any of its, his or her respective covenants or obligations set forth in this Agreement;
- (c) Any of the Excluded Assets or Excluded Liabilities; or
- (d) The operation of the Business by Seller or Owners prior to the Closing Date.

Section 12.02. Indemnity by Buyer. Subject to the conditions and provisions herein set forth, Buyer agrees to indemnify, defend and hold harmless Seller and Owners and their respective heirs, legal representatives, officers, directors, assigns, subsidiaries, affiliates and agents (collectively, the "Seller Indemnitees") from and against any and all Damages which are sustained, incurred or paid by any Seller Indemnatee resulting from or arising out of:

- (a) Any inaccuracy in any representation or breach of any warranty of Buyer contained in this Agreement;
- (b) Any failure by Buyer to perform any of its covenants or obligations set forth in this Agreement;
- (c) Any of the Assumed Liabilities from and after the Closing Date; or
- (d) The use of the Assets after the Closing Date.

Section 12.03. Rules Regarding Indemnification. The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party or third parties shall be subject to the following terms and conditions:

- (a) The indemnified party shall give written notice to the indemnifying party within 30 days of learning of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on the indemnity agreement contained in Sections 12.01 and 12.02 hereof, stating the nature and basis of said claim and the amounts thereof, to the extent known.
- (b) The indemnified party shall not make any settlement of any claims without the written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed.
- (c) Unless the indemnifying party is contesting in good faith a claim involving the indemnified party, any amounts owing to the indemnified party pursuant to the provisions of this Article XII shall be due and payable on the fifteenth business day following the indemnifying party receiving notice of a claim thereunder.

Section 12.04. Survival.

- (a) Except as set forth in Section 12.04(b), all representations and warranties contained in this Agreement shall survive the Closing for a period of twelve (12) months.
- (b) The representations and warranties contained in Section 4.01 (Organization and Standing of Seller), Section 4.02 (Authority; Binding Effect), Section 4.04 (Title to Assets),

Section 5.01 (Organization and Standing of Buyer), and Section 5.02 (Authority; Binding Effect) shall survive the Closing indefinitely.

(c) The covenants and agreements in this Agreement shall survive the Closing indefinitely.

(d) The applicable period for which a representation or warranty, covenant or agreement survives the Closing, as provided in this Section 12.04, is referred to herein as the "Applicable Survival Period". In the event written notice of a claim for indemnification under Section 12.01 or Section 12.02 is given within the Applicable Survival Period, the representation or warranty, covenant or agreement that is the subject of such indemnification claim (whether or not formal legal action shall have been commenced based upon such claim) shall survive with respect to such claim until such claim is finally resolved. The indemnifying party shall indemnify the indemnified party for all Damages (subject to the limitations set forth herein, if applicable) that the indemnified party may incur in respect of such claim, regardless of when incurred.

Section 12.05. Exclusive Remedy. Except as contemplated by Section 13.15, the indemnification rights set forth in this Article XII shall be the exclusive remedies of the parties for breach of any representation, warranty, covenant or agreement contained herein or any right, claim, remedy or action arising from this Agreement.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Expenses. Except as otherwise provided herein, all expenses of the preparation of this Agreement and of the transfer of the Assets, including, without limitation, counsel fees, accounting fees, recording fees, investment advisers' fees and disbursements, shall be borne by the respective parties incurring such expense, whether or not such transactions are consummated.

Section 13.02. Notices. All notices, demands and other communications required or permitted hereunder shall be sufficiently given if delivered in person or mailed by certified mail, postage prepaid, addressed as follows:

If to Seller: Northside Digestive Diseases, Inc.
4200 W. Memorial Road, Suite 901
Oklahoma City, OK 73120
Attn: President

With a Copy to: Hartzog Conger Cason & Neville
201 Robert S. Kerr Avenue
1600 Bank of Oklahoma Plaza
Oklahoma City, OK 73102
Attention: John D. Robertson

Buyer: Mercy Physicians of Oklahoma, Inc.
4300 West Memorial Road
Oklahoma City, OK 73120
Attention: President

With a Copy to:

Mercy Health System, Inc.
4300 West Memorial Road
Oklahoma City, OK 73120
Attention: President/CEO
Telephone: 405-752-3754
Facsimile: 405-752-3811

or to such other address as any party may designate by notice to the other parties.

Section 13.03. Risk of Loss. Seller shall assume the risk of loss, damage or destruction of the Assets prior to the Closing Date.

Section 13.04. Announcements. The content of any communications to the public relating to the transaction that is the subject of this Agreement, including, but not limited to, any letters to patients regarding such transaction, shall be mutually agreed to by Buyer and Seller.

Section 13.05. Entire Agreement. This Agreement, the Exhibits and the Schedules delivered pursuant hereto constitute the entire contract between the parties hereto pertaining to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the parties, and there are no representations, warranties or other agreements between the parties in connection with the subject matter hereof or thereof, except as specifically set forth herein or therein.

Section 13.06. Assignment.

(a) Buyer may not assign in whole or in part its rights under this Agreement without the prior written consent of Seller; provided, however, that Buyer may assign, in whole or in part, its rights under this Agreement to a related entity upon prior written notice to Seller (in which case the Buyer shall remain responsible for the performance of all of its obligations hereunder).

(b) Seller and/or Owners shall not, prior to the Closing Date, without the prior written consent of Buyer, which consent may be withheld in Buyer's sole discretion, sell, assign, transfer, mortgage, convey, encumber or grant any easements or other rights or interests of any kind in the Assets, any of Seller's and/or Owners' rights under this Agreement or any interest in Seller, whether voluntarily, involuntarily or by operation of law or otherwise, including, without limitation, by merger, consolidation, dissolution or otherwise.

Section 13.07. Governing Law. The validity and construction of this Agreement shall be governed by the laws of the State of Oklahoma without regard to the conflicts of law rules thereof.

Section 13.08. Section Headings. The Section headings are for reference only and shall not limit or control the meaning of any provision of this Agreement.

Section 13.09. Waiver. No delay or omission on the part of any party hereto in exercising any right hereunder shall operate as a waiver of such right or any other right under this Agreement.

Section 13.10. Amendments. This Agreement may be amended, but only in writing, signed by the parties hereto.

Section 13.11. Exhibits and Schedules. All Exhibits and Schedules referred to in this Agreement are integral parts of this Agreement and are hereby incorporated into this Agreement as if fully set forth herein, and all statements appearing therein shall be deemed to be representations.

Section 13.12. Successors and Assigns. This Agreement shall inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein, it being the intention of the parties to this Agreement that the Agreement be for the sole and exclusive benefit of such parties or such successors and assigns and not for the benefit of any other person.

Section 13.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall comprise one and the same instrument.

Section 13.14. Severability. If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable.

Section 13.15. Specific Performance. The parties acknowledge that money damages will be inadequate in the event any party breaches its covenants or obligations under this Agreement. Accordingly, a party shall be entitled to the remedy of specific performance to require the other party to perform its covenants and obligations under this Agreement.

Section 13.16. Additional Transaction. The parties acknowledge that it is the intent of the parties that, on or about February 1, 2010, the Buyer will purchase from Northside Real Estate Investments, L.L.C., an Oklahoma limited liability company and an affiliate of the Seller ("Northside Real Estate"), Units 200 and 202 of the Edmond Memorial Medical Offices for a purchase price of \$145,000.00. The parties shall use commercially reasonable efforts to, and the Owners shall cause Northside Real Estate to use commercially reasonable efforts to, consummate such sale (including, without limitation, obtaining all approvals and consents necessary for such sale) no later than March 31, 2011.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written

MERCY PHYSICIANS OF OKLAHOMA, INC.

By: Paul A. Foster
Title: CFO

SELLER

NORTHSIDE DIGESTIVE DISEASES, INC.

By: _____
Joe C. Zuerker, M.D., President

OWNERS:

Joe C. Zuerker, M.D.

Leann C. Serbousek, M.D.

W. Randy Kakish, M.D.

Karen A. Kindley, M.D.

Vijay N. Prabhu, M.D.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

MERCY PHYSICIANS OF OKLAHOMA, INC.

By: _____
Title: _____

SELLER

NORTHSIDE DIGESTIVE DISEASES, INC.

By: Joe C. Zuerker, M.D. President
Joe C. Zuerker, M.D. President

OWNERS:

Joe C. Zuerker, M.D.
Joe C. Zuerker, M.D.

Leann C. Serbousek, M.D.
Leann C. Serbousek, M.D.

W. Randy Kakish, M.D.
W. Randy Kakish, M.D.

Karen A. Kindley, M.D.
Karen A. Kindley, M.D.

Vijay N. Prabhu, M.D.
Vijay N. Prabhu, M.D.

LIST OF SCHEDULES

Schedule	Description
2.01(a)	Tangible Personal Property
2.01(c)	Assumed Contracts
2.07	Allocation
4.06	Litigation
4.09	Consents

SCHEDULE 2.01(a)

TANGIBLE PERSONAL PROPERTY

SEE ATTACHED

4839-9318-5282.3

40530 NORTHSIDE DIGESTIVE DISEASES, INC.

73-1443648

Template Tax Asset Detail

Asset	d	Property Description	Date In Service	Tax Cost	Tax Sec 179 Exp	Tax Bonus Amt	Tax Prior Depreciation	Tax Current Depreciation	Tax End Degr	Tax Net Book Value	Tax Method	Tax Period
Group: 1210 - LEASEHOLD IMPROVE.												
134		LEASEHOLD IMPROVEMENTS - MEE	12/08/04	84,911.62	0.00	42,455.81	56,961.56	2,830.39	59,791.95	25,119.67 S/L		15.0
135		DESIGN III - FIXTURES, DECOR	11/29/04	2,440.00	2,440.00	0.00	2,440.00	0.00	2,440.00	0.00 200DB		7.0
Group: 1240 - OFFICE FURNITURE												
2		REFRIGERATOR	3/11/94	769.45	0.00	0.00	769.45	0.00	769.45	0.00 200DB		7.0
6		DESK-42X72 OLD WORLD MAHOGA	3/30/94	2,273.71	0.00	0.00	2,273.71	0.00	2,273.71	0.00 200DB		7.0
7		CREDENZA- OLD WORLD MAHOGA	3/30/94	1,907.40	0.00	0.00	1,907.40	0.00	1,907.40	0.00 200DB		7.0
8		LATERAL FILE- OLD WORLD MAHO	3/30/94	829.07	0.00	0.00	829.07	0.00	829.07	0.00 200DB		7.0
9		4-GUEST CHAIRS #1720	3/30/94	567.89	0.00	0.00	567.89	0.00	567.89	0.00 200DB		7.0
10		4-TASK CHAIRS #6319	3/30/94	1,365.53	0.00	0.00	1,365.53	0.00	1,365.53	0.00 200DB		7.0
12		CHAIR-SW SUPPLE OXBLOOD/MAH	3/30/94	959.08	0.00	0.00	959.08	0.00	959.08	0.00 200DB		7.0
13		2-GUEST CHAIRS-VINEYARD BRANI	3/30/94	747.78	0.00	0.00	747.78	0.00	747.78	0.00 200DB		7.0
14		12-GUEST CHAIRS R23862/062	3/30/94	2,457.95	0.00	0.00	2,457.95	0.00	2,457.95	0.00 200DB		7.0
15		2-GUEST CHAIRS H162701/062	3/30/94	392.31	0.00	0.00	392.31	0.00	392.31	0.00 200DB		7.0
16		DESK-42X84 MAHOGANY ON WAL	3/30/94	1,679.81	0.00	0.00	1,679.81	0.00	1,679.81	0.00 200DB		7.0
17		LATERAL 4 DRAWER FILE -MAHO	3/30/94	1,007.89	0.00	0.00	1,007.89	0.00	1,007.89	0.00 200DB		7.0
18		4-GUEST CHAIRS H162795/062 MAH	3/30/94	784.64	0.00	0.00	784.64	0.00	784.64	0.00 200DB		7.0
19		CHAIR SW SUPPLE	3/30/94	883.26	0.00	0.00	883.26	0.00	883.26	0.00 200DB		7.0
20		STOOL, CORNSILK	3/31/94	350.00	0.00	0.00	350.00	0.00	350.00	0.00 200DB		7.0
21		RK-EXEC CHAIR SW SUPPLE BLK C	8/15/95	1,473.90	0.00	0.00	1,473.90	0.00	1,473.90	0.00 200DB		7.0
22		RK-3 SIDE CHAIRS #4905-40 MAHO	8/15/95	971.04	0.00	0.00	971.04	0.00	971.04	0.00 200DB		7.0
23		RK-EXECUTIVE DESK 36X72 WALN	8/15/95	1,717.75	0.00	0.00	1,717.75	0.00	1,717.75	0.00 200DB		7.0
24		RK-1 CREDENZA 22X72 MYRTLE BU	8/15/95	1,463.06	0.00	0.00	1,463.06	0.00	1,463.06	0.00 200DB		7.0
25		RK-1 LATERAL FILE MYRTLE BURL	8/15/95	947.20	0.00	0.00	947.20	0.00	947.20	0.00 200DB		7.0
27		CHAIR	5/31/99	345.72	345.72	0.00	345.72	0.00	345.72	0.00 200DB		7.0
28		SHELVING SYSTEM	10/01/99	9,521.74	4,000.00	0.00	9,521.74	0.00	9,521.74	0.00 200DB		7.0
29		CHAIR (SERBOUSEK)	10/01/99	515.40	515.40	0.00	515.40	0.00	515.40	0.00 200DB		7.0
30		RK-DESK (36X72)-WALNUT	10/05/99	2,523.31	1,213.18	0.00	2,523.31	0.00	2,523.31	0.00 200DB		7.0
31		RK-CREDENZA- WALNUT	10/05/99	1,608.48	0.00	0.00	1,608.48	0.00	1,608.48	0.00 200DB		7.0
32		RK-CHAIR-SW ANILINA ROSEWAL	10/05/99	1,556.94	0.00	0.00	1,556.94	0.00	1,556.94	0.00 200DB		7.0
33		TASK CHAIRS (2)	10/21/99	521.84	0.00	0.00	521.84	0.00	521.84	0.00 200DB		7.0
34		KITCHEN TABLE AND CHAIRS	11/07/99	1,701.35	0.00	0.00	1,701.35	0.00	1,701.35	0.00 200DB		7.0
35		KITCHEN TABLE	2/23/00	487.48	0.00	0.00	487.48	0.00	487.48	0.00 200DB		7.0

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36	STACKABLE CHAIRS-STEEL BLUE (4	9/1/00	427.19	0.00	0.00	427.19	0.00	427.19	0.00	0.00	200DB	7.0
71	KK-2 CHAIRS	5/16/02	2,298.63	2,298.63	0.00	2,298.63	0.00	2,298.63	0.00	0.00	200DB	7.0
75	FILE CABINETS - MAIN OFFICE	2/1/03	5,192.18	0.00	1,357.65	5,029.99	162.19	5,192.18	0.00	0.00	200DB	7.0
76	FILE CABINETS (PRABHU'S OFFICE)	2/1/03	574.39	0.00	172.32	556.45	17.94	574.39	0.00	0.00	200DB	7.0
77	P-WAITING ROOM CHAIRS (10)	5/02/03	250.00	0.00	75.00	242.19	7.81	250.00	0.00	0.00	200DB	7.0
78	P-1 COFFEE TABLE / 1 SOFA TABLE	5/02/03	100.00	0.00	30.00	96.88	3.12	100.00	0.00	0.00	200DB	7.0
79	P-ANTIQUE LAMP	5/02/03	50.00	0.00	15.00	48.44	1.56	50.00	0.00	0.00	200DB	2.0
80	P-OFFICE & EXAM ROOM CHAIRS (9	5/02/03	225.00	0.00	67.50	217.97	7.03	225.00	0.00	0.00	200DB	7.0
81	P-REFRIGERATOR	5/02/03	150.00	0.00	45.00	145.31	4.69	150.00	0.00	0.00	200DB	7.0
82	P-FRONT OFFICE CHAIR	5/02/03	50.00	0.00	15.00	48.44	1.56	50.00	0.00	0.00	200DB	7.0
83	P-HON 4 DRAWER FILE CABINET	5/02/03	100.00	0.00	30.00	96.88	3.12	100.00	0.00	0.00	200DB	7.0
84	P-BREAK ROOM TABLE & 4 CHAIRS	5/02/03	400.00	0.00	120.00	387.51	12.49	400.00	0.00	0.00	200DB	7.0
85	P-BAKERS RACK	5/02/03	300.00	0.00	90.00	290.63	9.37	300.00	0.00	0.00	200DB	7.0
86	P-OFFICE DESKS (2)	5/02/03	400.00	0.00	120.00	387.51	12.49	400.00	0.00	0.00	200DB	7.0
87	P-LEATHER OFFICE CHAIR	5/02/03	250.00	0.00	75.00	242.19	7.81	250.00	0.00	0.00	200DB	7.0
88	P-BOOK SHELVES	5/02/03	100.00	0.00	30.00	96.88	3.12	100.00	0.00	0.00	200DB	7.0
89	P-ARTWORK (5 PIECES)	5/02/03	250.00	0.00	75.00	242.19	7.81	250.00	0.00	0.00	200DB	7.0
90	P-CHAIRS (2)	11/24/03	526.70	0.00	263.35	514.95	11.75	526.70	0.00	0.00	200DB	7.0
103	S-Lovessett for Office	1/15/04	1,023.72	1,023.72	0.00	1,023.72	0.00	1,023.72	0.00	0.00	200DB	7.0
104	S-Chair for Office & File Cabinet	1/30/04	550.54	550.54	0.00	550.54	0.00	550.54	0.00	0.00	200DB	7.0
114	(15) Chairs-Ultron Healthcare Fabrics	7/12/04	2,236.75	2,236.75	0.00	2,236.75	0.00	2,236.75	0.00	0.00	200DB	7.0
115	(15) St Timothy S-6434 Chairs	5/31/04	7,620.00	7,620.00	0.00	7,620.00	0.00	7,620.00	0.00	0.00	200DB	7.0
116	(3) St. Timothy ST-10 Task Chairs	5/31/04	1,656.00	1,656.00	0.00	1,656.00	0.00	1,656.00	0.00	0.00	200DB	7.0
118	St. Timothy S-6410 Love Seat	5/31/04	686.40	686.40	0.00	686.40	0.00	686.40	0.00	0.00	200DB	7.0
119	Campaign Chest	9/10/04	900.00	900.00	0.00	900.00	0.00	900.00	0.00	0.00	200DB	7.0
120	End Table	9/10/04	350.00	350.00	0.00	350.00	0.00	350.00	0.00	0.00	200DB	7.0
121	Woven Bench	9/10/04	500.00	500.00	0.00	500.00	0.00	500.00	0.00	0.00	200DB	7.0
122	Flip Flop Table	9/10/04	315.00	315.00	0.00	315.00	0.00	315.00	0.00	0.00	200DB	7.0
123	Chair Side Table with Rollers	9/10/04	255.00	255.00	0.00	255.00	0.00	255.00	0.00	0.00	200DB	7.0
124	Lattimer Table	9/10/04	250.00	250.00	0.00	250.00	0.00	250.00	0.00	0.00	200DB	7.0
125	Iron Table with Wood Inset	9/10/04	220.00	220.00	0.00	220.00	0.00	220.00	0.00	0.00	200DB	7.0
126	Demilune Table	9/10/04	175.00	175.00	0.00	175.00	0.00	175.00	0.00	0.00	200DB	7.0
132	File System (Documentation, Inc.	10/26/04	2,059.75	2,059.75	0.00	2,059.75	0.00	2,059.75	0.00	0.00	200DB	7.0
133	Lateral File Cabinet (Peggy)	8/20/04	472.42	472.42	0.00	472.42	0.00	472.42	0.00	0.00	200DB	7.0
136	FILE CABINETS - PRABHU	12/28/04	650.56	650.56	0.00	650.56	0.00	650.56	0.00	0.00	200DB	7.0
142	(4) Upholstered side chairs	6/21/05	907.40	0.00	0.00	704.94	80.98	785.92	0.00	121.48	200DB	7.0
143	Ebony TV cart with casters	6/21/05	295.05	0.00	0.00	229.22	26.33	255.55	0.00	39.50	200DB	7.0
144	Floor Lamp	6/21/05	222.71	0.00	0.00	173.02	19.88	192.90	0.00	29.81	200DB	7.0
145	Accent Table	6/21/05	221.10	0.00	0.00	171.77	19.73	191.50	0.00	29.60	200DB	7.0
147	(2) Hon 6-shelf letter File Cabinets	9/01/05	702.84	0.00	0.00	546.03	62.72	608.75	0.00	94.09	200DB	7.0
154	L&M Office Furniture Ck #5912	3/29/06	699.04	699.04	0.00	699.04	0.00	699.04	0.00	0.00	200DB	7.0
155	ASH Rafferty Sofa Table	5/02/06	256.39	256.39	0.00	256.39	0.00	256.39	0.00	0.00	200DB	7.0
156	ASH Rafferty Round End Table	5/02/06	217.38	217.38	0.00	217.38	0.00	217.38	0.00	0.00	200DB	7.0
157	HOOK Heather Arm Chair	5/02/06	780.39	780.39	0.00	780.39	0.00	780.39	0.00	0.00	200DB	7.0
158	Tables (thru Design III)	5/01/06	758.10	758.10	0.00	758.10	0.00	758.10	0.00	0.00	200DB	7.0
159	Lamps	5/01/06	433.20	433.20	0.00	433.20	0.00	433.20	0.00	0.00	200DB	7.0

160	Decor / Artwork	5/01/06	541.50	0.00	541.50	0.00	0.00	0.00	200DB	7.0
161	(2) Mahogany Chairs	5/01/06	1,207.50	0.00	1,207.50	0.00	0.00	0.00	200DB	7.0
162	(2) Aerial Mahogany chairs	5/01/06	1,185.89	0.00	1,185.89	0.00	0.00	0.00	200DB	7.0
163	(2) Monotum Mahogany chairs	5/01/06	1,175.06	0.00	1,175.06	0.00	0.00	0.00	200DB	7.0
174	Computer Desk (Prabhu)	5/29/06	616.39	0.00	616.39	0.00	0.00	0.00	200DB	7.0
176	Office Furniture	1/26/07	413.28	0.00	413.28	0.00	0.00	0.00	200DB	7.0
179	2 File Cabinets-Dr Prabhu	3/30/09	887.91	0.00	887.91	0.00	0.00	0.00	200DB	7.0
180	2 File Cabinets-Dr Prabhu	6/30/09	832.91	0.00	832.91	0.00	0.00	0.00	200DB	7.0

Group: 1250 - OFFICE EQUIPMENT

45	NETFRAME & MONITOR	12/16/97	4,968.38	0.00	4,968.38	0.00	0.00	0.00	200DB	5.0
48	PCANYWHERE VER 8.0 HOST/REMO	4/07/98	142.00	0.00	142.00	0.00	0.00	0.00	200DB	5.0
49	PRINTER	10/11/98	1,805.74	0.00	1,805.74	0.00	0.00	0.00	200DB	5.0
53	COMPUTER	5/31/99	2,455.20	0.00	2,455.20	0.00	0.00	0.00	200DB	5.0
54	COMPUTER UPGRADE	6/01/99	1,078.34	0.00	1,078.34	0.00	0.00	0.00	200DB	5.0
55	COMPUTER MONITOR	10/01/99	265.80	0.00	265.80	0.00	0.00	0.00	200DB	5.0
57	IZ-TRANSCRIPTION COMPUTER (ZU)	3/30/00	1,827.52	0.00	1,827.52	0.00	0.00	0.00	200DB	5.0
58	COMPUTER	7/24/00	2,508.41	0.00	2,508.41	0.00	0.00	0.00	200DB	5.0
59	COMPUTER-IBM PENTIUM 3 600IEB,	8/09/00	1,882.55	0.00	1,882.55	0.00	0.00	0.00	200DB	5.0
60	COMPUTER	12/29/00	1,538.66	0.00	1,538.66	0.00	0.00	0.00	200DB	5.0
61	PRINTER	12/31/00	841.38	0.00	841.38	0.00	0.00	0.00	200DB	5.0
62	CANON NP603000 COPIER W/STAPLE	8/07/01	4,584.69	0.00	4,584.69	0.00	0.00	0.00	200DB	5.0
72	COMPUTER (9 WORKSTATIONS)	6/10/02	13,176.18	2,452.85	13,176.18	0.00	0.00	0.00	200DB	5.0
91	P-MITA COPY MACHINE	5/02/03	500.00	150.00	500.00	0.00	0.00	0.00	200DB	5.0
92	P-CANNON COPY MACHINE	5/02/03	500.00	150.00	500.00	0.00	0.00	0.00	200DB	5.0
93	P-FP FAX MACHINES (2)	5/02/03	300.00	90.00	300.00	0.00	0.00	0.00	200DB	5.0
94	P-TYPEWRITER	5/02/03	200.00	60.00	200.00	0.00	0.00	0.00	200DB	5.0
95	P-MICROWAVE	5/02/03	100.00	30.00	100.00	0.00	0.00	0.00	200DB	5.0
96	P-COMPUTER W/CART	5/02/03	500.00	150.00	500.00	0.00	0.00	0.00	200DB	5.0
105	Printer-Samsung ML2151N	2/10/04	341.46	0.00	341.46	0.00	0.00	0.00	200DB	5.0
106	Workstation-Prabhu's office	2/10/04	1,375.55	0.00	1,375.55	0.00	0.00	0.00	200DB	5.0
107	Workstations (2) at NDDI @ 1,375.55 ea	2/10/04	2,751.10	0.00	2,751.10	0.00	0.00	0.00	200DB	5.0
108	WP Office 11 OEM Software (2)	2/09/04	60.00	0.00	60.00	0.00	0.00	0.00	200DB	5.0
109	POIM User Licenses (3) + Search Engines	2/25/04	3,289.19	0.00	3,289.19	0.00	0.00	0.00	200DB	5.0
127	Microactive Paylock EZ	7/08/04	395.00	0.00	395.00	0.00	0.00	0.00	200DB	5.0
128	Phillips 17" Monitor	7/29/04	387.50	0.00	387.50	0.00	0.00	0.00	200DB	5.0
129	Brother 1440 Printer	7/29/04	350.88	0.00	350.88	0.00	0.00	0.00	200DB	5.0
130	POIM (Prof Office Manager) Updates	9/09/04	937.45	0.00	937.45	0.00	0.00	0.00	200DB	5.0
131	Computer (Allison) Arabian XP 2400+ 25	9/16/04	973.72	0.00	973.72	0.00	0.00	0.00	200DB	5.0
138	Computer Equipment	3/03/05	1,019.52	0.00	1,019.52	0.00	0.00	0.00	200DB	5.0
140	Computer equipment	4/13/05	1,063.40	0.00	1,063.40	0.00	0.00	0.00	200DB	5.0
141	Canon Imagenunner 3300 Copier	7/15/05	5,071.46	0.00	4,779.34	0.00	0.00	0.00	200DB	5.0
146	HP Pavilion D420p 2.8GHz 160gb 17" flid	9/01/05	983.99	0.00	927.31	0.00	0.00	0.00	200DB	5.0
149	Fujitsu 4220C Scanner	10/01/05	873.51	0.00	823.20	0.00	0.00	0.00	200DB	5.0

150	Ashlon 64 3200+ Scanning Server	12/28/05	1,258.49	0.00	0.00	1,186.00	72.49	1,258.49	0.00	200DB	5.0
152	Sech-Sempron 3100+ 1 GB ram, 160 GB	4/04/06	1,059.68	1,059.68	0.00	1,059.68	0.00	1,059.68	0.00	200DB	5.0
172	Office Equipment	6/29/05	776.24	776.24	0.00	776.24	0.00	776.24	0.00	200DB	5.0
177	Synology server, key Deck, 3 Hard Drives	3/22/07	695.77	695.77	0.00	695.77	0.00	695.77	0.00	200DB	5.0
178	Fujitsu Scanner	9/15/08	409.00	0.00	204.50	310.84	39.26	350.10	58.90	200DB	5.0
181	Dell Optiplex 360 Mini Tower Linda w/n CI	8/21/09	916.68	916.68	0.00	916.68	0.00	916.68	0.00	200DB	5.0
182	Dell Vostro 220 monitor 18.5" LCD sn CI	10/07/09	621.06	621.06	0.00	621.06	0.00	621.06	0.00	200DB	5.0

Group: 1260 - MEDICAL EQUIPMENT

65	MAXANT TECHLINE ILLUMINATOR	5/11/94	977.28	0.00	0.00	977.28	0.00	977.28	0.00	200DB	5.0
97	P-RITTER EXAM TABLE W/ STORAG	5/02/03	400.00	0.00	120.00	387.51	12.49	400.00	0.00	200DB	7.0
98	P-WELCH ALLEN FIBEROPTIC EXAM	5/02/03	300.00	0.00	90.00	290.63	9.37	300.00	0.00	200DB	7.0
99	P-EXAM ROOM STOOLS (2)	5/02/03	100.00	0.00	30.00	96.88	3.12	100.00	0.00	200DB	7.0
100	P-BLOOD PRESSURE MACHINES (2)	5/02/03	140.00	0.00	42.00	135.63	4.37	140.00	0.00	200DB	7.0
101	P-PATIENT WEIGHT & HEIGHT SCAU	5/02/03	200.00	0.00	60.00	193.75	6.25	200.00	0.00	200DB	7.0
113	(6) Exam Tables-E2 Standard Churchill	7/12/04	4,707.03	4,707.03	0.00	4,707.03	0.00	4,707.03	0.00	200DB	7.0
117	(2) St. Timothy ST-6148 Bariatric Bench	5/11/04	988.80	988.80	0.00	988.80	0.00	988.80	0.00	200DB	7.0

Group: 1270 - COMPUTER SOFTWARE

1	Z-PROF SOFTWARE	4/18/00	2,142.13	0.00	0.00	2,142.13	0.00	2,142.13	0.00	Amort	3.0
67	MEDICAL BILLING SOFTWARE	4/07/97	8,987.42	0.00	0.00	8,987.42	0.00	8,987.42	0.00	Amort	3.0
68	SOFTWARE	4/07/98	1,360.50	0.00	0.00	1,360.50	0.00	1,360.50	0.00	Amort	3.0
69	MIRCOSOF BACKOFFICE UPGRAD	7/15/98	144.00	0.00	0.00	144.00	0.00	144.00	0.00	Amort	3.0
70	SOFTWARE (PALM)	3/09/01	355.98	0.00	0.00	355.98	0.00	355.98	0.00	Amort	3.0
73	INOCULATE 6.0 ANTI-VIRUS SOFTW	8/26/02	438.48	0.00	0.00	438.48	0.00	438.48	0.00	Amort	3.0
74	HIPRA SOFTWARE PROGRAM	12/05/02	1,500.00	0.00	0.00	1,500.00	0.00	1,500.00	0.00	Amort	3.0
102	VERTEX-MEDICARE CLAIMS SOFT	8/08/03	574.00	0.00	0.00	574.00	0.00	574.00	0.00	Amort	3.0
148	Diagnostec 9 Software	10/01/05	285.26	0.00	0.00	285.26	0.00	285.26	0.00	Amort	3.0
151	edTraver Pro-unlim Software	12/28/05	399.95	0.00	0.00	399.95	0.00	399.95	0.00	Amort	3.0
173	Software	6/29/06	76.93	0.00	0.00	76.93	0.00	76.93	0.00	Amort	3.0

Other

1	Capelle Endoscopy	11/25/08	11,768.00								

SCHEDULE 2.01(c)

ASSUMED CONTRACTS

1. Equipment Lease Agreement with Pitney Bowes Global Financial Services LLC.
2. Equipment Service Level Agreement with Pitney Bowes, Inc.
3. Maintenance Agreement with BMI Systems (relating to a reconditioned Canon 6030 Analog Copier).
4. Software Support Contract with Becker, Inc. d/b/a Doctors Office Systems.

SCHEDULE 2.06

ALLOCATION

Personal Property

\$60,000

SCHEDULE 4.06

LITIGATION

Seller and Dr. Joe Zuerker have been named as defendants in a lawsuit brought by Keena B. Smith in the District Court of Oklahoma County, State of Oklahoma (Case No. CJ-2009-9195). In her Petition, Ms. Smith alleges claims for negligence/medical malpractice, breach of contract, gross negligence and negligent hiring, supervision, retention and training.

SCHEDULE 4.09

CONSENTS

The Equipment Lease Agreement with Pitney Bowes cannot be assigned to Buyer without the prior written consent of Pitney Bowes.

**BILL OF SALE AND
PURCHASE AGREEMENT**

This **BILL OF SALE AND PURCHASE AGREEMENT** ("Agreement") is effective as of December 10, 2010 (the "Effective Date") by and among Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Mercy") and C. Robert Steves, M.D. and Roger A. Mueller, M.D. (the "Physicians") and MS Associates, LLC, a limited liability corporation ("Corporation"). Physicians and Corporation are collectively referred to herein as "Seller".

RECITALS

A. Seller desires to sell and Mercy desires to purchase those specific assets identified in this Agreement (the "Assets") that relate to Physicians' medical practice previously located in Oklahoma City, Oklahoma on the terms and conditions set forth in this Agreement.

B. The parties desire to document certain other understandings they have related to this transaction.

NOW THEREFORE, the parties agree as follows:

**SECTION 1
LEASE, PURCHASE AND TRANSFER OF ASSETS**

1.1 **DEFINITION OF ASSETS.** For purposes hereof the term "Assets" shall refer to the tangible assets that were actively utilized by the Physicians in their practice of medicine, including, without limitation, those tangible assets more particularly described on Exhibit 1 hereto.

1.2 **CLOSING.** Subject to the terms and conditions hereof and in consideration of Mercy agreeing to pay \$29,100.00 (the "Purchase Price"), Seller sells, assigns, transfers and conveys the Assets to Mercy free and clear of all liens, claims or encumbrances and Mercy shall purchase and accept the Assets. Closing shall take place on or before February 1, 2011 (the "Closing Date") with an effective date of December 10, 2010.

1.3 **PAYMENT TERMS.** On or before the Closing Date, Mercy shall pay the Purchase Price to Seller via corporate check. Upon receipt of the Purchase Price the transaction contemplated by this Agreement shall be deemed consummated immediately after the close of business on the Closing Date.

**SECTION 2
OTHER AGREEMENTS**

2.1 **ASSUMPTION OF LIABILITIES.** Mercy does not and shall not assume, or in any way be liable or responsible for, any liabilities or obligations of Seller.

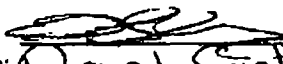
CRS

SECTION 3 MISCELLANEOUS

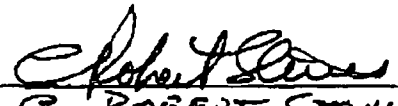
This Agreement shall be interpreted under the laws of the State of Oklahoma, without regard to such state's conflict of law principles. This Agreement constitutes the entire Agreement among Mercy and Seller with respect to the subject matter hereof and supersedes all prior proposals, negotiations, communications and agreements among Mercy and Seller with respect to the subject matter hereof, whether oral or written. This Agreement has been duly authorized, executed and delivered by each of the parties hereto and constitutes the legal, valid and binding obligations of the parties enforceable against each of the parties in accordance with its terms. This Agreement shall not be amended or modified except by a subsequent written agreement between Mercy and Seller. In the event that any one or more of the provisions of this Agreement or any application thereof shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement and any other application thereof shall not in any way be affected or impaired thereby; provided, however, that to the extent permitted by applicable law, any invalid, illegal or unenforceable provision may be considered for the purpose of determining the intent of the parties in connection with the other provisions of this Agreement. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which together shall be considered one and the same agreement. The parties agree that a facsimile may be executed as an original. The parties agree that if either party should institute litigation against the other party to enforce any provisions of this Agreement, the prevailing party in such litigation shall be entitled to receive, in addition to any other relief awarded such party, reasonable attorneys' fees and expenses for the prosecution or defense of such litigation.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date and year first above written.

Mercy Physicians of Oklahoma, Inc.

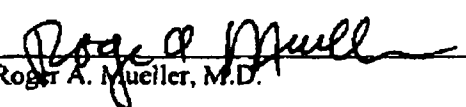
By: 
Name: Diana Smalley
Title: CEO

MS Associates, LLC

By: 
Name: C. ROBERT STEVES
Title: MANAGER

Physicians:


C Robert Steves, M.D.


Roger A. Mueller, M.D.

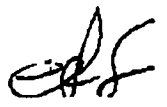


EXHIBIT 1
TANGIBLE ASSETS

Assets include all assets listed on the attached appraisal prepared by Asset Appraisal Corporation dated December 13, 2010 (the "Appraisal"). See Exhibit 1 Appraisal attached.

AS

EXHIBIT 1
TANGIBLE ASSETS

**FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF**

MS ASSOCIATES
Program 4060-153240-0314

CONSISTING OF FURNITURE AND EQUIPMENT

PREPARED FOR:

*Ms. Geralyn Lynch, Construction Business Manager
Sisters of Merch Health Systems
14528 South Outer Forty Road
Chesterfield, Missouri 63017*

EFFECTIVE DATE OF APPRAISAL:

December 13, 2010

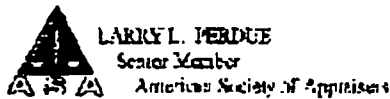
PREPARED BY:

ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826

Justin L. Perdue
President

Larry L. Perdue, ASA, M.V.S.
Director

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE

Senior Member

American Society of Appraisers

P.O. Box 687

Edmond, Oklahoma 73061-0687

(405) 348-5255

(FAX) (405) 348-4132

December 17, 2010

Ms. GERALYN LYNCH, Construction Business Manager
Sisters of Mercy Health Systems
14528 South Outer Forty Road
Chesterfield, MO 63017

RE: MS Associates - Oklahoma City, Oklahoma

Dear Ms. Lynch:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture and equipment], hereinafter known as "*the Assets*," of *MS Associates*, located at 4505 Memorial Circle in Oklahoma City, Oklahoma. We presume that all items listed are owned by *MS Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of December 13, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

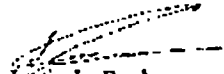
*** \$ 29,100.00 ***

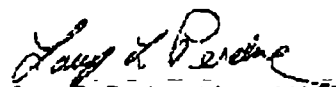
(Twenty Nine Thousand, One Hundred Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,


Justin L. Perdue
President


Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP:fj

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% MS Associates - Program 4060-153-240-0314

December 13, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Ms. Gerahyn Lynch, Construction Business Manager
Sisters of Mercy Health Systems
14528 South Outer Forty Road
Chesterfield, MO 63017

ASSETS APPRAISED: Furniture & Equipment

ASSETS OWNED BY: MS Associates

LOCATED AT: 4505 Memorial Circle
Oklahoma City, OK 73142

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
(See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: MS Associates

APPRAISED VALUE: Fair Market Value Installed / In Place \$ 29,100.00

CLIENT INDICATED USE OF APPRAISAL: Establish Purchase Price

REPORT DATE: December 17, 2010

VALUE AS OF DATE: December 13, 2010

INSPECTION DATE: December 13, 2010

SCOPE OF THE APPRAISAL: Conforms to USPAP 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as Medical Clinic

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Oklahoma City, OK

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
(See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised; and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued. It is assumed that all equipment has standard features commensurate with its normal operation. For

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

instance machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and the *Uniform Standards of Professional Appraisal Practice "USPAP."*

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION**PURPOSE OF APPRAISAL:**

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in establishing a purchase price.

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT:

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value:

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate; and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence.

The values are also adjusted to installation considerations which may include:

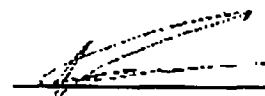
- (1) Transportation;
- (2) Wiring;
- (3) Special foundations;
- (4) Difficulty of installation (i.e., 2nd floors, special walls, pits, etc.);
- (5) Adaptations;
- (6) Plumbing;
- (7) Applicable taxes;
- (8) Setup and debugging;
- (9) Other incurred costs.

**JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.

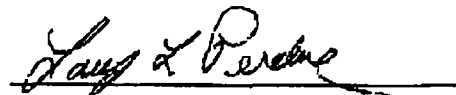

Justin L. Perdue, President

**LARRY L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M.V.S.

Certified until January 2008 by the American
Society of Appraisers

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals; commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

COMPANY PROFILE (Cont'd.):**VALUATION:**

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

% MS Associates - Program 4060-153-240-0314

December 13, 2010

Fair Market Value Installed / In Place

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003); Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT:

July 2006-Present	<i>Asset Appraisal Corporation - President/Owner</i>
2003-Present	<i>Master Arc Welding and Fabrication Corporation - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments</i>
2003-June 2006	<i>Blastrac - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer</i>
2002-2003	<i>Cedar Image Fence Company - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell</i>
2001-2002	<i>Asset Appraisal Corporation - responsible for physical inspection, research, and value determination of various asset types</i>
1999-2001	<i>Evergreen Landscapes - Landscape Contractor, specializing in landscape design, as well as irrigation design and installation</i>

AREAS OF EXPERTISE:

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE:

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992);
 Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes
 and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation
 consultant, court-appointed receiver. Extensive background in furniture, trade
 fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales,
 liquidation consulting, auctioneer, and court-appointed receiver. Extensive
 background in sales and liquidation of machinery, equipment, furniture, fixtures
 and inventory; (October 1984 to May 1988) machinery and equipment
 appraiser, liquidation consultant, court-appointed receiver. Extensive
 background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA), Machinery/Technical Specialties:
 Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas
 Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose; asset tagging and database management of assets; banking and
 computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas
 turbines, natural gas, etc.; farm machinery and feed mills - grain elevators; fiberglass mfg. - tanks, fittings,
 boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities -
 metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials,
 work in process, parts and components, finished goods; laboratory instruments and testing equipment;
 manufacturing plants - all industries; medical equipment - conventional and high-tech;
 medicine/pharmaceuticals; metal production; metalworking, plastics, and woodworking equipment; office
 furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping,
 drilling, completion, production and refining; printing plants, pre-press, sheet fed, web, binary, etc.;
 radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service
 equipment; service equipment-automotive, truck, etc.; vehicles/transportation/aircraft/marine - all classes;
 and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator; expert
 witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and
 Arkansas; asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma; equipment sales and
 liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE:**

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment", Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personalty?," Spring 1989, The M&E Appraiser - "FDIC Rental Value: A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

% MS Associates - Program 4060-153-240-0314

December 13, 2010

Fair Market Value Installed / In Place

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed: Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
101 N. Broadway
P. O. Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed: Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
4921 North May Avenue
Oklahoma City, OK 73112
(405) 949-7280
Work Performed: Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S. Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed: Appraisals

F&M BANK

John Pixley, President
P.O. Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed: Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed: Expert Witness

D.R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed: Appraisals/Consulting

WILLIAM K. ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed: Expert Witness Testimony

Additional references may be furnished upon request.

CONDITION DEFINITIONS

N - NEW:	Never used and in original cartons or packaging. Has never been installed or operated.
E - EXCELLENT:	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE:	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP:	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content.
S/O - SURPLUS	Surplus to Operations has sales value in exchange only, not in place.

MS Associates - Program 4060-153-240-0314		December 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	1	PATIENT SEATING SYSTEM: CONSISTING OF BUT NOT LIMITED TO (22) ARM CHAIR UNITS WITH (9) OTTOMANS, HARDWOOD FRAME, FABRIC SEAT/BACK	G	1,800	1,800
2	1	ISLAND ROOM DIVIDER: CUSTOM DESIGNED AND MANUFACTURED, 24" x 60" x 36", PLYWOOD CONSTRUCTION WITH CARPET COVERING	G	175	175
3	1	WHEELCHAIR: ROLLS, INVACARE	F	75	75
4	LOT	RECEPTACLES: WASTE, POLYETHYLENE, VARIOUS	F-G	150	150
5	19	CHAIRS: WOOD SIDE, MAPLE HARDWOOD CONSTRUCTION, CURVED BACK, SOLID WOOD	G	40	760
6	1	X-RAY SYSTEM: FISCHER IMAGING, MDL. 300MA, MFD. 12/1985, COMPLETE WITH (1) TYPE 41100GA 4-WAY FLOAT TOP TABLE, SN Z-6792, WITH ELECTRIC LOCKS; (1) LINEAR 1 AUTOMATIC COLLIMATOR, MFD. 12/1985, S/N F125033, CAT. #70-30000; (1) XTR BUCKY STAND, MDL. 13-BF-7, MFD 08/1998, (1) ORTHOPEDIC FLOOR/CEILING MOUNTED TUBE STAND, WITH ELECTRIC LOCKS; (1) LEAD APRON; (1) WALKER; (1) CHROME STEP STOOL; (2) 6-LEVEL & (2) 5-LEVEL X-RAY FILM STORAGE CABINETS; (1) 2' WOOD STEP STOOL; (6) 14" x 17" CASSETTES; (8) 11" x 14" CASSETTES; (5) 10" x 12" CASSETTES; (2) 8" x 10" CASSETTES	F-VG	16,800	16,800
7	1	STOOL: TECHNICIAN'S, FABRIC SEAT/BACK, 5-CASTER BASE WITH CHROME FOOT RAIL	F	65	65
8	1	PROCESSOR: X-RAY FILM, KODAK X-OMAT, MDL. 2000A, COMPLETE WITH FINAL 3 ACCU-TECH SILVER RECOVERY SYSTEM AND MISCELLANEOUS PLUMBING	F	3,650	3,650
9	1	CABINET: STORAGE, 1-DRAWER, PARTICLE AND VENEER CONSTRUCTION	P	10	10
10	1	TELEPHONE SYSTEM: BUSINESS, PANASONIC, KSU MDL. KX-TA824, (13) MDL. KX-T7720 DESK SETS, COMPLETE WITH UPS POWER SUPPLY, KSU, ETC.	F	3,250	3,250
11	1	SCALE: PHYSICIAN'S BALANCE BEAM, DETECTO, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	G	125	125

% MS Associates - Program 4050-153-240-0314 **December 13, 2010** **Fair Market Value Installed / In Place**

ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL.	EXT VAL.
12	1 LOT	EQUIPMENT: MISCELLANEOUS OFFICE/CLINIC, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, WALL CHART HOLDERS, STEP STOOLS, CALCULATORS, STAPLERS, PAPER PUNCHES, ETC.	F-VG	350	350
13	6	STOOLS: EXAM, SCREW ADJUST	F	45	270
14	1	STAND: COMPUTER PRINTER, PARTICLE AND LAMINATE CONSTRUCTION, 2-LEVEL	F	15	15
15	2	BENCHES: SEATING, MAPLE HARDWOOD CONSTRUCTION, 2-POSITION	G	95	190
16	1	SHELF: STORAGE, 18" x 36" x 72", S-LEVEL	G	35	35
17	1 LOT	EQUIPMENT: MISCELLANEOUS JANITORIAL, CONSISTING OF BUT NOT LIMITED TO MOP, SQUEEGEE MOP BUCKET, BROOM, ETC.	G	300	300
18	5	STOOLS: STEP, CHROME	G	30	150
19	1	ILLUMINATOR: X-RAY, WOLF INTENSI-SPOT, INCANDESCENT, COMPLETE WITH FOOT SWITCH	VG	100	100
20	1	SAFE: SECURITY, MAJOR, 20" x 30" x 22", SINGLE COMBINATION DIAL, CLASS B	G	250	250
21	1	STORAGE UNIT: 24" x 30" x 72", PARTICLE AND VENEER CONSTRUCTION, S-LEVEL	VG	65	65
22	1 LOT	CONSUMABLE SUPPLIES: MISCELLANEOUS, CONSISTING OF BUT NOT LIMITED TO CASTING MATERIAL, ETC.	N	500	500
23	1 LOT	X-RAY ILLUMINATORS/VIEW BOXES; NOTE BUILT-IN TO WALL, PART OF REAL ESTATE	G	0	0

TOTAL FOR THE REPORT:

\$ 29,085

REPORT TOTAL ROUNDED TO:

***** \$ 29,100.00 *****

(Twenty Nine Thousand, One Hundred Dollars)

**BILL OF SALE AND
PURCHASE AGREEMENT**

This **BILL OF SALE AND PURCHASE AGREEMENT** ("Agreement") is effective as of October 1, 2010 (the "Effective Date") by and among Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Mercy") and Seyed Alamian, M.D. ("Physician") and Advanced Pulmonary and Critical Care, P.C., an Oklahoma professional corporation ("Corporation"). Physician and Corporation are collectively referred to herein as "Seller".

RECITALS

A. Seller desires to sell and Mercy desires to purchase those specific assets identified in this Agreement (the "Assets") that relate to Physician's medical practice currently located in Oklahoma City, Oklahoma on the terms and conditions set forth in this Agreement.

B. The Physician has entered into a Physician Employment Agreement between Physician and Mercy (the "Employment Agreement")

C. The parties desire to document certain other understandings they have related to this transaction.

NOW THEREFORE, the parties agree as follows.

**SECTION 1
LEASE, PURCHASE AND TRANSFER OF ASSETS**

1.1 **DEFINITION OF ASSETS.** For purposes hereof the term "Assets" shall refer to the all tangible assets that were actively utilized by the Physician in his practice of medicine, including, without limitation, those tangible assets more particularly described on Exhibit 1 hereto.

1.2 **CLOSING.** Subject to the terms and conditions hereof and in consideration of Mercy agreeing to pay \$13,670.00 (the "Purchase Price"), Seller sells, assigns, transfers and conveys the Assets to Mercy free and clear of all liens, claims or encumbrances and Mercy shall purchase and accept the Assets. Closing shall take place on or before February 1, 2011 (the "Closing Date").

1.3 **PAYMENT TERMS.** On or before the Closing Date, Mercy shall pay the Purchase Price to Seller via corporate check. Upon receipt of the Purchase Price the transaction contemplated by this Agreement shall be deemed consummated immediately after the close of business on the Closing Date.

SECTION 2 OTHER AGREEMENTS

2.1 ASSUMPTION OF LIABILITIES. Mercy does not and shall not assume, or in any way be liable or responsible for, any liabilities or obligations of Seller.

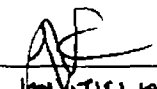
SECTION 3 MISCELLANEOUS

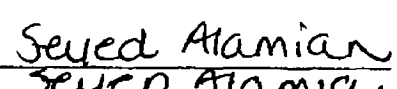
This Agreement shall be interpreted under the laws of the State of Oklahoma, without regard to such state's conflict of law principles. This Agreement constitutes the entire Agreement among Mercy and Seller with respect to the subject matter hereof and supersedes all prior proposals, negotiations, communications and agreements among Mercy and Seller with respect to the subject matter hereof, whether oral or written. This Agreement has been duly authorized, executed and delivered by each of the parties hereto and constitutes the legal, valid and binding obligations of the parties enforceable against each of the parties in accordance with its terms. This Agreement shall not be amended or modified except by a subsequent written agreement between Mercy and Seller. In the event that any one or more of the provisions of this Agreement or any application thereof shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement and any other application thereof shall not in any way be affected or impaired thereby; provided, however, that to the extent permitted by applicable law, any invalid, illegal or unenforceable provision may be considered for the purpose of determining the intent of the parties in connection with the other provisions of this Agreement. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which together shall be considered one and the same agreement. The parties agree that a facsimile may be executed as an original. The parties agree that if either party should institute litigation against the other party to enforce any provisions of this Agreement, the prevailing party in such litigation shall be entitled to receive, in addition to any other relief awarded such party, reasonable attorneys' fees and expenses for the prosecution or defense of such litigation.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date and year first above written.

Mercy Physicians of Oklahoma, Inc.

**Advanced Pulmonary and Critical Care,
P.C.**

By: 
Name: John V. Tellez
Title: CEO

By: 
Name: Seyed Alamian
Title: M.D.

Physician:

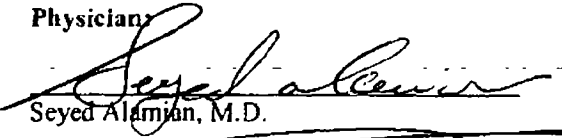

Seyed Alamian, M.D.

EXHIBIT 1
TANGIBLE ASSETS

Assets include the following item numbers from the Appraisal prepared by Asset Appraisal Corporation dated December 17, 2010 is attached hereto and includes the following Assets:

Item Number	Description	Appraised Value
1	5-CHAIRS: ARMSIDE, HARDWOOD FRAME, ARMED, VELOUR SEAT/BACK, IMPORT	750
2	1—TABLE: COFFEE, HARDWOOD FRAME, OBLONG, WITH TEMPERED PLATE GLASS TOP. BOTTOM SHELF	165
3	1—TABLE: SIDE, ACCENT, OVAL, HARDWOOD FRAM, TEMPERED PLATE GLASS TOP	165
4	1—TELEVISION: PHILIPS, 32" FLAT SCREEN, LCD, WALL MOUNTED	350
5	1—LAMP: DESK, COMPLETE WTH LINEN SHADE	50
6	1—REFRIGERATOR: COMPACT, FRIGIDAIRE, 2-DOOR, TOP FREEZER, 3-CUBIC FEET	175
7	1—CABINET: FILE, ANDERSON HICKEY, 5-DRAWER, LATERAL, LOCKING, 42", WITH PULL-OUT SHELVES	450
8	1—SCALE: PATIENT WEIGHING, HEALTH-O-METER, PROFESSIONAL, 500-LB. CAPACITY, DIGITAL, COMPLETE WITH HEIGHT MEASURING UNIT	275
9	2—TABLES: EXAM, BREWER BASIC EXAM TABLE, 4-DRAWER, MANUAL ADJUST	1,900
10	4—CHAIRS: ARMSIDE, HARDWOOD FRAME, FABRIC SEAT/BACK, IMPORT	340
11	LOT—EQUIPMENT: MISCELLANEOUS MEDICAL CLINIC, CONSISTING OF BUT NOT LIMITED TO SUNDRY JARS, WASTE RECEPTACLES, ORGANIZERS, VRAN DIGITAL THERMOMETER, TERUMO ELEMANO BLOOD PRESSURE MONITOR, ETC.	450
12	1-NEBULIZER: SPORT NEB EXPRESS; <i>NOTE: LISTED FOR REFERENCE ONLY, ON LOAN</i>	0
13	1—SPIROMETER: NDD MEDICAL TECHNOLOGIES, MDL. 2001 EASY 1 DIAGNOSTIC, S/N C-71100/2009, MFD. 2009, COMPLETE WITH HEWLETT-PACKARD MDL DESKJET 6940 COLOR PRINTER AND MDL 2010 CRADLE	1,500

14	2—CHAIRS: TASK, SWIVEL/TILT, ERGONOMIC, PNEUMATIC ADJUST, 5-CASTER BASE	300
15	1—COMPUTER: PERSONAL, DELL, COMPLETE WITH FLAT SCREEN MONITOR, KEYBOARD, MOUSE, WIRELESS ROUTER, ETC.	650
16	1—PRINTER/FAX/SCANNER: BROTHER, MDL. MFC-8480DN	300
17	LOT—DÉCOR: CONSISTING OF BUT NOT LIMITED TO (5) SILK FLOWER ARRANGEMENTS, (5) VARIOUS WALL HANGINGS, FRAMED PRINTS, WALL MIRRORS, ETC.	1,500
18	1—DESK: CRESCENT-SHAPED, BRITANNA, DOUBLE PEDESTAL, HARDWOOD CONSTRUCTION, CARVED, LEATHER INLAID TOP, COMPLETE WITH MATCHING SIDEBORD BOOKSHELF, PARTICLE AND LAMINATE CONSTRUCTION	2,400
19	2—CHARIS: ARMSIDE, OVERSIZED, FABRIC SEAT/BACK, HARDWOOD FRAME	250
20	1—PULSE OXIMETER: ONYX	225
22	1—DISPENSER: PAPER TOWEL, TOUCHLESS	75
23	2—TELEPHONES	400
	TOTAL PURCHASE PRICE	\$12,670

The following assets are excluded from this Agreement and are not being purchased from Seller by Mercy.:

21	1—COMPUTER: LAPTOP, SONY VIO	450
	TOTAL PRICE OF EXCLUDED ASSETS	\$450

**FAIR MARKET VALUE (EXCHANGE)
APPRAISAL OF SPECIFIC LISTED ASSETS OF
ADVANCED PULMONARY AND CRITICAL CARE, P.C.
CONSISTING OF FURNITURE, TRADE FIXTURES & EQUIPMENT**

PREPARED FOR:

*Ms. Tammy Curtis, MS CMPE
Director of Business Operations
Mercy Health Network
4345 West Memorial Road, Suite 200
Oklahoma City, OK 73134*

EFFECTIVE DATE OF APPRAISAL:

December 17, 2010

PREPARED BY:

**ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826**

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, MVS
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P.O. Box 687
Edmond, Oklahoma 73053-0687
(405) 348-5255
FAX (405) 348-4152

December 27, 2010

Ms. Tammy Curtis, MS CMPE
Director of Business Operations
Mercy Health Network
4345 West Memorial Road, Suite 200
Oklahoma City, OK 73134

RE Advanced Pulmonary and Critical Care, P.C. - Oklahoma City Oklahoma

Dear Ms. Curtis,

Pursuant to your request, we have appraised specific listed assets [consisting of an furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Advanced Pulmonary and Critical Care, P.C.*, located at 4205 McAuley Boulevard, Suite 470 in Oklahoma City, Oklahoma 73120. We presume that all items listed are owned by *Advanced Pulmonary and Critical Care, P.C.*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value (Exchange)* of *the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of December 17, 2010, the *Fair Market Value (Exchange)* of *the Assets* was

*** \$ 13,120.00 ***

(Thirteen Thousand, One Hundred Twenty Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President

Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP:fj

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% Advanced Pulmonary and Critical Care, P.C.

December 17, 2010

Fair Market Value (Exchange)

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR Ms. Tammy Curtis, MS CMPE
 Director of Business Operations
 Mercy Health Network
 4345 West Memorial Road, Suite 200
 Oklahoma City, OK 73134

ASSETS APPRAISED: Furniture, Trade Fixtures, and Equipment

ASSETS OWNED BY: Advanced Pulmonary and Critical Care, P.C.

LOCATED AT 4205 McAuley Boulevard, Suite 470
 Oklahoma City, OK 73120

PURPOSE OF APPRAISAL To determine Fair Market Value (Exchange)
 (See Value Concept Definition in Body of Report)

PROPERTY RIGHTS APPRAISED Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO Advanced Pulmonary and Critical Care, P.C.

APPRAISED VALUE Fair Market Value (Exchange) \$ 13,120.00

CLIENT INDICATED USE OF APPRAISAL Establish Purchase Price

REPORT DATE: December 27, 2010

VALUE AS OF DATE: December 17, 2010

INSPECTION DATE: December 17, 2010

SCOPE OF THE APPRAISAL: Conforms to USPAP 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as a Medical Clinic

APPROACH TO VALUE GIVEN MOST WEIGHT Market (Sales Comparison) Approach

MARKET LEVEL End User to End User

MARKET AREA Oklahoma City Metro

MARKETING PERIOD: Approximately Six to Nine Months

STATEMENT OF ASSUMPTIONS AND THE CONTINGENT AND LIMITING CONDITIONS
 TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
 (See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraisers and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraisers render no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraisers have no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraisers have made a physical visual inspection of the property appraised; and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraisers' considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued.

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS (Cont'd.):**

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and *Uniform Standards of Professional Appraisal Practice (USPAP)*.

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraisers, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraisers are not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraisers' judgment and knowledge.

The appraisers reserve the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraisers completely harmless in any such action. The liability of the appraisers and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraisers' total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

**GENERAL INFORMATION AND DEFINITION
FAIR MARKET VALUE (EXCHANGE) APPRAISAL**

PURPOSE OF APPRAISAL:

The purpose of this appraisal was to determine the *Fair Market Value (Exchange)* of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), in order to determine asset value for consideration in establishing a purchase price.

FAIR MARKET VALUE (EXCHANGE) CONCEPT

Fair Market Value (Exchange) is the amount expressed in terms of money, at a certain point in time, that may reasonably be expected for a property in exchange between a willing buyer and a willing seller, with equity to both, neither being under any compulsion to buy or sell, and both being fully aware of all relevant facts. (In the valuation of personal property, this definition must be further defined based on the function and purpose of the appraisal.)

**FAIR MARKET VALUE (EXCHANGE)
PURPOSE AND METHOD OF APPRAISAL**

In estimating the *Fair Market Value (Exchange)*, the appraisers have considered the following approaches in arriving at indicators of value:

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the *Fair Market Value (Exchange)* of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, presumed condition, and date of sale. Marketability of each asset is also a determinant of value. These items may be considered in arriving at an adjusted value for each subject item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable assets. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items. (See Cost Approach.)

COST APPROACH:

This approach considers the current Replacement Cost (New) of the assets, less accrued depreciation. Depreciation includes loss in value due to physical deterioration, as well as Functional and External (Economic) Obsolescence. *Physical Depreciation* describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. *Functional Obsolescence* exists in two

forms (1) excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) excessive operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. *External (Economic) Obsolescence* represents a loss in value from factors outside the assets appraised, such as a depressed market for the end product manufactured by the subject equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator

INCOME APPROACH:

The Income Approach was considered and determined not to be applicable in determining *Fair Market Value (Exchange)* in this report.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate, and subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of *Fair Market Value (Exchange)* requires not only the judgment and ability of the appraisers to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar assets, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence

The balance of forces which affect value for particular types of machinery or pieces of equipment is analyzed by the appraisers and the final value assignment on each item is, in part, a reflection of this analysis

Each asset is described and valued as if it would be set up and sold. In some instances, an entire line of related machinery is designed to perform a particular function as an integral unit and should justify greater value application as a unit rather than if it were separated out.

% Advanced Pulmonary and Critical Care, P.C.

December 17, 2010

Fair Market Value (Exchange)

**JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers


Justin L. Perdue, President

% Advanced Pulmonary and Critical Care, P.C.

December 17, 2010

Fair Market Value (Exchange)

**LARRY L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief.

- The statements of fact contained in this report are true and correct
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M.V.S.
Certified until January 2013 by the American
Society of Appraisers

COMPANY PROFILE

BIOGRAPHY.

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals, commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

COMPANY PROFILE (Cont'd.):**VALUATION:**

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (this "Agreement") is made and entered into as of the 1st day of August 2010 (the "Effective Date") by and between **MERCY PHYSICIANS OF OKLAHOMA, INC.**, an Oklahoma corporation ("Buyer"), **WILLIAM J. HALE, M.D., P.C.**, an Oklahoma corporation ("Seller"), and **WILLIAM J. HALE, M.D.**, an individual who owns all of the issued and outstanding stock of Seller ("Owner")

RECITALS:

A Seller owns and operates a physician practice located at 14100 Parkway Commons Drive, Suite 202, Oklahoma City, Oklahoma 73134 at which Seller provides physician and other ancillary services to the community (the "Business"),

B Seller owns the furniture and equipment, patient records, inventory, supplies and certain other assets utilized by Seller in the Business, and

C Seller desires to sell certain assets of Seller related to the Business to Buyer, and Buyer desires to purchase such assets, pursuant to the terms and conditions set forth herein

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

ARTICLE I DEFINITIONS

"Agreement" shall have the meaning set forth in the introductory paragraph above

"Assets" shall have the meaning set forth in Section 2.01 of this Agreement

"Assumed Contracts" shall have the meaning set forth in Section 2.01(b) of this Agreement

"Assumed Liabilities" shall have the meaning set forth in Section 2.03 of this Agreement

"Business" shall have the meaning set forth in the Recitals above

"Buyer" shall have the meaning set forth in the introductory paragraph above

"Closing" shall mean the consummation and effectuation of the transactions contemplated herein pursuant to the terms and conditions of this Agreement as such shall be held on the Closing Date and at such time and place as is mutually agreed upon by the parties hereto

"Closing Date" shall mean 12:01 a.m. on or before January 21, 2011 or, if all corporate, third party, and governmental approvals necessary to consummate the transaction have not been obtained by such date, within ten (10) days following the receipt of all required approvals

"Consents" shall have the meaning set forth in Section 3.10 of this Agreement.

"Effective Date" shall have the meaning set forth in the introductory paragraph above

"Encumbrances" shall mean all security interests, liens, pledges, claims, charges, escrows, encumbrances, encroachments, rights of first refusal, subleases, conditional sales agreements, options, mortgages, indentures, easements, licenses, restrictions or other covenants, agreements, understandings, obligations, defects or irregularities affecting title to any of the Assets.

"Excluded Assets" shall have the meaning set forth in Section 2.02 of this Agreement.

"Excluded Liabilities" shall have the meaning set forth in Section 2.03 of this Agreement.

"Financial Statements" shall have the meaning set forth in Section 3.12 of this Agreement.

"HIPAA" shall have the meaning set forth in Section 3.14(c) of this Agreement.

"Owner" shall have the meaning set forth in the introductory paragraph above.

"Purchase Price" shall have the meaning set forth in Section 2.04 of this Agreement.

"Seller" shall have the meaning set forth in the introductory paragraph above.

"Seller's Bank" shall have the meaning set forth in Section 2.04(a) of this Agreement.

ARTICLE II SALE OF ASSETS

Section 2.01. Sale of Assets. Subject to the terms and conditions of this Agreement, Seller hereby assigns, transfers and delivers to Buyer, free and clear of all Encumbrances, all right, title and interest in and to all assets, properties, and business of every kind, nature, and description, wherever located, that are used or useable in the conduct of the Business by Seller, other than the Excluded Assets, including, without limitation, the following assets (collectively, the "Assets"):

(a) All of Seller's interest in the tangible personal property and interests therein, including office equipment, furniture, fixtures, inventory and supplies usable or saleable in the Business, a list of which is attached hereto as Schedule 2.01(a),

(b) All rights under those contracts, agreements, leases, commitments, and other instruments relating to the Business and listed on Schedule 2.01(b), to the extent transferable and assumable (the "Assumed Contracts"),

(c) All prepaid expenses and deposits that relate to the operation of the Business, including ad valorem taxes and leases and rentals; and

(d) All manufacturer's and vendor's warranties relating to the Business or the Assets, to the extent transferable.

Section 2.02. Excluded Assets. Notwithstanding anything to the contrary set forth in Section 2.01 above, Seller shall keep and retain title to and Ownership of and shall not transfer, assign or deliver to Buyer any of the following assets and properties, all of which shall remain the exclusive property of Seller (collectively, the "Excluded Assets"):

(a) All cash and cash equivalents generated in connection with the operation of the Business prior to the Closing Date,

(b) All accounts receivable and notes receivable generated in connection with the operation of the Business prior to the Closing Date, including Seller's rights to payments and reimbursements from private payors, Medicare, or any other health care reimbursement or payment intermediary arising from services provided prior to the Closing Date;

(c) All accounts receivable and notes receivable generated by Seller outside of the operation of the Business;

(d) The Medicare provider agreements and related provider numbers used in the operation of the Business, and

(e) All personnel and employment records relating to employees of the Business, and all accounting and billing records relating to the Business,

(f) The corporate seals, charter documents, by-laws, minute books and stock record books of Seller.

Section 2.03. Assumed Liabilities and Excluded Liabilities. As partial consideration for the transfer, assignment, and delivery of the Business and the Assets to Buyer, and upon the terms and subject to the conditions set forth in this Agreement, the Buyer shall assume, pay and perform the following liabilities and obligations of Seller (collectively, the "Assumed Liabilities") from and after the Closing Date, and no others *None*.

Except for the Assumed Liabilities, Buyer shall not assume, pay or perform any indebtedness, liabilities or other obligations of Seller, all of which shall remain the sole and exclusive obligation of Seller (collectively, the "Excluded Liabilities").

Section 2.04. Consideration for Sale and Transfer. As the consideration for the Assets and the other covenants and agreements set forth herein, Buyer shall pay an amount equal to SEVENTY-SIX THOUSAND SIX HUNDRED FORTY-NINE AND NO/100 DOLLARS (\$76,649.00) for the purchase of the Assets (the "Purchase Price"). The Purchase Price shall be paid at Closing as follows

(a) \$45,340.98 of the Purchase Price shall be paid on Seller's behalf for credit against Seller's Account 1400400 with First Commercial Bank ("Seller's Bank");

(b) \$31,308.02 of the Purchase Price shall be paid on Seller's behalf for credit against Seller's Account _____ with _____ Bank.

Section 2.05. Allocation. The contribution of the Assets to Buyer and assumption of the Assumed Liabilities by Buyer shall be allocated as described in Schedule 2.05. Buyer and Seller agree to report the contribution of the Assets and Assumed Liabilities to Buyer on a basis consistent with the terms of this Agreement and such allocation in their respective financial records, statements and forms prepared or filed pursuant to reporting requirements under the Internal Revenue Code of 1986, as amended, including, but not limited to, the preparation of Internal Revenue Service Form 8594, and not to take any contrary position with respect thereto

Section 2.06. Further Acts and Assurances Each party shall at any time and from time to time at and after Closing, upon request of the other party, take any and all steps necessary to effectuate the terms of this Agreement and will do, execute, acknowledge and deliver or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required for the better transferring and

conveying to Buyer, or for reducing to its possession, any or all of the Assets and for any other transaction contemplated herein

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER AND OWNER

Seller and Owner, jointly and severally, represent and warrant to Buyer as follows

Section 3.01. Organization and Standing of Seller Seller is a professional corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate the Assets and to carry on the Business as and where it is now being conducted

Section 3.02. Authority; Binding Effect. Seller has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Seller has taken all action required by law and by Seller's Articles of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Seller and Owner enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally

Section 3.03. No Conflicts. Neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Seller or Owner hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Seller's Articles of Incorporation or Bylaws, or any provision of any agreement to which Seller or Owner is a party or by which it, he is bound.

Section 3.04. Title to Assets.

(a) Except as otherwise provided in this Section 3.04, Seller has, or will have on the Closing Date, good and marketable title to all of the Assets free and clear of all Encumbrances

(b) The Assets consisting of personal property owned by Seller are subject to no Encumbrances except the security interests of record set forth on Schedule 3.04(b), which Schedule is a copy of UCC searches duly obtained by Seller and which searches show security interests of record relating to such Assets. Seller agrees to remove all security interests reflected on such search, if any, prior to Closing (except those approved by Buyer in writing) and to remove any other security interests filed with respect to such Assets between the date of such search and the Closing Date

(c) The Bill of Sale and such other assignments and other instruments to be executed and delivered by Seller at Closing will be valid, binding and enforceable in accordance with their respective terms, and will effectively vest in Buyer good and marketable title to all the Assets

Section 3.05. Defaults and Consents The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement will not (a) result in any material liability to Seller, (b) constitute a violation of or a default under, or a conflict with, any order, writ, injunction or decree of any court, governmental agency or arbitration tribunal, or any contract, commitment, indenture, lease, sublease or other agreement, or any other restriction of any kind to which Seller or Owner is a party or by which Seller or Owner is bound, (c) cause, or give any party grounds to cause (with or without notice, the passage of time or both), the maturity of any material liability or

obligation of Seller to be accelerated, or increase any such liability or obligation, or (d) require on the part of Seller any consent, approval or authorization of, or declaration, filing or registration with, any governmental or regulatory authority

Section 3.06. No Litigation. Except as set forth in Schedule 3.06, there is no litigation, arbitration, governmental claim, investigation or proceeding pending or threatened against Seller or Owner or otherwise affecting the Assets, at law or in equity, before any court, arbitration tribunal or governmental agency

Section 3.07. Court Orders, Decrees and Laws There are no outstanding or threatened orders, writs, injunctions or decrees of any court, governmental agency or arbitration tribunal against or affecting the Business, Seller, or the Assets. Neither Seller nor Owner is aware of pending or threatened investigations or proceedings by any governmental authorities.

Section 3.08. Condition of Assets The Assets are in good working order, condition and repair, reasonable wear and tear excepted.

Section 3.09. Inventory The inventory is usable and saleable in the ordinary course of business, and the items of such inventory are merchantable and fit for their particular use other than ordinary wear and tear

Section 3.10. Consents. Schedule 3.10 identifies each of the Assumed Contracts requiring consent as a result of the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby (the "Consents") Seller shall cooperate with and assist Buyer in obtaining such Consents prior to Closing

Section 3.11. Assumed Contracts If any, true and complete copies of each of the Assumed Contracts have been delivered by Seller to Buyer, and there are no undisclosed amendments, modifications, or provisions of, and no waivers of any provisions of, any of the Assumed Contracts. Each of the Assumed Contracts is a valid and binding agreement of Seller and is in full force and effect in accordance with its respective terms. Neither Seller nor, to the knowledge of the Seller, any other party thereto, is in default or breach in any material respect under the terms of any such Assumed Contract. Seller has not received notice from any party that it desires to terminate or renegotiate any of the Assumed Contracts

Section 3.12. Financial Statements. Seller has provided to Buyer true and correct copies of financial statements (collectively, the "Financial Statements") of Seller relating to the Business. Since the date of the Financial Statements, there has not been any material adverse change in the financial condition or results of operations of the Business, exclusive of general financial market conditions

Section 3.13. Undisclosed Liabilities Seller has no material liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, including any liability for taxes), except for (a) liabilities set forth in the Financial Statements, and (b) liabilities which have arisen since the date of the Financial Statements in the ordinary course of business

Section 3.14. Legal Compliance

(a) Seller has complied with all 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) that are applicable to the Business

(b) Neither Seller nor Owner has engaged in any activities which are prohibited under, and each of the Assumed Contracts complies with (to the extent applicable), 42 U S C §§ 1320a-7a, 1320a-7b, and 1395nn, and the regulations promulgated pursuant thereto, and any other related state or local statutes and regulations. Neither Seller nor Owner has knowingly and willfully solicited or received any remuneration, kickback, bribe or rebate, directly or indirectly, overtly or covertly, in cash or in kind, or offering to pay or receive such remuneration in return for: (i) illegally referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by a federal or state health care payment program or (ii) illegally purchasing, leasing or ordering, or arranging for or recommending purchasing, leasing or ordering, any goods, facility, service or item for which payment may be made in whole or in part by a federal or state health care payment program. No physician (and no immediate family member of a physician) having a "financial relationship" (as that term is defined in 42 U S C § 1395nn and the regulations promulgated thereunder) with Seller or Owner is in a position, directly or indirectly, to refer patients or services to such Seller or Owner, or any such referral complies with the requirements of 42 U S C § 1395nn and/or the regulations promulgated thereunder.

(c) To the best of Seller's knowledge, Seller is in compliance in all material respects with the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including, without limitation, the privacy requirements at 45 C F R Part 160 et seq and the security regulations set forth at 45 C F R Part 142 et seq. There is no complaint, audit, proceeding, investigation, or claim against or, to the best of Seller's knowledge, threatened against Seller by any governmental authority or any person with respect to the collection, use, storage or disclosure of personal information.

Section 3.15. Tax Proceedings. No deficiencies have been assessed against Seller by any federal, state or local tax authorities, and Seller is not aware of any tax audits by any federal, state or local tax authorities pertaining to the Business. Seller has duly and timely filed in proper form all federal, state and local income, franchise, sales, use, property, excise, payroll and other tax returns and all other reports (whether or not relating to taxes) required to be filed by law with all governmental authorities. All taxes, fees and assessments of whatever nature due or payable by Seller pursuant to such returns, reports or otherwise have been paid.

Section 3.16. Insurance Policies. Seller has maintained, since inception of the Business, insurance policies covering general liability, property damage and medical malpractice for all acts and occurrences arising in the Business. Such medical malpractice insurance coverage (including any "tail" insurance coverage obtained by Seller at or prior to the Closing Date) has or will have coverage limits of at least \$1,000,000 per occurrence and \$3,000,000 in the aggregate. All such insurance policies are now, and through the Closing will be, in full force and effect with no premium arrearages. Seller is not in default with respect to any provision contained in any such policy and has not failed to give any notice or present any claim required by the terms of any such policy in a due and timely fashion.

Section 3.17. No Other Agreements and Options. Seller is not subject to any commitment, obligation or agreement, including, but not limited to, any right of first refusal, option to purchase or lease granted to a third party, which could or would prevent Seller from completing or impair Seller's ability to complete the transfer of the Assets or which would bind Buyer subsequent to consummation of the transaction contemplated in this Agreement.

Section 3.18. No Finders or Brokers. Seller has not engaged any finder or broker in connection with the transactions contemplated hereunder, and no person acting on behalf of Seller has a claim against Seller for any brokerage, finder's fee or similar compensation.

Section 3.19. Disclosure. Seller has no knowledge of any untrue statement of material fact or the omission or failure to state a fact necessary to make the statements contained herein not misleading. There is no fact known to Seller which materially adversely affects the condition, properties, business and operations of Seller or the Business, except as set forth in the Schedules or Exhibits to this Agreement.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants as follows:

Section 4.01. Organization and Standing of Buyer. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate its properties and assets and to carry on its business as and where it is now being conducted.

Section 4.02. Authority; Binding Effect. Buyer has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Buyer has taken all action required by law and by Buyer's Articles of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Buyer enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally.

Section 4.03. No Conflicts. Neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Buyer hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Buyer's Articles of Incorporation or Bylaws, or any provision of any agreement to which Buyer is a party or by which it is bound.

Section 4.04. No Finders or Brokers. Neither Buyer nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

Section 4.05. Litigation; Court Orders. There is no litigation, arbitration, proceeding, either pending or threatened, or outstanding orders, writs, injunctions or decrees of any court, governmental agency or tribunal which prevents Buyer from consummating the transactions contemplated hereby.

ARTICLE V COVENANTS OF SELLER AND OWNER

Seller and Owner hereby covenant and agree as follows:

Section 5.01. Corporate Action and Consents. Seller will take all necessary corporate and other action and obtain all consents, approvals and amendments of agreements required of it and/or them to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 5.02. Confidential Information. Seller and Owner shall keep confidential the terms of this Agreement and the agreements to be executed at Closing and all information provided by Buyer regarding the Buyer and shall exercise the same care in handling such information as they would exercise with similar information of their own.

Section 5.03. Taxes Seller shall pay all sales, use, transfer, purchase, recording and documentary taxes and fees, if any, arising out of the transfer of the Assets

Section 5.04. Operation and Preservation of Business Seller and Owner will not engage in any practice, take any action, or enter into any transaction outside the ordinary course of business. Seller and Owner will cause Seller's business and properties (including, without limitation, the Assets) to remain substantially intact, including its present operations, physical facilities, working conditions, insurance policies, and relationships with lessors, licensors, suppliers, patients and employees

Section 5.05. Employee Benefit Plans Prior to Closing, Seller will take such actions as are necessary to ensure all obligations of Seller with respect to any employee benefit plan are met and satisfied by Seller, and Seller will take all actions necessary to ensure that no employee benefit plan or obligations thereunder become the responsibility of Buyer

Section 5.06. Noncompetition.

(a) In consideration for the substantial consideration to be paid to Seller and Owner pursuant to this Agreement, Seller and Owner agrees to be bound by the restrictive covenants set forth in this Section 5.06. Seller and Owner acknowledges that the restrictive covenants set forth in this Section 5.06 are ancillary to the sale of assets, business interests, and goodwill described in this Agreement and are a material inducement to Buyer agreeing to enter into this Agreement with Seller and Owner and that, absent such restrictive covenants, Buyer would not have entered into this Agreement. Owner further acknowledges that Owner has an indirect financial interest in Buyer consummating the transactions described in this Agreement because of his Ownership of Seller, and Owner desires to enter into this Agreement as a material inducement for Buyer to enter into this Agreement and consummate the transactions described in this Agreement. Accordingly, for a period of twelve (12) months following the expiration or termination of the Physician Employment Agreement between Owner and Buyer, Seller and Owner agrees to refrain from engaging directly or indirectly in any Restricted Activities within the Restricted Territory, except as provided in Schedule 7.7 of the Physician Employment Agreement. For purposes of this Section 5.06, the terms:

(i) "Restricted Territory" shall mean any location within the geographic area comprised of Oklahoma County, Oklahoma and each county contiguous to Oklahoma County, Oklahoma;

(ii) "Restricted Activities" shall mean Seller or Owner providing, directly or indirectly, any type of physician services (whether patient care, management or administrative services and whether on a full or part-time basis) in any capacity on behalf of any person or entity in the Restricted Territory, including, without limitation, any hospital, health system, medical group, clinic, health care facility, or physician network affiliated through a management services or billing organization, other than as a Private Practice Physician (as defined below) and other than engaging in outside medical activities (as provided for in Section 4.4 of the Physician Employment Agreement between Buyer and Owner) approved by the Corporation Board. The term "Restricted Activities" does not include Physician establishing or maintaining medical staff privileges at any hospital or health care facility within the Restricted Territory

(iii) "Private Practice Physician" shall mean Owner establishing and maintaining a private practice of medicine as an independent solo practitioner, unaffiliated in any manner with any other physician, physician group, physician practice entity, or physician network affiliated through a management services or billing organization, and not as an employee or

independent contractor physician of any hospital, health system, medical group, clinic, health care facility, or physician network affiliated through a management services or billing organization

(b) In the event the provisions of this Section 5.06 are declared by a court of competent jurisdiction to exceed the time, geographic, occupational or other limitations permitted by applicable law, then such provisions shall be deemed reformed to the maximum time, geographic, occupational or other limitation held reasonable and enforceable by such court. The covenants and restrictions contained in this Section 5.06 are separate and divisible. Each provision and clause shall be enforced to the maximum extent permitted by law.

(c) The parties acknowledge and agree that, since a remedy at law for any breach or attempted breach of the provisions of Section 5.06 of this Agreement shall be inadequate, Buyer shall be entitled to injunctive and other equitable relief, including specific performance, in case of any such breach or attempted breach, in addition to such other remedies as may exist at law. The parties waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. The parties hereby consent to jurisdiction and venue in Oklahoma County, Oklahoma, and hereby waive any objection to the jurisdiction of, or the venue of any action instituted in, such courts.

Section 5.07. Malpractice Insurance. Prior to the Closing, Seller shall purchase "tail" or "prior acts" malpractice insurance coverage with limits as set forth in Section 3.16 covering any potential claims arising out of the operation of the Business prior to the Closing Date.

ARTICLE VI COVENANTS OF BUYER

Section 6.01. Corporate Action and Consents. Buyer will take all necessary corporate and other action and obtain all consents, approvals and amendments of agreements required of it to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 6.02. Confidential Handling of Documents. Except as required in connection with any financing, Buyer shall keep confidential all information regarding the business, financial condition and operations of Seller which is not in the public domain and shall exercise the same care in handling such information as it would exercise with similar information of its own.

ARTICLE VII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER AND OWNER

All obligations of Seller and Owner which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Buyer on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Seller and Owner at any time prior to the Closing Date):

Section 7.01. Representations and Warranties True. All of the representations and warranties made by Buyer contained in Article IV of this Agreement shall be true as of the Effective Date, shall be deemed to have been made again on and as of the Closing Date and shall be true on and as of the Closing Date in all material respects. Buyer shall have performed and complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date; and Seller shall be furnished with a certificate of Buyer, dated on the Closing Date,

certifying to the truth of such representations and warranties as of the time of Closing and to the fulfillment of such covenants and conditions

Section 7.02. No Obstructive Proceeding. No action or proceeding shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency.

Section 7.03. Consents and Approvals Any consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller, including, without limitation, the Consents

Section 7.04. Proceedings and Documents Satisfactory All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith

ARTICLE VIII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

All obligations of Buyer which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Seller and Owner on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Buyer at any time at or prior to the Closing Date).

Section 8.01. Representations and Warranties True All of the representations and warranties of Seller and Owner contained in Article III of this Agreement shall be true as of the Effective Date, and shall be deemed to have been made again on and as of the Closing Date, and shall be true on and as of the Closing Date in all material respects; Seller and Owner shall have performed or complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it, him or her on or before the Closing Date. On the Closing Date, Seller shall have delivered to Buyer a certificate, dated of the Closing Date and signed by an officer of Seller as to the matters set forth in this Section.

Section 8.02. No Obstructive Proceeding No action or proceedings shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency

Section 8.03. Due Diligence; Appraisal Buyer shall have had an opportunity to conduct a complete and thorough due diligence review of the Business, including, without limitation, a review of all assets, contracts and agreements, financial statements, analysis and verification of all statistical and financial data, the results of which shall be fully satisfactory to Buyer in its sole discretion. Buyer shall have received a valuation report supporting the fair market value of the Purchase Price.

Section 8.04. Physician Employment Agreements Owner shall have entered into a physician employment agreement with Buyer in a form mutually acceptable between the parties as of the Closing Date

Section 8.05. Corporate Approvals; Funding Buyer shall have obtained all necessary corporate approvals and funding (including capital allocations from Buyer's corporate parent) necessary to consummate the transactions described in this Agreement.

Section 8.06. Consents and Approvals Any corporate approvals and/or consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller and Owner, including, without limitation, the Consents.

Section 8.07. Proceedings and Documents Satisfactory. All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith

Section 8.08. No Adverse Change From the Effective Date until the Closing Date, the operations of the Business shall have been conducted in the ordinary course of business, consistent with past practice, and no event shall have occurred or have been threatened which has or would have an adverse effect upon the operation of the Business, and Seller shall not have sustained any loss or damage to the Assets, whether or not insured, that affects materially and adversely, in the opinion of Buyer, the value of the Assets

Section 8.09. Receipt of Transfer Documents Buyer shall have received from Seller a Bill of Sale and such other assignments and transfer documents necessary to transfer to Buyer good and marketable title to the Assets free of all liens, encumbrances, restrictions, encroachments and easements, except for such exceptions as Buyer shall approve in writing. Buyer shall also have received all other documents contemplated by this Agreement

ARTICLE IX CLOSING DELIVERIES

Section 9.01. Deliveries by Seller On the Closing Date, Seller shall deliver or cause to be delivered to Buyer the following

(a) **Transfer Documents.** A Bill of Sale executed by Seller and such other assignments and transfer documents that shall be sufficient to vest in Buyer all rights, title and interest to the Assets in the name of Buyer, free and clear of all Encumbrances except as permitted in this Agreement

(b) **Seller's Certificate** A certificate, dated as of the Closing Date, executed by Seller and Owner certifying that (i) the representations and warranties of Seller and Owner contained in this Agreement are true, complete and correct in all material respects as of the Closing Date, except as set forth in this Agreement, and (ii) Seller and Owner have, in all material respects, performed all of their obligations and complied with all of their covenants set forth in this Agreement to be performed and complied with prior to or on the Closing Date

(c) **Other Deliveries** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof

Section 9.02. Deliveries by Buyer. On the Closing Date, Buyer shall deliver to Seller the following:

(a) **Purchase Price.** The Purchase Price as provided in Section 2.04

(b) **Buyer's Certificate** A certificate, dated as of the Closing Date, executed by Buyer certifying that (i) the representations and warranties of Buyer contained in this Agreement are true, complete and correct in all material respects as of the Closing Date, except as set forth in this Agreement, and (ii) Buyer has, in all material respects, performed all of its obligations and complied with all of its covenants set forth in this Agreement to be performed or complied with on or prior to the Closing Date

(c) **Other Deliveries** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by the Agreement and to comply with the terms hereof

ARTICLE X TERMINATION

Section 10.01. Methods of Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

(a) By the mutual written consent of Seller and Buyer;

(b) By Buyer, if all of the conditions set forth in Article VIII of this Agreement shall not have been satisfied or waived on or prior to the Closing Date, provided that the right to terminate this Agreement under this Section 10.01(b) shall not be available to Buyer if a breach by Buyer of any of its representations, warranties or covenants contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date;

(c) By Seller or Owner, if all of the conditions set forth in Article VII of this Agreement shall not have been satisfied or waived on or prior to the Closing Date; provided that the right to terminate this Agreement under this Section 10.01(c) shall not be available to Seller or Owner if a breach by Seller or Owner of any of its or his representations, warranties or covenants contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date

If this Agreement is terminated pursuant to this Section 10.01, it shall become null and void and of no further force or effect, except as provided in Section 10.02

Section 10.02. Procedure Upon Termination. In the event of termination and abandonment of this Agreement by Seller or Buyer pursuant to Section 10.01 hereof, written notice thereof shall forthwith be given to the other party as provided herein, and this Agreement shall terminate and the transactions contemplated hereby shall be abandoned, without further action by Seller or Buyer, and Seller and Buyer shall each return to the other party any documents or copies thereof in possession of such party furnished by such other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated as provided herein, no party to this Agreement shall have any liability or further obligation to any other party to this Agreement with respect to this Agreement or the transactions contemplated hereby except as provided in this Section 10.02 and in Sections 5.02 and 6.02, provided, however, that no termination of this Agreement pursuant to the provisions of this Article X shall relieve any party of liability for a breach of any provision of this Agreement occurring prior to such termination

ARTICLE XI INDEMNIFICATION

Section 11.01. Indemnity by Seller. Subject to the conditions and provisions herein set forth, Seller and Owner, jointly and severally, agree to indemnify, defend and hold harmless Buyer and its affiliates, and its and/or their officers, directors, assigns, subsidiaries, affiliates and agents from and against any and all direct or indirect damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, encumbrances and all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) which are sustained, incurred or paid by any indemnified party resulting from or arising out of

- (a) Any inaccuracy in any representation or breach of any warranty of Seller or Owner contained in this Agreement,
- (b) Any failure by Seller or Owner to perform any of its or his respective covenants or obligations set forth in this Agreement;
- (c) Any of the Excluded Assets or Excluded Liabilities, or
- (d) The operation of the Business by Seller or Owner prior to the Closing Date.

Section 11.02. Indemnity by Buyer. Subject to the conditions and provisions herein set forth, Buyer agrees to indemnify, defend and hold harmless Seller, its officers, directors, assigns, subsidiaries, affiliates and agents from and against any and all direct or indirect damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, encumbrances and all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) which are sustained, incurred or paid by any indemnified party resulting from or arising out of

- (a) Any inaccuracy in any representation or breach of any warranty of Buyer contained in this Agreement,
- (b) Any failure by Buyer to perform any of its covenants or obligations set forth in this Agreement; or
- (c) Any of the Assumed Liabilities from and after the Closing Date

Section 11.03. Rules Regarding Indemnification. The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party or third parties shall be subject to the following terms and conditions:

- (a) The indemnified party shall give written notice to the indemnifying party within 30 days of learning of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on the indemnity agreement contained in Sections 11.01 and 11.02 hereof, stating the nature and basis of said claim and the amounts thereof, to the extent known
- (b) The indemnified party shall not make any settlement of any claims without the written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed.
- (c) Unless the indemnifying party is contesting in good faith a claim involving the indemnified party, any amounts owing to the indemnified party pursuant to the provisions of this

Article XI shall be due and payable on the fifteenth (15th) business day following the indemnifying party receiving notice of a claim thereunder.

Section 11.04. Remedies Cumulative Except as herein expressly provided, the remedies provided in this Article XI shall be cumulative and shall not preclude assertion by any party of any other rights or the seeking of any other rights or remedies against any other party hereto

ARTICLE XII MISCELLANEOUS

Section 12.01. Expenses. Except as otherwise provided herein, all expenses of the preparation of this Agreement and of the transfer of the Assets, including, without limitation, counsel fees, accounting fees, sales taxes, recording fees, investment advisers' fees and disbursements, shall be borne by the respective parties incurring such expense, whether or not such transactions are consummated.

Section 12.02. Notices All notices, demands and other communications required or permitted hereunder shall be sufficiently given if delivered in person or mailed by certified mail, postage prepaid, addressed as follows.

If to Seller	William J Hale, M D , P.C 14100 Parkway Commons Drive, Suite 202 Oklahoma City, Oklahoma 73134
If to Owner	William J Hale, M D 14100 Parkway Commons Drive, Suite 202 Oklahoma City, Oklahoma 73134
If to Buyer	Mercy Physicians of Oklahoma, Inc 4300 West Memorial Road Oklahoma City, Oklahoma 73120 Attention: President
With a copy to.	Mercy Health System, Inc. 4300 West Memorial Road Oklahoma City, Oklahoma 73120 Attention President/CEO

or to such other address as any party may designate by notice to the other parties

Section 12.03. Risk of Loss Seller shall assume the risk of loss, damage or destruction of the Assets prior to the Closing Date

Section 12.04. Announcements The content of any communications to the public relating to the transaction that is the subject of this Agreement, including, but not limited to, any letters to patients regarding such transaction, shall be mutually agreed to by Buyer and Seller

Section 12.05. Entire Agreement This Agreement, the Exhibits and the Schedules delivered pursuant hereto constitute the entire contract between the parties hereto pertaining to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the parties, and there are no representations, warranties or

other agreements between the parties in connection with the subject matter hereof or thereof, except as specifically set forth herein or therein

Section 12.06. Assignment

(a) Buyer may not assign in whole or in part its rights under this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld; provided, however, that Buyer may assign, in whole or in part, its rights under this Agreement to a related or successor entity upon prior written notice to Seller. In the event of any unconditional assignment of Buyer's entire right, interest and obligations hereunder, Buyer shall automatically be relieved, from and after the date of such assignment, of liability for the performance of any obligation of Buyer contained herein.

(b) Seller and/or Owner shall not, prior to the Closing Date, without the prior written consent of Buyer, which consent may be withheld in Buyer's sole discretion, sell, assign, transfer, mortgage, convey, encumber or grant any easements or other rights or interests of any kind in the Assets, any of Seller's and/or Owner's rights under this Agreement or any interest in Seller, whether voluntarily, involuntarily or by operation of law or otherwise, including, without limitation, by merger, consolidation, dissolution or otherwise

Section 12.07. Governing Law The validity and construction of this Agreement shall be governed by the laws of the State of Oklahoma without regard to the conflicts of law rules thereof

Section 12.08. Section Headings. The Section headings are for reference only and shall not limit or control the meaning of any provision of this Agreement

Section 12.09. Waiver. No delay or omission on the part of any party hereto in exercising any right hereunder shall operate as a waiver of such right or any other right under this Agreement.

Section 12.10. Amendments. This Agreement may be amended, but only in writing, signed by the parties hereto.

Section 12.11. Survival. The indemnification obligations of the parties each to the other in this Agreement, as well as any other obligations, representations or warranties which by their nature or content would continue beyond the Closing Date or the expiration or termination of this Agreement, whether specifically identified or not, shall survive the Closing Date or any expiration or termination of this Agreement.

Section 12.12. Exhibits and Schedules All Exhibits and Schedules referred to in this Agreement are integral parts of this Agreement and are hereby incorporated into this Agreement as if fully set forth herein, and all statements appearing therein shall be deemed to be representations

Section 12.13. Successors and Assigns This Agreement shall inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein, it being the intention of the parties to this Agreement that the Agreement be for the sole and exclusive benefit of such parties or such successors and assigns and not for the benefit of any other person

Section 12.14. Counterparts This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall comprise one and the same instrument

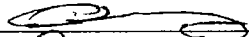
Section 12.15. Attorneys' Fees If legal action is commenced to enforce this Agreement, each party shall pay its own costs and attorneys' fees in connection with any such action

Section 12.16. Severability If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable

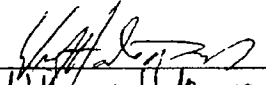
Section 12.17. Specific Performance. The parties acknowledge that money damages will be inadequate in the event any party breaches its covenants or obligations under this Agreement. Accordingly, a party shall be entitled to the remedy of specific performance to require the other party to perform its covenants and obligations under this Agreement

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written

MERCY PHYSICIANS OF OKLAHOMA, INC.

By 
Name Doreen Smalley
Title CEO

WILLIAM J. HALE, M.D., P.C.

By 
Name William J. Hale, M.D.
Title President


WILLIAM J. HALE, M.D.

LIST OF SCHEDULES

Schedule	Description
2 01(a)	Tangible Personal Property
2 01(b)	Assumed Contracts
2 05	Allocation
3.04(b)	List of Security Interests (Lien Search)
3 06	Litigation
3.10	Consents

SCHEDULE 2.01(a)
TANGIBLE PERSONAL PROPERTY

TOTAL APPRAISED VALUE OF PROPERTY	
(SEE ATTACHED APPRAISAL	\$81,800.00
LESS APPRAISED ITEMS NOT TAKEN	
BY MERCY ITEMS NO. 83, 87, 112, 123 AND 131)	<u>(\$5,151.00)</u>
 TOTAL PURCHASE PRICE	 \$76,649.00

CONFIDENTIAL

VALUATION REPORT OF SPECIFIC LISTED ASSETS OF

**WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OK 73134**

**CONSISTING OF FURNITURE, FIXTURES
(TRADE FIXTURES) AND EQUIPMENT**

CONCEPTS OF VALUE.

FAIR MARKET VALUE IN CONTINUED USE

EFFECTIVE DATE OF APPRAISAL

October 4, 2010

APPRAISAL PREPARED FOR:

**Mr. Randall Murray
William J. Hale, II, M.D., P.C.
14100 Parkway Commons Dr., Suite 202
Oklahoma City, OK 73134**

APPRAISAL PREPARED BY:

**Cornerstone Systems, Ltd.
1309 Salem Avenue
Edmond, OK 73003**

**Robert E. Campbell
President**

CORNERSTONE

Systems, Ltd.

October 15, 2010

Mr. Randall Murray
William J. Hale II, M.D., P.C.
14100 Parkway Commons Dr., Suite 202
Oklahoma City, OK 73134

rmurray@haleortho.com

RE. Personal Property Appraisal of Assets, Fair Market Value In Continued Use of William J. Hale II, M.D., P.C.

Dear Mr. Murray:

I have appraised the specific itemized assets (consisting of trade fixtures and equipment), hereinafter known as "the Assets," of William J. Hale II, M.D., P.C., all located at 14100 Parkway Commons Dr., Suite 202, Oklahoma City, OK, 73134 pursuant to your request. No investigation was made to verify ownership, therefore I have presumed that all items listed are owned by, William J. Hale II, M.D., P.C. A physical inventory of the Assets was performed on October 4, 2010. The purpose of this appraisal was to determine the Fair Market Value In Continued Use of the Assets, as of October 4, 2010, the effective date, for the purpose of determining the value of the personal property assets of William J. Hale II, M.D., P.C. physically located at 14100 Parkway Commons Dr., Suite 202, Oklahoma City, OK, 73134 for the assets to be acquired by another party.

Based upon the evaluation of the Assets, relevant market survey, and data analysis, it is my professional considered opinion that, as of October 4, 2010, the values of the assets were:

Fair Market Value In Continued Use:

\$81,800

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for my expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth my findings and conclusions, which are based upon my investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Mr. Randall Murray
Dr. William J. Hale II, M.D., P.C.
October 15, 2010
Page Two

Photographs were taken of the listed assets and are provided with this report in digital format. Should any of the items included in the inventory of this report not be owned by William J. Hale II, M.D., P.C., then this appraisal should be adjusted accordingly to offset those items.

If you have any questions regarding the methods used in this appraisal, the concepts of value or the indicated values, please contact me. Thank you for allowing our firm to be of service to you in this matter. Should you require personal property appraisal services in the future, I would appreciate your consideration.

Respectfully submitted,
Cornerstone Systems, Ltd.

Robert E. Campbell
President

REC

WILLIAM J. HALE II, M.D., P.C.

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WILLIAM J. HALE II, M.D., P.C.

CONCLUSION OF VALUATION

Based upon the evaluation of the Assets, data analysis and relevant market survey, it is my professional considered opinion that, as of October 4, 2010, the values of the assets based on the given value concepts were:

Fair Market Value In Continued Use:

Eighty One Thousand Eight Hundred Dollars

\$81,800

STATEMENT OF PROMINENT FACTS AND CONCLUSIONS

1. APPRAISAL COMPLETED FOR	Mr. Randall Murray William J. Hale II, M.D., P.C. 14100 Parkway Commons Dr., Suite 202 Oklahoma City, OK 73134
2. ASSETS APPRAISED:	Furniture, Trade Fixtures, Machinery, Equipment
3. ASSETS OWNED BY:	William J. Hale II, M.D., P.C.
4. LOCATED AT:	14100 Parkway Commons Dr., Suite 202 Oklahoma City, OK 73134
5. PURPOSE OF APPRAISAL:	To determine Fair Market Value In Continued Use
6. PROPERTY RIGHTS APPRAISED:	Fee Simple
7. APPRAISED VALUE REPRESENTS	William J. Hale II, M.D., P.C. at Fair Market Value In Continued Use
8. APPRAISED VALUES <i>as EXHIBIT</i> :	\$81,800
9. CLIENT-INDICATED USE OF APPRAISAL:	Determination of value of assets for third party acquisition
10. REPORT DATE:	October 15, 2010
11. DATE OF VALUE	October 4, 2010
12. INSPECTION DATES	October 4, 2010
13. SCOPE OF THE APPRAISAL:	Summary Appraisal Report
14. HIGHEST AND BEST USE:	Continued use as currently utilized
15. APPROACHES TO VALUE GIVEN MOST WEIGHT:	Market & Cost
16. MARKET TYPE:	End-user to End-user

THESE FINDINGS ARE SUBJECT TO THE STATEMENT OF ASSUMPTIONS AND THE
CONTINGENT AND LIMITING CONDITIONS WHICH ARE INCLUDED IN AND ARE A PART
OF THE APPRAISAL REPORT

**STATEMENT OF ASSUMPTIONS AND CONTINGENT AND LIMITING
CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason, the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Cornerstone Systems, Ltd.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has neither present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised, and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection. Some items in this report may not have been physically inspected by the appraiser due to logistical difficulties and mobility of rolling stock. If this is the case, those items are appropriately indicated. If those items are in fact not owned by the subject company, this appraisal should be adjusted to reflect the omission of those

STATEMENT OF ASSUMPTIONS AND CONTINGENT AND LIMITING CONDITIONS, CONTINUATION

assets.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics, the Standards of the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the American Society of Appraisers

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge

**STATEMENT OF ASSUMPTIONS AND CONTINGENT AND LIMITING
CONDITIONS, CONTINUATION**

The appraiser reserves the right to correct any omissions or errors, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's, may in the future; greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

This report may be disclosed only to the client and persons authorized by the client. Disclosure may be necessary, without the client's permission in cases of due process of law, to enforcement agencies and such third parties authorized by the judicial process and to a duly authorized professional peer review committee.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT CONSTITUTES
ACCEPTANCE OF THE ABOVE ASSUMPTIONS AND CONDITIONS**

GENERAL INFORMATION AND DEFINITIONS

PURPOSE OF APPRAISAL:

The purpose of this appraisal was to determine the Fair Market Value In Continued Use of the subject property listed in the enclosed inventory. In estimating these values, it was necessary to perform a physical inspection of listing of the property contained in this study. The results are presented in this report. Assets, which are at the facility, but not in use, will be valued accordingly.

FUNCTION OF APPRAISAL:

The estimates of value reported within this report are intended for the use of William J. Hale II, M.D., P.C. for the purpose of determining value of the personal property assets of William J. Hale II, M.D., P.C. physically located in 14100 Parkway Commons Dr., Suite 202, Oklahoma City, OK 73134, to allow another party to acquire the subject assets.

IDENTIFICATION OF PROPERTY:

The subject machinery and equipment consists of the assets of William J. Hale II, M.D., P.C. located at the facility in Oklahoma City, Oklahoma. Asset listings and other support documentation were provided to the appraiser by the management of Dr. Hale's practice which serves as the core supporting documentation of the assets. The listings include assets purchased through September, 2010. The appraisal is only for the assets described within this report and does not include the real estate, leasehold improvements or work in progress.

DATE OF VALUATION:

The value estimates are as of October 4, 2010, which was the date of the initial site inspection of the assets of the William J. Hale II, M.D., P.C.

GENERAL INFORMATION AND DEFINITIONS CONTINUATION

PROPERTY RIGHTS APPRAISED:

This is an appraisal of the value of the fee simple title of the subject machinery and equipment as though the property were free and clear of all indebtedness and not subject to any recorded liens or encumbrances. However, it is presumed that all of the assets appraised are owned by William J. Hale II, M.D., P.C., although no effort has been made to determine the title rights to the property.

SCOPE OF ASSIGNMENT:

For this assignment, a narrative appraisal report has been prepared outlining the appraisal techniques and procedures utilized in evaluating the subject machinery and equipment for the required value concepts.

This report includes:

1. Identification of the specific machinery and equipment to be appraised and the effective date of the valuation
2. A detailed description of the assets to be appraised including all of the pertinent information that is available such as the model, date of manufacture, size and any important conditions.
3. A discussion of the appraisal techniques considered and used in the development of the values in addition to market conditions, which are deemed appropriate.
4. A presentation of each applicable appraisal technique utilized
5. A summary and reconciliation of the approaches into a final value estimate as of the valuation date where appropriate

GENERAL INFORMATION AND DEFINITIONS CONTINUATION

VALUE CONCEPTS:

Fair Market Value In Continued Use "The estimated amount expressed in terms of money that may be reasonably expected for a property in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both fully aware of all relevant facts including installation, as of a specific date and assuming that the business earnings support the value reported."

Fair Market Value In Continued Use, considers the Fair Market Value of an item plus all direct costs applicable to installation and start up of the item for its' intended use. This value concept as particularly applied to equipment, is the value of a piece of equipment installed and in-place for its intended continued use at the time of inspection. It also considers that each individual item appraised contributes to an added value relative to the operational facility, and also presumes adequate cash flow to support current operations. This value concept is applicable for marketing property on a "going concern" basis and/or for allocation of the purchase price after acquisition. It is also used as a value applicable to any representation made for value of the personal property portion of the assets as its portion of contribution to the overall business.

METHODS OF APPRAISAL

In estimating the **Fair Market Value In Continued Use**, the appraiser has considered the following approaches in arriving at indicators of value:

MARKET APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the specific value concepts as they apply to this appraisal of the assets may be calculated. Within these comparable items, there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment, where applicable. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost New of the machinery and equipment, less all accrued forms of depreciation.

Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance or renovation, which leads to the ultimate retirement of the property.

Functional (Internal) Obsolescence exists in two forms

Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity, and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors.

METHODS OF APPRAISAL CONTINUATION

Economic (External) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which could have an impact upon the item(s) appraised.

When there is sufficient market, comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Values, the appraiser has assumed that there was adequate cash flow to support the indicated values. If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the Economic Obsolescence.

The values set forth in this report represent an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate; and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Value requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale,
- (5) Location of property,
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and economic obsolescence.

METHODS OF APPRAISAL CONTINUATION

In considering the Fair Market Value In Continued Use concept, those values are adjusted to include the installation and start up of those items, such as

- 1 Labor and equipment to install
2. Applicable taxes
3. Transportation
4. Mechanical and electrical hook up
- 5 Special foundations
6. Any unique installation considerations
7. Start up and debugging

VALUATION OF THE MACHINERY AND EQUIPMENT

Earlier in this report the three recognized approaches to valuing machinery and equipment were outlined. It was concluded the Income Approach was not applicable and the Sales Comparison and Cost Approaches would be the only two utilized. A more detailed discussion of each of these two approaches will now be undertaken.

COST APPROACH

The Cost Approach is the best method of valuation for items that are relatively new or that are specially designed for special use. The Cost Approach is a technique whereby the current cost to reproduce an item or the current cost to replace the utility of an item is first determined. These costs are defined as follows

Reproduction Cost New: The current cost of reproducing a new replica of a property with the same or closely similar materials.

Replacement Cost New: The current cost new of a similar property having the nearest equivalent utility as the subject property.

Typically, the reproduction cost is the higher of the two starting points since the presumption is that the asset will be a duplicate of the original including any functional obsolescence that is apparent in the original asset. If improvements in technology, materials of construction or manufacturing methods have changed since the original was built, it will be reflected in the current replacement cost new of an asset that will provide the utility to replace that of the subject asset.

The replacement cost new is the manufacturer's selling price of the current model of the asset. If it is still manufactured exactly as the original was, this is also the reproduction cost new. Often though, the asset in question is no longer available exactly like the original and the original cost may be trended up by the appropriate indexes to determine the reproduction cost new. However, this is a method of last resort and trending often leads to an over inflated cost. In that case a careful and appropriate analysis is required to determine the replacement cost new of the subject asset. In this analysis, most of the current replacement costs new were available from the manufacturers and RCN will refer to replacement cost new in the content of this report

VALUATION OF THE MACHINERY AND EQUIPMENT CONTINUATION

Once the RCN is determined, the next step is to adjust that cost to represent the particular asset being valued. The adjustments are for the three forms of depreciation that affect value: physical deterioration, functional and economic obsolescence. Each of these forms of depreciation results from different influences and each are defined as follows:

Physical Deterioration: A form of depreciation where the loss in value or usefulness of an asset is attributable solely to physical causes such as wear and tear and exposure to the elements.

Functional Obsolescence: A form of depreciation in which the loss in value is due to factors inherent in the property itself and changes in design, materials or process resulting in inadequacy, over capacity, excess construction, lack of functional utility, excess operating costs, etc.

Economic Obsolescence: A form of depreciation or loss in value caused by unfavorable external conditions (to the asset itself)

Each form of depreciation is determined separately using different methods. The physical portion may be determined using an age/life analysis, a cost build up method or by estimating the effective age in relation to its normal useful life. The functional obsolescence is typically accounted for by using the current replacement cost for the same utility. If the same utility is not available from a manufacturer then an adjustment may be required. The economic obsolescence is more difficult to measure since it involves external forces. In this analysis, it has been concluded there is no economic obsolescence. However, the physical and functional aspects are apparent and have been taken into consideration.

The age/life analysis for developing the amount of physical depreciation first considers the normal useful life (NUL) of the asset. This is the life the asset is expected to endure before it deteriorates to an unusable condition.

VALUATION OF THE MACHINERY AND EQUIPMENT CONTINUATION

The effective age (EA) of an asset is its perceived age in comparison to a similar new asset. The EA may or may not be the same as the asset's actual age. For instance, if a machine is used less than what is considered normal usage or has been well maintained, the EA will probably be less than its actual age. In that situation the asset would probably be useful for a longer period of time. Conversely if an asset is operated around the clock or not maintained properly, the EA may be greater than the actual age. In this instance the asset will probably have a shorter life. Overall, the William J. Hale II, M.D., P.C. machinery and equipment is comparatively in average physical condition considering their type of business and asset usage.

SALES COMPARISON (MARKET) APPROACH

This approach is reliable when there is sufficient verifiable information regarding recent arm's length sales of comparable machinery and equipment similar to the subject being valued. The selling price of these comparables is adjusted up or down in an attempt to reflect the subject asset as closely as possible. The characteristics adjusted for may include age, condition, capacity or size. The adjusted selling price of the comparables would then indicate a value range appropriate to the subject asset.

This approach typically results in a Fair Market Value, which means that the asset would then require additional costs to ship and install the equipment at the location of intended use. Consequently, the transportation and installation costs would be depreciated to the same extent as the asset.

VALUATION OF THE MACHINERY AND EQUIPMENT CONTINUATION

Overall, the assets are composed of a mix of relatively current equipment. The general operating philosophy of William J. Hale II, M.D., P.C. appears to be that of normal operation and adequate maintenance. There appears to be a secondary market for most of the subject machinery and equipment, assuming a fair market sale.

The following pages list the machinery and equipment with the concluded values.

Also, there are several assets listed within the report that are jointly owned 50%-50% by Dr. Hale and Dr. Norris Hisey (Chiropractor). See Items 15 & 16 and the notes as listed in each of these items. The indicated values reflect the value of ownership to Dr. Hale.

APPRAISAL OF SPECIFIC LISTED ASSETS
WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OKLAHOMA 73134

October 4, 2010

Item	Qty	Description	Photo	FMVicu
Inventory of X-Ray Facility:				
1	4 ea	Chairs, side, wood frame and arms, upholstered seat and back, mfg'd by Quaker Furniture. Inc., Hickory, NC G Note: 3 each green and 1 each beige chairs	1	1,764
2	1 ea	Chairs, side, 32" wood frame and arms, upholstered seat and back, mfg'd by Quaker Furniture. Inc., Hickory, NC G	1	485
3	1 ea	Chair, side, metal frame with plastic arms rests, padded vinyl seat and back, mfg by HON, G	18	226
4	1 ea	Chair, desk task chair, mfg by HON, upholstered seat and back with 5 caster base, 5 way adjustment, G	25	230
5	1 ea	Table, end, wood top and legs, 21" x 21" x 16" high, includes wood insert, G Note: this table has 2 legs and attaches to one of the side chairs in Item 1 above.	1	65
6	1 ea	Table, end, carved edge wood top and legs, 27" x 24" x 21" high, G Note. this is a matching table to the side chairs above	1	125
7	1 ea	Table, portable with collapsible X metal frame (legs), with 25" x 18" molded plastic top, G	28	45
8	1 ea	Lamp, modern metal floor model, 62" height, G	2	175
9	1 ea	Lamp, hammered metal table model, 22" height, G	6	65
10	2 ea	Wall hangings, 11' x 23", framed with single matting, G	3	90
11	2 ea	Wall hanging, 28" x 24," wood framed, double matted, G	4 & 5	180
12	1 ea	Heater, portable, mfg Holmes, complete with fan, G Note there was no indentifying information on the exterior of the unit	28	34
13	1 ea	Stool, stainless steel metal step with 4 each metal legs and a handle, 11" x 14" with 36" handle, mfg'd by The Brewer Company, G	16	62
14	1 ea	Stool, examination, 5 caster metal base, adjustable	17	103

APPRAISAL OF SPECIFIC LISTED ASSETS
WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OKLAHOMA 73134

October 4, 2010

Item	Qty	Description	Photo	FMVicu
15	1 ea	vinyl padded seat, mfg by Foxman, mfg'd 8/12/2005, G Note: the adjustment handle is a circumferential lever around the seat of the stool. X-ray machine, manufactured by Summit Industries, Chicago, IL, model A802, serial 050701, mfg'd August 2005, includes table and standing illuminators, x ray collimator model LX125, model no. D800, serial NH943-0805, mfg'd August, 2005 with input ratings: 24 VAC (nominal), 50/60 Hz, Current 6 amp @ 24 VAC, maximum rating 125 KVP, minimum inherent filtration @ 125 KVP: 2 mm AL EQ, Lamp type FCS, 24 VAC, 150 W, location code, SC, X-Ray Tube Housing Assembly, mfg'd July, 2005, model E7239GX, serial 5G076 insert model E7239, serial 5F0716, maximum voltage 125, Focal spot 2.0/1.0 mm, permanent filtration: 0.9/75, Operator Console: model L460, serial AEA541-0805, mfg'd by Summit Industries, Inc Location Code: SC, this unit includes 12 each film cassettes of various sizes from 18" x 15" to 9" x 11", G Note this unit is capable of imaging the subject in a lying or standing position. Information provided to this appraiser indicates Dr Hale owns 50% of this asset, therefore the value indicates 50% of the total value of the unit	7 thru 15 & 22	16,282
16	1 ea	Processing unit, x-ray film, AFP Imaging Corp., catalog no 9992305300-U, type- mini medical 90, serial 24808, mfg'd July 2005, model mini-medical series, G Note will process images up to 14" wide	20	1,501
17	1 ea	Vest, lead X-Ray with vinyl cover, G	27	142
18	1 ea	Illuminator, x-ray, 28" x 16" illumination panel, mfg by Wolf, TrimlinePlus, stock no 29402, voltage 115, 60 Hz, 120 watts, mfg'd 0002, surface mounted, G	19	155
19	1 ea	Table, stainless steel with rounded bull nosed edges on the long dimension, includes an adjustable wire	21	142

APPRAISAL OF SPECIFIC LISTED ASSETS
WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OKLAHOMA 73134

October 4, 2010

Item	Qty	Description	Photo	FMVicu
		lower shelf, mfg by Seville Classics, Inc., model Ultra Durable, 50" x 24", G		
20	1 ea	Shelving, storage for patient X-Ray films. 49" x 71" x 16" deep, 32 compartment, custom built of red oak face and oak plywood panels, G	26	145
21	1 ea	Telephone desk unit, AVAYA (4 incoming and 2 intercom lines), G	23	72
22		Items 22 through 39 have not been used		
		Inventory in Suite 202 of Dr. Hale's Practice:		
40	14 ea	Chairs, side, 14" wide wood frame and arms, upholstered seat and back, mfg'd by Quaker Furniture, Inc., Hickory, NC, G Note: all chairs are beige in color. Some of the seat cushions need cleaning.	30 thru 36	6,174
41	2 ea	Chairs, side, 32" wide wood frame and arms, upholstered seat and back, mfg'd by Quaker Furniture, Inc., Hickory, NC, G	30 & 31	970
42	2 ea	Chairs, desk task chair, mfg by HON, upholstered seat and back with 5 caster base, 5 way adjustment, G	62 & 63	460
43	1 ea	Chair, side, metal frame with plastic arms rests, padded vinyl seat and back, mfg by HON, G	68	226
44	8 ea	Chairs, side, mfg HON, metal legs and frame with upholstered seat and back, G	111, 117, 118, 121 & 126	1,817
45	2 ea	Chairs, side, mfg by HON, wood frame including arms, legs and back with upholstered seat, G	129 & 130	618
46	1 ea	Chair, desk task chair, mfg by Flexcel, upholstered seat and back, metal frame with plastic arms, 5 caster base, G	129	790
47	1 ea	Chair, executive desk, leather, G	134	475
48	2 ea	Chairs, side, wood frame and arms with upholstered seat and back, mfg by Kimball International, model 64X-GWXX, G	136	751
49	2 ea	Chair, desk task chair, mfg by HON, upholstered seat	146 & 148	460

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Item	Qty	Description	Photo	FMV/ea
		and back with 5 caster base, 5 way adjustment, G		
50	1 ea	Chair, desk task, inexpensive model, F	No photo	55
51	2 ea	Chairs, side, 14" wide wood frame and arms, upholstered seat and back, mfg'd by Quaker Furniture, Inc., Hickory, NC. G Note: chairs are beige in color.	138	882
52	6 ea	Chair, side, metal frame with plastic arms rests, padded vinyl seat and back, mfg by HON, G	97	1,356
53	2 ea	Stool, 18" x 18" x 18" high padded vinyl, G	143	319
54	2 ea	Table, 36" x 36" laminated plastic top mounted on metal pedestal base, mfg HON, G	97	906
55	1 ea	Table, end, 24" round x 26" high with functioning drawer with 3 leg pedestal base, G	43	110
56	1 ea	Table, sofa, 50" x 20" x 33" high with wood lower shelf and carved wood edging and legs, mfg in China, F Note: lower shelf has some scratches through the surface finish.	53	165
57	1 ea	Table, end, 22" x 20" x 24" high wood top with 45 degree corners and metal legs, G	138	110
58	1 ea	Table, wall configured in semi circle configuration, 36" x 15" wood top with lower shelf and metal legs, G Note: resembles the end table in Item 119.	142	125
59	1 ea	Bombay chest, black lacquer finish with hand painted scrolling, with wood routed top complete with curved face doors on each end, G	39	180
60	2 ea	Shelves, decorative display, corner A-frame with 5 shelves, G Note: this value includes the accessories located on the shelving units	45 & 47	360
61	1 ea	Hutch, corner, wood 36" wide x 18" deep at corner x 6'-11 high, complete with accessories, G	98	340
62	1 ea	Desk, L shaped, 5'-5 x 2'-6 with 3'-5 return with 5'-11 wide x 4'-2 high x 15" deep 4 compartment storage hutch with wood doors and glass inserts, F	128	645
63	1 set	Desk and credenza set, executive, wood, desk 6'-0 x	133 & 135	895

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Item	Qty	Description	Photo	FMView
		3'-0. credenza with upper storage unit 6'-0 x 21"		
		deep x 3'-0 upper display module, G		
64	1 ea	Storage Compartment, mfg by HON complete with 3	52	254
		drawers, lockable, 15" x 27" x 23" deep, G		
65	1 ea	Cabinet, lateral file 42" x 19" deep x 41 1/2" high, 3	130	501
		compartment, with wood grained plastic laminated		
		top, lockable, G		
66	1 ea	Cabinet, file, letter size, 4 compartment, mfg by	137	172
		Hirsh, lockable, G		
67	1 ea	Decoration, wall hangings, metal basket, 22" x 7"	29	40
		deep, G		
68	3 ea	Decorations, wall hangings, metal cone shaped basket	37, 38 &	255
		with floral arrangements, G	49	
69	1 ea	Vase, glass 6" diameter x 14" with dried floral	43	45
		arrangement, G		
70	1 ea	Lamp, floor model, 71" with upward glass globe, G	48	110
71	2 ea	Lamps, table, 28", metal, G	40	130
72	2 ea	Lamps, 19" table, G	142	170
73	1 ea	Lamp, 60" floor model, upward oriented glass globe,	143	90
		G		
74	1 ea	Rug, area, 8'-0 x 5'-0, G	142	60
75	1 ea	Accessory, decorative artificial tree, 6'-0 high,	104	145
		complete with wicker basket base, G		
76	1 ea	Wall hanging, mirror with beveled glass mirror with	40	145
		heavy wood frame, 46" x 24", G		
77	2 ea	Wall hanging, 31" x 32", molding metal with applied	41 & 42	190
		metal tubular accents and painting of fall trees, G		
78	1 ea	Wall hanging, metal cross, 14" x 21", G	44	30
79	1 ea	Wall hanging, wreath, fall theme, 18" diameter, G	49	75
80	1 ea	Wall hanging, 39" x 32" wood frame with double	50	135
		matting, G		
81	2 ea	Wall hanging, 30" x 36" molded resin frame, with	54 & 67	260
		double matting, G		
82	4 ea	Wall hangings, 23" x 18", 4 matt mounting with	105 thru	360

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Item	Qty	Description	Photo	FM Vicu
		wood frame, G	108	
83	1 ea	Wall hanging, 25" x 25" double matt on suede with wood frame, G	169	165
84	1 ea	Wall hanging, 26" x 26" mirror with resin frame without beveled glass, G	139	75
85	1 ea	Wall hanging, 44" x 32", with wood frame and double matt, G	140	80
86	1 ea	Wall hanging, 25" x 31", wood frame with matting, G	144	65
87	1 ea	Wall hanging, 54" x 34" wood frame, G Note: this is a signed print by Kay Elliott 59 of 195	158	325
88	1 ea	Wall hanging, 33" x 16", wood frame with double matting, G	171	90
89	1 ea	Wall hanging, 22" x 17", wood frame with double matting, G	171	80
90	4 ea	Filing cabinet, medical record storage, mfg HON, 6 compartments each, 36" x 76" x 14" depth, each compartment has a pull out door that is lockable, G	73	2,297
91	4 ea	Filing cabinet, medical record storage, mfg Tennsco, 7 compartments each, 35" x 78" x 13 1/2" depth, open shelving that is adjustable, G	83 thru 85	1,262
92	2 ea	Shelving, heavy industrial construction, 5 shelves with 4 compartments per shelf per unit, G	86	310
93	1 ea	Filing cabinet, medical record storage, mfg Techno Aide, 5 shelves with 6 compartments per shelf, open shelving that is adjustable, G	87	479
94	1 ea	Shelving, plastic construction, 4 open shelves, G	91	55
95	1 ea	Shelving, adjustable, metal wire construction, 5 open shelves, G	91	90
96	2 ea	Cabinets, enclosed with bi-parting doors, 5 shelves, laminated plastic, G	91 & 94	250
97	1 ea	Cart, stainless steel, on 4 rubber casters, mfg by Lakeside Manufacturing, model 311, 3 shelves, 24" x 16" x 32" high, F	88	101
98	1 ea	Stool, portable step on spring loaded casters, mfg by	89	47

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Item	Qty	Description	Photo	FMVicu
99	1 ea	Cramer, Kick Step, 12" diameter x 14" high, lower step and top of platform step with corrugated rubber surfaces. G Note www.cramerinc.com		
		Cast removal system complete with vacuum system and cutting head, mfg by Stryker Instrument, model 986 Castvac, serial 0511505749, with portable stand on 5 casters, G	90	1,745
100	1 ea	Chair, wheel, collapsible, mfg by Access Point Medical, serial M15081622, model AXS-I Lite. G	81	186
101	2 ea	Receptacle, waste, stainless steel. 14" diameter x 28" high, with swivel lid. G	95 & 96	190
102	1 ea	Scale, clinical, mfg by SECA, complete with height measurement, capacity 500 lbs., G	103	250
103	4 ea	Table, examination, mfg Winco, model 85706, open metal frame with lower shelf, manual back adjustment, padded vinyl top, G	109, 116, 120 & 125	1,728
104	4 ea	Stool, examination, 5 caster metal base, adjustable vinyl padded seat, mfg by Foxman, mfg'd 8/12/2005, G Note the adjustment handle is a circumferential lever around the seat of the stool.	110, 117, 120 & 125	411
105	1 ea	Blood pressure cuff, Baumanometer, Mfg by WA Baum Company, wall mounted, G	119	84
106	5 ea	Illuminator, x-ray, various sizes, G Note all of these units are located in each examination room and one in Dr. Hale's office, they are recessed into the wall, the cost of removal and wall repair exceeds the value, therefore the value is zero.	122, 123, 124, 127 & 165	0
107	1 lot	Telephone system, AVAYA Partner Advanced Communication System, model 103D9, serial 041639243847, model 103C5 400 EC, module R3 1, complete with wireless router, including remote access PC card. 7 each AVAYA (20 stations with 2 intercom lines), 3 each Head set, mfg by Plantronics, model CS55, BF601120, G	56, 59, 66, 128, 132, 149, 150, 151, 152, 154, 161.	2,735

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Item	Qty	Description	Photo	FMVicu
108	1 ea	Computer system, Dell Optiplex 760 mfg'd 7/31/2009, service tag 9PYTCK1, service code 21161171665, complete with 2 each 19" Dell flat panel monitors, keyboard and mouse, complete with APC UPS ES500 battery backup, G	55	841
109	1 ea	Computer system, Dell Optiplex GX520 including 1 each 19" Dell flat panel monitor and 1 each 17" CTX flat panel monitor, code X701A, complete with keyboard and mouse and APC UPS ES350 battery backup, G	64	549
110	1 ea	Computer Unit, CPU, G Note: There was no visible information on the exterior of the computer case, the indicated use for this unit that was operational at the time of inspection was for the fax machine listed in Item 52 above. No monitor was attached to this unit.	71	425
111	1 ea	Computer system, CPU is a clone with no external identification, complete with 17" CTX flat panel monitor, wireless keyboard and mouse, APC UPS ES-350 battery backup, G	128 & 159	524
112	1 ea	Computer server, Sisco 2911 complete with wall mounted rack, Sisco System router (applied label was covering the router model number) hard drive units EHWIC 0, EHWIC 1, EHWIC 2 & EHWIC 3, also including APC XS-900 battery backup, G	131	4,023
113	1 ea	Computer CPU, clone with no identification on unit, G Note: this unit was not operable at the time of inspection	164	300
114	1 ea	Computer system, Dell Optiplex 330 including 2 each 19" Dell monitors, with keyboard and mouse and UPS ES 550 battery backup, G	145	681
115	1 ea	Computer system, Dell Optiplex 760 including 2 each 19" Dell monitors, with keyboard and mouse and UPS ES 500 battery backup, G	147	1,035
116	1 ea	Computer, laptop, Dell Latitude XT, model no	160	787

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Item	Qty	Description	Photo	FMVicu
		PP12S, G		
117	1 ea	Computer, laptop, Dell Latitude XT2, model no. PP12S, G	153	917
118	1 ea	Monitor, 17" Dell Ultrasharp flat panel, G Note: this is an older flat monitor	153	123
119	1 ea	Printer, Dell 1710n, G	65	272
120	1 ea	Printer, HP Laserjet 1020, G	128	125
121	1 ea	Printer, Dell, model 2130cn, G	147	225
122	2 ea	Scanner, Fujitsu, model fi-6130 with 8 1/2" imaging surface, G	60 & 61	1,043
123	1 ea	Scanner, Fujitsu, model fi-6130, G	155	522
124	1 ea	Scanner, Fujitsu, model fi-5120c, G	156	484
125	1 ea	Fax machine, Sharp FO-DC500, Super G3, Document Communication System, serial 37103273, mfg'd March 2000, G	69	802
126	1 ea	Photo copier, Sharp, model AR-M207, Digital Imager, mfg December 2004, serial no 4501291Y, G	51	843
127	1 ea	Credit card reader, Verifone, model OMNI 3730 V510, serial 767-613-851, complete with card reader and printer, G	70	160
128	1 ea	Credit card reader, Verifone, model OMNI 3200, serial 700025138, complete with card reader and printer, G	58	234
129	1 ea	Calculator, Canon PI-DH V, 12 digit, Palm printer, G	57	21
130	1 ea	Calculator, Canon MP18D, complete with printer, G	162	59
131	1 ea	Typewriter, Brother GX-6750 Electronic, with 10 1/2" carriage, G	163	116
132	1 lot	Stereo system including Receiver-Yamaha RX-497 and DVD/CD Player by Sungale DVD 2026 including Monster Cable Speaker Selector, 6 way speaker selection with built in amplifier protection, G	72	241
133	1 ea	Refrigerator, General Electric, over/under with freezer on top, model STS16ABSERWW, serial RH763160, G	99	265

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Item	Qty	Description	Photo	FMVicu
134	1 ea	Microwave oven, General Electric, model JES1344SK 06, mfg May 2010 complete with turntable, 15" x 9" x 14" deep compartment, G	100	137
135	1 ea	Television, 42" Samsung flat panel, wall mounted, unit model code SPR4232X/AA, serial 39FY3CFY901071V, G Note: Value includes remote and wall mounting unit	46	389
136	1 ea	Television, Sharp, 19" flat panel, G Note: this is an older flat panel unit	141	140
137	1 lot	Office supplies, including- file folders, copy paper, printer ink cartridges, clips, markers, pens, staples, Post It pads, business cards, printed forms, envelopes, stationery, N	74 thru 80 & 82	380
138	1 lot	Kitchen inventory, miscellaneous supplies, N Note: refer to photos	101 & 102	360
139	1 lot	Supplies, medical, miscellaneous, including syringes, gauze pads, rolled tubular socket, elastic bandages, N Inventory of Durable Medical Supplies:	114 & 115	1,150
140	6 ea	Shoulder braces, mfg by Bledsoe, part no. AEO55300, N Note: Cost per unit is \$44 10	91	265
141	3 ea	Boot Supports, mfg by Bledsoe, part no AL253001, N Note. Cost per unit is \$49 50	91	149
142	4 ea	Boot Supports, mfg by Bledsoe, part no. AL253003, N Note: Cost per unit is \$49 50	91	198
143	3 ea	Boot Supports, mfg by Bledsoe, part no. AL253005, N Note: Cost per unit is \$49 50	91	149
144	2 ea	Boot Supports, mfg by Bledsoe, part no AL253007, N Note: Cost per unit is \$49 50	91	99
145	3 ea	Boot Supports, mfg by Bledsoe part no AL253009, N Note: Cost per unit is \$49 50	91	149
146	2 ea	Wraprator with speed braces, mfg by Bledsoe, part no. SA702001, N Note: Cost per unit is \$18 00	91 & 92	36
147	1 ea	Wraprator with speed braces, mfg by Bledsoe, part no SA702003, N Note: Cost per unit is \$18 00	91 & 92	18

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Item	Qty	Description	Photo	FMVicu
148	1 ea	Wraprator with speed braces, mfg by Bledsoe, part no. SA702007, N Note: Cost per unit is \$18.00	91 & 92	18
149	3ea	Wraprator with speed braces, mfg by Bledsoe, part no. SA702009, N Note: Cost per unit is \$18.00	91 & 92	54
150	3ea	Wraprator with speed braces, mfg by Bledsoe, part no. SA702011, N Note: Cost per unit is \$18.00	91 & 92	54
151	2 ea	Clinic arm sling, mfg by Bledsoe, part no. SA200001, N Note: Cost per unit is \$4.91	91 & 92	10
152	2 ea	Clinic arm sling, mfg by Bledsoe, part no. SA200003, N Note: Cost per unit is \$4.91	91 & 92	10
153	2 ea	Clinic arm sling, mfg by Bledsoe, part no. SA200005, N Note: Cost per unit is \$4.91	91 & 92	10
154	3 ea	Clinic arm sling, mfg by Bledsoe, part no. SA200007, N Note: Cost per unit is \$4.91	91 & 92	15
155	3 ea	Clinic arm sling, mfg by Bledsoe, part no. SA200009, N Note: Cost per unit is \$4.91	91 & 92	15
156	3 ea	Shoulder sling, mfg by Bledsoe, part no. SA200501, N Note: Cost per unit is \$8.33	91 & 92	25
157	3 ea	Shoulder sling, mfg by Bledsoe, part no. SA200503, N Note: Cost per unit is \$8.33	91 & 92	25
158	2 ea	Shoulder sling, mfg by Bledsoe, part no. SA200505, N Note: Cost per unit is \$8.33	91 & 92	17
159	3 ea	Shoulder sling, mfg by Bledsoe, part no. SA200507, N Note: Cost per unit is \$8.33	91 & 92	25
160	3 ea	Shoulder sling, mfg by Bledsoe, part no. SA200509, N Note: Cost per unit is \$8.33	91 & 92	25
161	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no. SA607016, N Note: the part number indicates the length in inches of the immobilizer. Cost per unit is \$18.90	91 & 92	19
162	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no. SA607012, N Note: the part number indicates the length of the immobilizer. Cost per unit is \$18.90	91 & 92	19
163	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no.	91 & 92	19

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Item	Qty	Description	Photo	FMVicu
		SA607018, N Note: the part number indicates the length in inches of the immobilizer. Cost per unit is \$18.90		
164	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no SA607020, N Note the part number indicates the length in inches of the immobilizer. Cost per unit is \$18.90	91 & 92	19
165	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no. SA607022, N Note the part number indicates the length in inches of the immobilizer Cost per unit is \$18.90	91 & 92	19
166	1 ea	Panel knee immobilizer, mfg by Bledsoe, part no. SA607024, N Note. the part number indicates the length in inches of the immobilizer Cost per unit is \$18.90	91 & 92	19
167	3 ea	Knee support, mfg by Bledsoe, part no. SA616001, N Note: Cost per unit is \$19.80	91 & 93	59
168	3 ea	Knee support, mfg by Bledsoe, part no. SA616003, N Note Cost per unit is \$19.80	91 & 93	59
169	3 ea	Knee support, mfg by Bledsoe, part no. SA616005, N Note Cost per unit is \$19.80	91 & 93	59
170	3 ea	Knee support, mfg by Bledsoe, part no. SA616007, N Note Cost per unit is \$19.80	91 & 93	59
171	3 ea	Knee support, mfg by Bledsoe, part no SA616009, N Note Cost per unit is \$19.80	91 & 93	59
172	3 ea	Knee support, mfg by Bledsoe, part no SA616011, N Note: Cost per unit is \$19.80	91 & 93	59
173	2 ea	Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no SA611101, N Note Cost per unit is \$32.40	91 & 93	65
174	2 ea	Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no SA611103, N Note Cost per unit is \$32.40	91 & 93	65
175	1 ea	Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no SA611105, N Note: Cost per unit is \$32.40	91 & 93	32
176	2 ea	Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no	91 & 93	65

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Item	Qty	Description	Photo	FMVicu
177	2 ea	SA611107, N Note. Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no.	91 & 93	65
178	2 ea	SA611109, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SL, mfg by Bledsoe, part no.	91 & 93	65
179	2 ea	SA611111, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SR, mfg by Bledsoe, part	91 & 93	65
180	2 ea	no SA611201, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SR, mfg by Bledsoe, part	91 & 93	65
181	1 ea	no. SA611203, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SR, mfg by Bledsoe, part	91 & 93	32
182	1 ea	no. SA611207, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SR, mfg by Bledsoe, part	91 & 93	32
183	1 ea	no. SA611209, N Note: Cost per unit is \$32.40 Stabilizer, Pat, Lat, Neo, SR, mfg by Bledsoe, part	91 & 93	32
184	3 ea	no. SA611211, N Note: Cost per unit is \$32.40 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	216
185	3 ea	no. RK063001, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	216
186	3 ea	no. RK063001, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	216
187	2 ea	no. RK063003, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	144
188	1 ea	no. RK063005, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	72
189	3 ea	no. RK063007, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	216
190	2 ea	no. RK063009, N Note: Cost per unit is \$72.00 Crossover, SHT, FC, S, Black, mfg by Bledsoe, part	91 & 93	144
191	2 ea	no. RK063011, N Note: Cost per unit is \$72.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe,	91 & 93	234
192	3 ea	part no. RK090001, N Note: Cost per unit is \$117.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe,	91 & 93	351
193	2 ea	part no. RK090003, N Note: Cost per unit is \$117.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe,	91 & 93	234

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Item	Qty	Description	Photo	FMVicu
194	2 ea	part no. RK090005, N Note: Cost per unit is \$117.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe.	91 & 93	234
195	3 ea	part no. RK090007, N Note: Cost per unit is \$117.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe.	91 & 93	351
196	3 ea	part no. RK090009, N Note: Cost per unit is \$117.00 Crossover, ROM, FC, XS, Black, mfg by Bledsoe.	91 & 93	351
197	3 ea	part no. RK090011, N Note: Cost per unit is \$117.00 Cryo pneumatic knee splint, 2 gels, mfg by Corflex, item no. 72-7172-000, N Note: Cost per unit is \$39.00	91 & 93	117
198	1 ea	Wrist brace with thumb, mfg by Bledsoe, part no. SA805201, N Note: Cost per unit is \$15.98	91 & 94	16
199	2 ea	Wrist brace with thumb, mfg by Bledsoe, part no. SA805203, N Note: Cost per unit is \$15.98	91 & 94	32
200	1 ea	Wrist brace with thumb, mfg by Bledsoe, part no. SA805205, N Note: Cost per unit is \$15.98	91 & 94	16
201	2 ea	Wrist brace with thumb, mfg by Bledsoe, part no. SA805207, N Note: Cost per unit is \$15.98	91 & 94	32
202	2 ea	Wrist brace with thumb, mfg by Bledsoe, part no. SA805209, N Note: Cost per unit is \$15.98	91 & 94	32
203	1 ea	Clavicle support, mfg by Bledsoe, part no. SA301001, N Note: Cost per unit is \$7.43	91 & 94	7
204	1 ea	Clavicle support, mfg by Bledsoe, part no. SA301003, N Note: Cost per unit is \$7.43	91 & 94	7
205	1 ea	Clavicle support, mfg by Bledsoe, part no. SA301005, N Note: Cost per unit is \$7.43	91 & 94	7
206	1 ea	Clavicle support, mfg by Bledsoe, part no. SA301007, N Note: Cost per unit is \$7.43	91 & 94	7
207	1 ea	Clavicle support, mfg by Bledsoe, part no. SA301009, N Note: Cost per unit is \$7.43	91 & 94	7
208	3 ea	Strap tendon, mfg by Bledsoe, part no. SA605001, N Note: Cost per unit is \$8.10	91 & 94	24
209	3 ea	Strap tendon, mfg by Bledsoe, part no. SA605003, N Note: Cost per unit is \$8.10	91 & 94	24

APPRAISAL OF SPECIFIC LISTED ASSETS
WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OKLAHOMA 73134

October 4, 2010

Item	Qty	Description	Photo	FMVicu
210	3 ea	Strap tendon, mfg by Bledsoe, part no. SA605005, N Note: Cost per unit is \$8.10	91 & 94	24
211	3 ea	Strap tendon, mfg by Bledsoe, part no. SA605007, N Note: Cost per unit is \$8.10	91 & 94	24
212	3 ea	Strap tendon, mfg by Bledsoe, part no. SA605009, N Note: Cost per unit is \$8.10	91 & 94	24
213	3 ea	Silicon heel inserts, mfg by Bledsoe, part no. SA903003, N Note: Cost per unit is \$16.16	91 & 94	48
214	3 ea	Silicon heel inserts, mfg by Bledsoe, part no. SA903005, N Note: Cost per unit is \$16.16	91 & 94	48
215	2 ea	Silicon heel inserts, mfg by Bledsoe, part no. SA903007, N Note: Cost per unit is \$16.16	91 & 94	32
216	1 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800101, N Note: Cost per unit is \$8.55	91 & 94	9
217	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800103, N Note: Cost per unit is \$8.55	91 & 94	17
218	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800105, N Note: Cost per unit is \$8.55	91 & 94	17
219	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800107, N Note: Cost per unit is \$8.55	91 & 94	17
220	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800110, N Note: Cost per unit is \$8.55	91 & 94	17
221	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800201, N Note: Cost per unit is \$8.55	91 & 94	17
222	1 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800203, N Note: Cost per unit is \$8.55	91 & 94	9
223	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800205, N Note: Cost per unit is \$8.55	91 & 94	17
224	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800207, N Note: Cost per unit is \$8.55	91 & 94	17
225	2 ea	Wrist, lacer, 8, mfg by Bledsoe, part no. SA800209, N Note: Cost per unit is \$8.55	91 & 94	17
226	1 ea	Shoe, post op, mfg by Bledsoe, part no. SA900503, N Note: Cost per unit is \$7.16	91 & 94	7

APPRAISAL OF SPECIFIC LISTED ASSETS
WILLIAM J. HALE II, M.D., P.C.
14100 PARKWAY COMMONS DR., SUITE 202
OKLAHOMA CITY, OKLAHOMA 73134

October 4, 2010

Item	Qty	Description	Photo	FMVicu
227	1 ea	Shoe, post op, mfg by Bledsoe, part no. SA900007, N Note: Cost per unit is \$7 16	91 & 94	7
Total All Assets				\$77,139

CONCLUSION OF VALUES

The summation of the machinery and equipment values of the preceding pages are as follows:

<u>Fair Market Value In Continued Use</u>	<u>\$81,809</u>

In conclusion, it is the appraiser's professional opinion that the machinery and equipment of William J. Hale II, M.D., P.C., located at 14100 Parkway Commons Dr., Oklahoma City, OK 73134, described within this report, "as is" as of October 4, 2010, has the following (rounded) value:

<u>Fair Market Value In Continued Use</u>	<u>\$81,800</u>

CONDITION DEFINITIONS

N - NEW

Never used and in original cartons or packaging. Has never been installed or operated.

E - EXCELLENT

Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.

VG - VERY GOOD

Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.

G - GOOD

In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.

F - FAIR

Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated

P - POOR

Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Non-operational.

SALVAGE

A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts)

S - SCRAP

Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life, should be sold as Salvage.

CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief.

- The statements of fact contained in this report are true and correct
- The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I held the designation of Accredited Senior Appraiser.

Robert E Campbell

QUALIFICATIONS OF APPRAISER

ROBERT E. CAMPBELL

MEMBERSHIPS, ASSOCIATIONS AND EXPERIENCE

- 1 Bachelor of Science Degree in Environmental Design with distinction (B.S.):
University of Oklahoma, Norman, Oklahoma
- 2 Accredited Senior Appraiser (ASA), American Society of Appraisers:
Machinery/Technical Specialties: Machinery and Equipment
- 3 Supervision and Abatement of Asbestos, Texas A&M University
- 4 OKC #059 Chapter of American Society of Appraisers: Past Vice-President
- 5 Cornerstone Systems, Ltd. President, experience in the appraisal of Machinery,
and Equipment with emphasis on industrial and power generating facilities
- 6 The Hughes Group, business valuation and broker
- 7 Campbell Contracting & Development, Inc., President, commercial and industrial
construction services
- 8 Equipment Sales Consultant for industrial and power generating machinery and
equipment

AREAS OF EXPERIENCE

1. Construction and Contractor's Equipment
2. Electric Generating Equipment - Steam/Gas Turbines, Transformers, Motors,
Controls, Etc.
3. Fiberglass Manufacturing - Tanks, Pipe, Fittings, Etc.
4. Machine Tools
5. Metal Machine Tools
6. Office Machines & Furniture
7. Bank Equipment
8. Manufacturing Plants
9. Medical Equipment

VALUE CONCEPT EXPERIENCE

1. Reproduction Cost, New
2. Replacement Cost, New
3. Fair Market Value (Exchange)
4. Fair Market Value In Continued Use
5. Fair Market Value - Installed
6. Fair Market Value - Removal
7. Liquidation Value In-Place
8. Orderly Liquidation Value
9. Forced Liquidation Value

QUALIFICATIONS OF APPRAISER

ROBERT E. CAMPBELL

VALUE CONCEPT EXPERIENCE, CONTINUATION

- 10. Salvage Value
- 11. Scrap Value

EDUCATIONAL BACKGROUND

- 1 Bachelor of Science Degree – University of Oklahoma, Norman, Oklahoma
- 2 Supervision and Abatement of Asbestos, Texas A&M University
- 3 American Society of Appraisers Course Study and Completion:
 - "Introduction to Machinery and Technical Specialties Valuation - MTS201"
 - "Machinery and Technical Specialties Valuation Methodology - MTS202"
 - "Machinery and Technical Specialties Valuation - Advanced Topics & Case Studies - MTS203"
 - "Machinery and Technical Specialties Valuation - Advanced Topics & Report Writing - MTS204"
 - "National Uniform Standards of Professional Appraisal Practice (USPAP) – SE100"
- 4 Accreditation by the American Society of Appraisers to the designation of Accredited Senior Appraiser, No. 040536. For lack of economic benefit, this appraiser does not currently maintain membership with the American Society of Appraisers

**SCHEDULE 2.01(b)
ASSUMED CONTRACTS**

NONE

4846-7321-0371 2

**SCHEDULE 2.05
ALLOCATION**

Personal Property	\$ 76,649.00
TOTAL PURCHASE PRICE	\$ 76,649 00

SCHEDULE 3.04(b)
SECURITY INTERESTS (LIEN SEARCH)

SEE ATTACHED

All Records verified through 03/22/1930



Page 1 of 1

Drag a column header here to group by that column

# Instrument #	Image	Ver	Dat	Rec	Name	Role	OtherName	OtherRole	Book/Page	Type	Legal Descr	References	Legacy #
1 200502153493400		Y	3/16/2005	10 50 19 AM	WILLIAM J HALE II MD PC	Debtor	FIRST COMMERCIAL BANK	Secured Party		UC1			2005003163929
2 20100114020048030		Y	1/14/2010	3 07 54 PM	WILLIAM J HALE II MD PC	Debtor	FIRST COMMERCIAL BANK	Secured Party		CN1		Ref Type REFERENCE Legacy # 2005003163929 Instr # 200502153493400	

Page 1 of 1

SCHEDULE 3 04(b)

DocDesc

SCHEDULE 3.04(b)

Page 1 of 1

(1)

View Image

Document 200502153493400

Date Recorded 3/16/2005

Time Recorded

10:50:19 AM

Document Type UC1

Amount 0

Consideration Amount

0

Type

Pages

1

Book

File/ID#

2005003163929

Page

Property Values

Property Values				
INVENTORY, CHATTEL PAPER & OTHER GENERAL INTANGIBLES.				

Grantors

Seq	Firm	Name	Desig Status	Address
1	N	WILLIAM J HALE II MD PC		2013 E MISTLETOE LANE, 2013 E MISTLETOE LANE, EDMOND, OK73034
2	N	HALE, WILLIAM J II MD		2013 E MISTLETOE LANE, 2013 E MISTLETOE LANE, EDMOND, OK73034

Grantees

Seq	Firm	Name	Desig Status	Address
1	N	FIRST COMMERCIAL BANK		3805 W MEMORIAL ROAD, 3805 W MEMORIAL ROAD, OKLAHOMA CITY, OK73134

Referenced By**Instrument #**

20100114020048030

DocDesc

SCHEDULE 3.04(1)

Page 1 of 1

(2)

View Image

Document 20100114020048030

Date Recorded 1/14/2010

Time Recorded

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Document Type CN1

Amount 0

Consideration Amount

0

Pages

1

Type

File/ID#

Book

Page

Property Values

Property Values	
N	
N	
N	

Grantors

Seq	Firm	Name	Desig Status	Address
1	Y	WILLIAM J HALE II MD PC	CURRENT	
2	N	HALE, WILLIAM J II MD		2013 E MISTLETOE LANE, 2013 E MISTLETOE LANE, EDMOND, OK 73034

Grantees

Seq	Firm	Name	Desig Status	Address
1	N	FIRST COMMERCIAL BANK		3805 W MEMORIAL ROAD, 3805 W MEMORIAL ROAD, OKLAHOMA CITY, OK 73134

Referenced To

Instrument #

200502153493400

SCHEDULE 3.04(b)

(2)



20100114020048030
01/14/2010 03:07:54 PM
BookID: Page:0
Filing Fee:\$10.00
Doc. Tax:\$5.00
State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Caudill

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A NAME & PHONE OF CONTACT AT FILER (optional)
KTHOMPSON
405-844-0110

B SEND ACKNOWLEDGEMENT TO (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a INITIAL FINANCING STATEMENT FILE #

2005021534934001 Legacy # 20050C3163829

1b This FINANCING STATEMENT AMENDMENT is
☐ to be filed (or record) (or recorded) in the
REAL ESTATE RECORDS

2 ☐ TERMINATION Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this information Statement

3 ☒ CONTINUATION Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for additional period provided by applicable law

4 ☐ ASSIGNMENT (full or partial) Give name of assignee in item 7a or 7b and address of assignee in item 7c and also give name of assignor in item 7d.

5 AMENDMENT (PARTY INFORMATION) This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7

☐ CHANGE name and/or address. Please refer to the detailed instructions in regards to changing the name/address of party

☐ DELETE name. Give record name to be deleted in item 6a or 6b

☐ ADD name. Complete item 7a or 7b and also item 7c also complete items 7e 7g (if applicable)

6 CURRENT RECORD INFORMATION

6a ORGANIZATION'S NAME
WILLIAM J HALE II MD PC

6b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7 CHANGED (NEW) OR ADDED INFORMATION

7a ORGANIZATION'S NAME

7b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7c MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

7d SEE INSTRUCTIONS

ADD'L INFO RE ORGANIZATION DEBTOR

7e TYPE OF ORGANIZATION

7f JURISDICTION OF ORGANIZATION

7g ORGANIZATIONAL ID # if any

☐ NONE

8 AMENDMENT (COLLATERAL CHANGE): check only one box

Describe Collateral ☐ deleted or ☐ added or give short ☐ restated collateral description, or describe collateral

☐ assigned

9 NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor if this is an Assignment) if this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor check here ☐ and enter name of DEBTOR authorizing this Amendment

9a ORGANIZATION'S NAME

9b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

10 OPTIONAL FILER REFERENCE DATA

International Association of Commercial Administrators

(IACA)

FILING OFFICE COPY UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV 05/22/02)

**SCHEDULE 3.06
LITIGATION**

NONE

4846-7321-0371 2

**BILL OF SALE AND
PURCHASE AGREEMENT**

This **BILL OF SALE AND PURCHASE AGREEMENT** ("Agreement") is effective as of March 1, 2010 (the "Effective Date") by and among Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Mercy") and Jeffrey Rother, M.D. ("Physician").

RECITALS

A. Physician desires to sell and Mercy desires to purchase those specific assets identified in this Agreement (the "Assets") that relate to Physician's medical practice currently located in Ardmore, Oklahoma on the terms and conditions set forth in this Agreement.

B. The Physician has entered into a Physician Employment Agreement between Physician and Mercy (the "Employment Agreement").

C. The parties desire to document certain other understandings they have related to this transaction

NOW THEREFORE, the parties agree as follows:

**SECTION 1
LEASE, PURCHASE AND TRANSFER OF ASSETS**

1.1 **DEFINITION OF ASSETS.** For purposes hereof the term "Assets" shall refer to the all tangible assets that were actively utilized by the Physician in his practice of medicine, including, without limitation, those tangible assets more particularly described on Exhibit 1 hereto.

1.2 **CLOSING.** Subject to the terms and conditions hereof and in consideration of Mercy agreeing to pay \$24,600 00 (the "Purchase Price"), Physician sells, assigns, transfers and conveys the Assets to Mercy free and clear of all liens, claims or encumbrances and Mercy shall purchase and accept the Assets. Closing shall take place on or before March 1, 2011 (the "Closing Date").

1.3 **PAYMENT TERMS.** On or before the Closing Date, Mercy shall pay the Purchase Price to Physician. Upon receipt of the Purchase Price the transaction contemplated by this Agreement shall be deemed consummated immediately after the close of business on the Closing Date.

**SECTION 2
OTHER AGREEMENTS**

2.1 **ASSUMPTION OF LIABILITIES.** Mercy does not and shall not assume, or in any way be liable or responsible for, any liabilities or obligations of Physician.

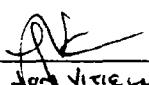
SECTION 3 MISCELLANEOUS

This Agreement shall be interpreted under the laws of the State of Oklahoma, without regard to such state's conflict of law principles. This Agreement constitutes the entire Agreement among Mercy and Physician with respect to the subject matter hereof and supersedes all prior proposals, negotiations, communications and agreements among Mercy and Physician with respect to the subject matter hereof, whether oral or written. This Agreement has been duly authorized, executed and delivered by each of the parties hereto and constitutes the legal, valid and binding obligations of the parties enforceable against each of the parties in accordance with its terms. This Agreement shall not be amended or modified except by a subsequent written agreement between Mercy and Physician. In the event that any one or more of the provisions of this Agreement or any application thereof shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement and any other application thereof shall not in any way be affected or impaired thereby, provided, however, that to the extent permitted by applicable law, any invalid, illegal or unenforceable provision may be considered for the purpose of determining the intent of the parties in connection with the other provisions of this Agreement. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which together shall be considered one and the same agreement. The parties agree that a facsimile may be executed as an original. The parties agree that if either party should institute litigation against the other party to enforce any provisions of this Agreement, the prevailing party in such litigation shall be entitled to receive, in addition to any other relief awarded such party, reasonable attorneys' fees and expenses for the prosecution or defense of such litigation.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date and year first above written.

Mercy Physicians of Oklahoma, Inc.

Jeffrey Rother, M.D.

By: 
 Name: Jon Virella
 Title: CEO MMSO

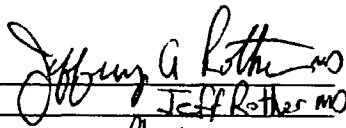
By: 
 Name: Jeff Rother MD
 Title: Physician

EXHIBIT 1
TANGIBLE ASSETS

See Exhibit 1 attached hereto and incorporated as if fully herein set forth

Exhibit 1

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

JEFFREY ROTHER, M.D.

*CONSISTING OF FURNITURE, TRADE FLXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Ms. Trish Long, Executive Director
Mercy Memorial Health Center
1011 14th Avenue Northwest
Ardmore, Oklahoma 73401*

EFFECTIVE DATE OF APPRAISAL:

December 15, 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, M V S
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73081-0687
(405) 348-5256
FAX (405) 348-4132

December 22, 2010

Ms. Trish Long, Executive Director
Mercy Memorial Health Center
1011 14th Avenue Northwest
Ardmore, OK 73401

RE JEFFREY ROTHER, M.D. - ARDMORE, OKLAHOMA

Dear Ms Long:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures and equipment], hereinafter known as "*the Assets*," of *Jeffrey Rother, M.D.*, located at 1221 G Street Northwest in Ardmore, Oklahoma 73401. We presume that all items listed are owned by *, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for financial planning purposes.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of December 15, 2010, the *Fair Market Value Installed / In Place of the Assets* was

*** \$ 24,100.00 ***

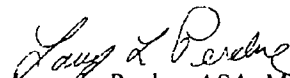
(Twenty-Four Thousand, One Hundred Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President


Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP fj

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Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR	Ms. Trush Long, Executive Director Mercy Memorial Health Center 1011 14 th Avenue Northwest Ardmore, OK 73401	
ASSETS APPRAISED	Furniture, Trade Fixtures and Equipment	
ASSETS OWNED BY	Jeffrey Rother, M.D.	
LOCATED AT	1221 G Street Northwest Ardmore, OK 73401	
PURPOSE OF APPRAISAL	To determine Fair Market Value Installed / In Place (See Definitions of Value Concepts in Body of Report)	
PROPERTY RIGHTS APPRAISED	Fee Simple	
APPRAISED VALUE REPRESENTS VALUE TO	Jeffrey Rother, M.D.	
APPRAISED VALUE	Fair Market Value Installed / In Place	\$ 24,100.00
CLIENT INDICATED USE OF APPRAISAL	Financial Planning	
REPORT DATE	December 22, 2010	
VALUE AS OF DATE	December 15, 2010	
INSPECTION DATE	December 15, 2010	
SCOPE OF THE APPRAISAL	Conforms to <i>USPAP</i> 2010-2011, Section 8-2 (b)	
HIGHEST AND BEST USE	Continued Use as a Medical Clinic	
APPROACH TO VALUE GIVEN MOST WEIGHT	Market (Sales Comparison) Approach	
MARKET LEVEL	End User to End User	
MARKET AREA	Ardmore, Oklahoma	
MARKETING PERIOD	Approximately Three to Six Months	

STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
(See Following Pages)

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised, and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued. It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include,

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

but not be limited to belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP."

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION

PURPOSE OF APPRAISAL:

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report

FUNCTION OF APPRAISAL

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in **financial planning**

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT.

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity, and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence

NOTE

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate, and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed,
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale,
- (4) Relevant market conditions and date of sale,
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence

The values are also adjusted to installation considerations which may include:

- (1) Transportation,
- (2) Wiring,
- (3) Special foundations,
- (4) Difficulty of installation (i.e., 2nd floors, special walls, pits, etc.);
- (5) Adaptations,
- (6) Plumbing,
- (7) Applicable taxes,
- (8) Setup and debugging,
- (9) Other incurred costs

Jeffrey Rother, M.D.

December 15, 2010

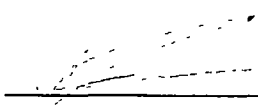
Fair Market Value Installed / In Place

JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief

- The statements of fact contained in this report are true and correct
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member


Justin L. Perdue, President

Jeffrey Rother, M.D.

December 15, 2010

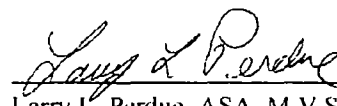
Fair Market Value Installed / In Place

**LARRY L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M.V.S.

Certified until January 2008 by the
American Society of Appraisers

Jeffrey Rother, M.D.

December 15, 2010

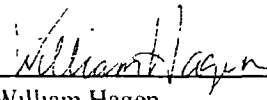
Fair Market Value Installed / In Place

**WILLIAM HAGEN
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers



William Hagen

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals, commercial and industrial real estate appraisals, complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques, markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

COMPANY PROFILE (Cont'd.):**VALUATION**

It is essential that an independent, unbiased professional determine value in many situations including.

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities
ESTATE and GIFT TAXES. DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION.

University of Central Oklahoma (2003), Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003), Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT

July 2006-Present	<i>Asset Appraisal Corporation - President/Owner</i>
2003-Present	<i>Master Arc Welding and Fabrication Corporation - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments</i>
2003-June 2006	<i>Blastrac - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer</i>
2002-2003	<i>Cedar Image Fence Company - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell</i>
2001-2002	<i>Asset Appraisal Corporation - responsible for physical inspection, research and value determination of various asset types</i>
1999-2001	<i>Evergreen Landscapes - Landscape Contractor specializing in landscape design, as well as irrigation design and installation</i>

AREAS OF EXPERTISE.

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE.

Reproduction Cost, New, Replacement Cost, New, Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange), Fair Market Value In Continued Use, Fair Market Value - Installed, Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value, Forced Liquidation Value, Salvage Value; Scrap Value

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992), Bachelor of Science Degree - Central State University, Edmond, OK (1979). Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory; (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS.

American Society of Appraisers - Accredited Senior Appraiser (ASA). Machinery/Technical Specialties. Machinery and Equipment, Certified January 1988, Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE

Appraisal of assets for any purpose, asset tagging and database management of assets, banking and computer equipment, construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc.; farm machinery and feed mills - grain elevators; fiberglass mfg - tanks, fittings, boats, swimming pools, etc.; firearms, food processing and packaging equipment; heat treating facilities - metal and glass, hotels, motels, amusement parks, and recreational facilities, inventories - raw materials, work in process, parts and components, finished goods, laboratory instruments and testing equipment, manufacturing plants - all industries, medical equipment - conventional and high-tech; medicine/pharmaceuticals, metal production, metalworking, plastics, and woodworking equipment, office furniture, trade fixtures, machines, and equipment, oil and gas industry exploration - seismic mapping, drilling, completion, production and refining, printing plants, pre-press, sheet fed, web, binary, etc., radio/broadcast/telecommunications/fiber optics transmission equipment, restaurant and food service equipment, service equipment-automotive, truck, etc.; vehicles/transportation/aircraft/marine - all classes, and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator, expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas, asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma, equipment sales and liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE:**

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost, Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use, Fair Market Value - Installed, Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value, Salvage Value, Scrap Value

MISCELLANEOUS

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment", Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204, Former instructor and committee member "Curriculum Development". International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri, Published Author The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personality?," Spring 1989, The M&E Appraiser - "FDIC Rental Value A Non-Traditional Approach." Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991, Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation, Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri. Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri, Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee), Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed Appraisals

BANCFIRST

E G Alexander, Senior Vice President
101 N Broadway
P O Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
4921 North May Avenue
Oklahoma City, OK 73112
(405) 949-7280
Work Performed Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed Appraisals

F&M BANK

John Pixley, President
P O Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed Expert Witness

D R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed Appraisals/Consulting

WILLIAM K ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed Expert Witness Testimony

Additional references may be furnished upon request.

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

CONDITION DEFINITIONS

N - NEW	Never used and in original cartons or packaging. Has never been installed or operated
E - EXCELLENT	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty
VG - VERY GOOD	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content
S/O - SURPLUS	Surplus to Operations has sales value in exchange only, not in place

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	24	CHAIRS: ARMSIDE, VINYL SEAT/BACK HARDWOOD FRAME	VG	65	1 560
2	3	TABLES: SIDE, ACCENT, OAK LAMINATE AND PARTICLE CONSTRUCTION, CARVED LEGS	G	50	150
3	9	BENCHES: HARDWOOD FRAME	G	70	630
4	4	PLANTS: SILK, VARIOUS SIZES IN WICKER BASKETS	VG	75	300
5	1	TABLE: CHILDREN'S PLAY, LITTLE TYKES	G	40	40
6	1	RACK: HAT AND COAT, METAL	F	10	10
7	1	WHEELCHAIR: INVACARE TRACER	G	150	150
8	1	TABLE: TREATMENT, 30" x 72", VINYL COVERED FOAM TOP, HARDWOOD FRAME	G	200	200
9	1	X-RAY SYSTEM: SIEMENS. <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF BUILDING OWNER</i>	G	0	0
10	1	COPIER: CANON, MDL NP6025, COMPLETE WITH DOCUMENT FEEDER AND SORTER. <i>NOTE NOT IN SERVICE</i>	F	0	0
11	1	ANALYZER: URINE, BAYER CLINITEK 50	G	50	50
12	1	COPIER: HEWLETT-PACKARD, MDL 1300N	F	180	180
13	1	ROCKER: TEST TUBE, 12-POSITION, ELECTRIC	G	150	150
14	1	REFRIGERATOR: RESIDENTIAL, WHIRLPOOL, MDL FT21NKXJM01, S/N ELO239409, 2-DOOR, TOP FREEZER	VG	275	275
15	2	CENTRIFUGES: LABORATORY, VAN GUARD MDL V6000, 6-POSITION	G	100	200
16	2	CHAIRS: TASK, SWIVEL/TILT, 5-CASTER BASE	G	90	180
17	1	COMPUTER: PERSONAL, COMPLETE WITH OKI MDL 4350 PRINTER. <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF DIAGNOSTICS LABORATORIES OF OKLAHOMA</i>	G	0	0
18	1	DESK: JUNIOR WORK, 24" x 48", PARTICLE AND LAMINATE TOP, METAL BASE	F	75	75
19	1	CABINET: FILE 2-DRAWER, LETTER, LOCKING	G	20	20
20	1	BOOKCASE: EXECUTIVE 2-LEVEL, METAL, 12" x 36" x 30"	F	25	25
21	1	CHAIR: PHLEBOTOMY VINYL SEAT, METAL FRAME	G	350	350
22	1	LAMP: FLOOR, INCANDESCENT	G	35	35
23	1	DESK: EXECUTIVE, CUSTOM DESIGNED AND MANUFACTURED. <i>NOTE LISTED FOR REFERENCE ONLY TO REMAIN PROPERTY OF DR ROTHER</i>	G	0	0

Jeffrey Rother, M.D.		December 15, 2010		Fair Market Value Installed / In Place	
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
24	1	PRINTER: COMPUTER, CANON, IMAGE CLASS D320, <i>NOTE LISTED FOR REFERENCE ONLY, TO REMAIN PROPERTY OF DR ROTHER</i>	G	0	0
25	2	CABINETS: FILE, 2-DRAWER, LETTER, LOCKING	G	35	70
26	1	DESK: EXECUTIVE, 36" x 72", DOUBLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	F	350	350
27	1	ANALYZER: PROTON COAG, MDL INRATION 2, S/N 085233068	G	500	500
28	1	CREDENZA: EXECUTIVE, 22" x 72", PARTICLE AND LAMINATE CONSTRUCTION	F	125	125
29	1	SAFE: SECURITY, SENTRY, <i>NOTE LISTED FOR REFERENCE ONLY, TO REMAIN PROPERTY OF DR ROTHER</i>	G	0	0
30	1	REFRIGERATOR: RESIDENTIAL, WHIRLPOOL, MDL ET21NXJ401, S/N EL1522700, 2-DOOR, TOP FREEZER	G	250	250
31	1	TABLE: CONFERENCE, 48" x 142", PARTICLE AND LAMINATE TOP AND BASE	G	350	350
32	9	CHAIRS: MISCELLANEOUS	F	20	180
33	1	OVEN: MICROWAVE, WHIRLPOOL, MDL ACCUWAVE 1000	G	45	45
34	1	REFRIGERATOR: RESIDENTIAL, ROPER, MDL RT2ILMXK005, S/N ES3619951, 2-DOOR, TOP FREEZER	E	350	350
35	1	THERMOS: LIQUID NITROGEN, DEWAR MVE, MDL LAB 10 COMPLETE WITH WALLACH ULTRA FREEZE DISPENSING UNIT, REFILLABLE CRYOSURGICAL INSTRUMENT DISPENSER	G	350	350
36	1	MONITOR: ELECTROCARDIOGRAPH, MORFARA INSTRUMENT, MDL PORTRAIT, <i>NOTE LISTED FOR REFERENCE ONLY, OBSOLETE</i>	S	0	0
37	1	FAN: FLOOR	F	10	10
38	1	SHELF: STORAGE, 18" x 36" x 72", BOLTED STEEL	F	20	20
39	1	STOOL: BAR, WOOD	G	15	15
40	4	RACKS: STORAGE, 18" x 36" x 72", LIGHT DUTY, BOLTED STEEL	G	75	300
41	1	CABINET: FILE, HON, 2-DRAWER LETTER	G	30	30
42	1	DISPENSING SYSTEM: OXYGEN, COMPLETE WITH REGULATOR 2-WHEEL CART, ALUMINUM CYLINDER, <i>NOTE VALUE FOR REGULATOR AND CART ONLY CYLINDER OWNED BY LINGAS</i>	E	100	100
43	1	MONITOR: BLOOD PRESSURE, BAUMANOMETER, BAUM STANDBY, MERCURY TYPE, <i>NOTE BIOHAZARD</i>	S	0	0
44	1	MONITOR: BLOOD PRESSURE, BAUM, WALL MOUNTED, MERCURY TYPE, <i>NOTE BIOHAZARD</i>	S	0	0

Jeffrey Rother, M.D.

December 15, 2010

Fair Market Value Installed / In Place

ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
45	1	SCALE: PHYSICIAN'S BALANCE BEAM DETECTOR, 350-LB CAPACITY, WITH HEIGHT MEASURING UNIT	G	125	125
46	1	TABLE: PEDIATRIC EXAM, MIDMARK, MDL PEDIATRIC 409, COMPLETE WITH SCALE TOP	VG	1,200	1,200
47	2	CABINETS: FILE, 4-DRAWER, LATERAL, SUPREME EQUIPMENT SYSTEMS CORP., 36", LOCKING	G	350	700
48	1	CABINET: STORAGE 18" x 66", 4-DOOR, METAL CONSTRUCTION	VG	175	175
49	5	CHAIRS: TASK, SWIVEL/TILT, FABRIC SEAT/BACK	F	85	425
50	6	CABINETS: RECORD STORAGE, HON 6-LEVEL, WELDED STEEL SHELVES, MEDIUM DUTY CONSTRUCTION	F	500	3,000
51	6	CABINETS: PATIENT RECORD STORAGE DATUM, 6-LEVEL, LIGHT DUTY, THICK SHELF, OPEN FACE	G	350	2,100
52	1	DESK: EXECUTIVE, 36" x 60", PARTICLE AND LAMINATE CONSTRUCTION	F	125	125
53	2	DESKS: EXECUTIVE, METAL	F	100	200
54	1	CABINET: STORAGE, 14" x 24" x 30", PARTICLE AND LAMINATE CONSTRUCTION	F	20	20
55	1	COPIER: CANON, MDL SUPER G3 IMAGER/UNNER 3225, COMPLETE WITH DOCUMENT FEEDER AND COLLATOR	G	2,800	2,800
56	LOT	EQUIPMENT: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO WASTE RECEPTACLES, PAPER PUNCHES, STAPLERS, ORGANIZERS CALCULATORS, ETC	F-G	350	350
57	3	COMPUTERS: PERSONAL, IBM COMPATIBLE, DELL OR EQUIVALENT, COMPLETE WITH FLAT SCREEN MONITORS, KEYBOARD, MOUSE, ETC	VG	800	2,400
58	3	STOOLS: EXAM, SCREW ADJUST, 4-CASTER BASE	G	35	105
59	3	TABLES: EXAM, RITTER, MDL 104, MANUAL ADJUST	F	650	1,950
60	3	SETS: EXAM SCOPE, WELCH-ALLYN 3.5-VOLT, COMBINATION OTOSCOPE AND OPHTHALMOSCOPE, WITH DESK CHARGER	F	250	750
61	2	LAMPS: EXAM, WELCH-ALLYN, MDL 73308, COMPLETE WITH TRANSFORMER, DISPOSAL SPECULUM TYPE	G	125	250
62	LOT	EQUIPMENT: MISCELLANEOUS MEDICAL PRACTICE, CONSISTING OF BUT NOT LIMITED TO SUNDRY JARS, WASTE RECEPTACLES, SHARPS DISPOSALS, PAPER TOWEL DISPENSERS ETC	F-VG	300	300

TOTAL FOR THE REPORT:

\$ 24,600

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (this "Agreement") is made and entered into as of the 1st day of November, 2010 (the "Effective Date") by and between **MERCY PHYSICIANS OF OKLAHOMA, INC.**, an Oklahoma corporation ("Buyer"), **OKLAHOMA ONCOLOGY & HEMATOLOGY, P.C. d/b/a CANCER CARE ASSOCIATES**, an Oklahoma corporation ("Seller").

RECITALS:

- A. Seller owns personal property located at various locations throughout Oklahoma as described on the attached Exhibit "A";
- B. Seller owns the furniture and equipment, inventory, patient records, and supplies; and
- C. Seller desires to sell certain personal property assets of Seller to Buyer, and Buyer desires to purchase such assets, pursuant to the terms and conditions set forth herein

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

ARTICLE I DEFINITIONS

"Agreement" shall have the meaning set forth in the introductory paragraph above

"Assets" shall have the meaning set forth in Section 2.01 of this Agreement

"Assumed Contracts" shall have the meaning set forth in Section 2.01(b) of this Agreement.

"Assumed Liabilities" shall have the meaning set forth in Section 2.03 of this Agreement

"Buyer" shall have the meaning set forth in the introductory paragraph above.

"Closing" shall mean the consummation and effectuation of the transactions contemplated herein pursuant to the terms and conditions of this Agreement as such shall be held on the Closing Date and at such time and place as is mutually agreed upon by the parties hereto

"Closing Date" shall mean 12.01 a.m. on January 31, 2011 or, if all corporate, third party, and governmental approvals necessary to consummate the transaction have not been obtained by such date, within ten (10) days following the receipt of all required approvals

"Consents" shall have the meaning set forth in Section 3.10 of this Agreement

"Effective Date" shall have the meaning set forth in the introductory paragraph above

"Encumbrances" shall mean all security interests, liens, pledges, claims, charges, escrows, encumbrances, encroachments, rights of first refusal, subleases, conditional sales agreements, options, mortgages, indentures, easements, licenses, restrictions or other covenants, agreements, understandings, obligations, defects or irregularities affecting title to any of the Assets

"Excluded Assets" shall have the meaning set forth in Section 2.02 of this Agreement

"Excluded Liabilities" shall have the meaning set forth in Section 2.04 of this Agreement

"HIPAA" shall have the meaning set forth in Section 3.13(c) of this Agreement

"Purchase Price" shall have the meaning set forth in Section 2.05 of this Agreement.

"Seller" shall have the meaning set forth in the introductory paragraph above.

ARTICLE II SALE OF ASSETS

Section 2.01. Sale of Assets Subject to the terms and conditions of this Agreement, Seller hereby assigns, transfers and delivers to Buyer, free and clear of all Encumbrances, all right, title and interest in, without limitation, the following assets, other than the Excluded Assets (collectively, the "Assets"):

(a) All of Seller's interest in the tangible personal property and interests therein, including office equipment, furniture, fixtures, inventory and supplies usable or saleable in the Business, a list of which is attached hereto as Schedule 2.01(a)(i) – Schedule 2.01(a)(x);

(b) All rights under those contracts, agreements, leases, commitments, and other instruments listed on Schedule 2.01(b), to the extent transferable and assumable (the "Assumed Contracts");

(c) All manufacturer's and vendor's warranties relating to the Assets, to the extent transferable; and

(d) All books, records, files and papers, whether in tangible or intangible form, relating to, the Assets, including sales and promotional literature and any information relating to taxes, if applicable.

Transfer of Assets is "AS IS – WHERE IS"

Section 2.02. Excluded Assets. Notwithstanding anything to the contrary set forth in Section 2.01 above, Seller shall keep and retain title to and ownership of and shall not transfer, assign or deliver to Buyer any of the following assets and properties, all of which shall remain the exclusive property of Seller (collectively, the "Excluded Assets")

(a) All cash and cash equivalents generated in connection with the operation of the Seller prior to the Closing Date;

(b) All of Seller's healthcare receivables together with all replacements and proceeds thereof, and all right, title and interest of Seller to the proceeds represented by such healthcare receivables and all rights available to Seller under all applicable agreements, laws, rules, regulations, orders and/or ordinances with respect to such healthcare receivables,

(c) All accounts receivable and notes receivable not included in the healthcare receivables, and all cash and cash equivalents not related to the healthcare receivables and generated in connection with the operation of the Seller prior to the Closing Date.

(d) The Medicare provider agreements and related provider numbers used in the operation of the Seller;

(e) The corporate seals, charter documents, by-laws, minute books and stock record books of Seller, and

(f) All personal property described on Schedule 2.02.

Section 2.03. Assumed Liabilities. As partial consideration for the transfer, assignment, and delivery of the Business and the Assets to Buyer, and upon the terms and subject to the conditions set forth in this Agreement, the Buyer shall assume, pay and perform the following liabilities and obligations of Seller (collectively, the "Assumed Liabilities") from and after the Closing Date, and no others: All liabilities and obligations of Seller arising after the Closing Date under the Assumed Contracts. Buyer also agrees to reimburse Seller for all actual out of pocket expenses for the months of November and December related to this Agreement as described on Schedule 2.03.

Section 2.04. Excluded Liabilities Except for the Assumed Liabilities, Buyer shall not assume, pay or perform any indebtedness, liabilities or other obligations of Seller, all of which shall remain the sole and exclusive obligation of Seller (collectively, the "Excluded Liabilities").

Section 2.05. Consideration for Sale and Transfer As the consideration for the Assets and the other covenants and agreements set forth herein, Buyer shall pay an amount equal to **ONE MILLION SIX HUNDRED NINETY THOUSAND NINE HUNDRED TWO AND 64/100 DOLLARS (\$1,690,902.64)** (the "Purchase Price"). The Purchase Price shall be paid at Closing to or on behalf of Seller through wire transfer or delivery of other immediately available funds.

Section 2.06. Allocation. The contribution of the Assets to Buyer and assumption of the Assumed Liabilities by Buyer shall be allocated as described in Schedule 2.06. Buyer and Seller agree to report the contribution of the Assets and Assumed Liabilities to Buyer on a basis consistent with the terms of this Agreement and such allocation in their respective financial records, statements and forms prepared or filed pursuant to reporting requirements under the Internal Revenue Code of 1986, as amended, including, but not limited to, the preparation of Internal Revenue Service Form 8594, and not to take any contrary position with respect thereto

Section 2.07. Further Acts and Assurances. Each party shall at any time and from time to time at and after Closing, upon request of the other party, take any and all steps necessary to effectuate the terms of this Agreement and will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required for the better transferring and conveying to Buyer, or for reducing to its possession, any or all of the Assets and for any other transaction contemplated herein

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows.

Section 3.01. Organization and Standing of Seller. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate the Assets as and where they are now located

Section 3.02. Authority; Binding Effect Seller has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Seller has taken all action required by law and by Seller's Articles of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Seller enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally.

Section 3.03. No Conflicts. Neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Seller hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Seller's Articles of Incorporation or Bylaws, or any provision of any agreement to which Seller is a party or by which it is bound.

Section 3.04. Title to Assets

(a) Except as otherwise provided in this Section 3.04, Seller has or will have on the Closing Date good and marketable title to all of the Assets free and clear of all Encumbrances.

(b) The Assets consisting of personal property owned by Seller are subject to no Encumbrances except the security interests of record set forth on Schedule 3.04(b), which Schedule is a copy of UCC searches duly obtained by Seller and which searches show security interests of record relating to such Assets. Seller agrees to remove all security interests reflected on such search, if any, prior to Closing (except those approved by Buyer in writing or those securing debts expressly assumed by Buyer) and to remove any other security interests filed with respect to such Assets between the date of such search and the Closing Date.

(c) The Bill of Sale and such other assignments and other instruments to be executed and delivered by Seller at Closing will be valid, binding and enforceable in accordance with their respective terms, and will effectively vest in Buyer good and marketable title to all the Assets.

Section 3.05. Defaults and Consents. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement will not (a) result in any material liability to Seller, (b) constitute a violation of or a default under, or a conflict with, any order, writ, injunction or decree of any court, governmental agency or arbitration tribunal, or any contract, commitment, indenture, lease, sublease or other agreement, or any other restriction of any kind to which Seller is a party or by which Seller is bound; (c) cause, or give any party grounds to cause (with or without notice, the passage of time or both), the maturity of any material liability or obligation of Seller to be accelerated, or increase any such liability or obligation; or (d) require on the part of Seller any consent, approval or authorization of, or declaration, filing or registration with, any governmental or regulatory authority.

Section 3.06. No Litigation Except as set forth in Schedule 3.06, there is no litigation, arbitration, governmental claim, investigation or proceeding pending or threatened against Seller or otherwise affecting the Assets, at law or in equity, before any court, arbitration tribunal or governmental agency.

Section 3.07. Court Orders, Decrees and Laws There are no outstanding or threatened orders, writs, injunctions or decrees of any court, governmental agency or arbitration tribunal against or

affecting the Seller, or the Assets. Seller is not aware of pending or threatened investigations or proceedings by any governmental authorities.

Section 3.08. Condition of Assets. The Assets are sold on a "where is" and "as is" basis. The assets are in good working order, condition and repair, reasonable wear and tear excepted.

Section 3.09. Inventory The inventory is usable and saleable, and the items of such inventory are merchantable and fit for their particular use other than ordinary wear and tear

Section 3.10. Consents Schedule 3.10 identifies each of the Assumed Contracts requiring consent as a result of the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby (the "Consents") Seller shall cooperate with and assist Buyer in obtaining such Consents prior to and post Closing.

Section 3.11. Assumed Contracts. True and complete copies of each of the Assumed Contracts have been delivered by Seller to Buyer, and there are no undisclosed amendments, modifications, or provisions of, and no waivers of any provisions of, any of the Assumed Contracts. Each of the Assumed Contracts is a valid and binding agreement of Seller and is in full force and effect in accordance with their respective terms. Neither Seller nor, to the knowledge of the Seller, any other party thereto, is in default or breach in any material respect under the terms of any such agreement. Seller has not received notice from any party that it desires to terminate or renegotiate any of the Assumed Contracts

Section 3.12. Undisclosed Liabilities Seller has no material liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, including any liability for taxes).

Section 3.13. Legal Compliance.

(a) Seller has complied with all 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) that are applicable to the Assets.

(b) Seller has not engaged in any activities which are prohibited under, and each of the Assumed Contracts (to the extent applicable) complies with, 42 U.S.C. §1320a-7a or §1320a-7b, or the regulations promulgated thereunder, or any other related state or local statutes and regulations. No physician (or his or her immediate family members) having a "financial relationship" (as that term is defined in 42 U.S.C. § 1395nn) with Seller is in a position, directly or indirectly, to refer patients or services to Seller, or any such referral complies with the requirements of 42 U.S.C. § 1395nn and the regulations promulgated pursuant thereto

(c) To the best of Seller's knowledge, Seller is in compliance in all material respects with the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including, without limitation, the privacy requirements at 45 C.F.R. Part 160 et seq. and the security regulations set forth at 45 C.F.R. Part 142 et seq. There is no complaint, audit, proceeding, investigation, or claim against or, to the best of Seller's knowledge, threatened against Seller by any governmental authority or any person with respect to the collection, use, storage or disclosure of personal information.

Section 3.14. Tax Proceedings No deficiencies have been assessed against Seller by any federal, state or local tax authorities, and Seller is not aware of any tax audits by any federal, state or

local tax authorities pertaining to the Assets. Seller has duly and timely filed in proper form all federal, state and local, sales, use, property, excise, and other tax returns and all other reports (whether or not relating to taxes) required to be filed by law with all governmental authorities. All taxes, fees and assessments of whatever nature due or payable by Seller pursuant to such reports or otherwise have been paid

Section 3.15. Insurance Policies Seller has maintained, since inception, insurance policies covering general liability and property damage. All such insurance policies are now, and through the Closing will be, in full force and effect with no premium arrearages.

Section 3.16. No Other Agreements and Options Seller is not subject to any commitment, obligation or agreement, including, but not limited to, any right of first refusal, option to purchase or lease granted to a third party, which could or would prevent Seller from completing or impair Seller's ability to complete the transfer of the Assets or which would bind Buyer subsequent to consummation of the transaction contemplated in this Agreement.

Section 3.17. No Finders or Brokers Seller has not engaged any finder or broker in connection with the transactions contemplated hereunder, and no person acting on behalf of Seller has a claim against Seller for any brokerage, finder's fee or similar compensation.

Section 3.18. Disclosure The Assets, constituting equipment, furnishings and appliances are in good operating condition and repair, and are sold to Buyer on a "where is" and "as is" basis. There is no fact known to Seller which materially affects the condition of the Assets, except as set forth on the Schedules and Exhibits.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants as follows:

Section 4.01. Organization and Standing of Buyer. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has full corporate power to own and operate its properties and assets and to carry on its business as and where it is now being conducted.

Section 4.02. Authority; Binding Effect. Buyer has full corporate power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. Buyer has taken all action required by law and by Buyer's Articles of Incorporation and Bylaws to authorize the execution and delivery of this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement constitute the valid and binding agreement of Buyer enforceable in accordance with its terms except as limited by general equitable principles and the effect of bankruptcy or similar laws affecting creditors' rights generally.

Section 4.03. No Conflicts. Neither the execution nor the delivery of this Agreement or any of the other agreements, certificates or instruments to be delivered by Buyer hereunder, nor the consummation of the transactions contemplated herein, will conflict with or will constitute a breach, violation or termination of Buyer's Articles of Incorporation or Bylaws, or any provision of any agreement to which Buyer is a party or by which it is bound.

Section 4.04. No Finders or Brokers. Neither Buyer nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

Section 4.05. Litigation; Court Orders. There is no litigation, arbitration, proceeding, either pending or threatened, or outstanding orders, writs, injunctions or decrees of any court, governmental agency or tribunal which prevents Buyer from consummating the transactions contemplated hereby

ARTICLE V COVENANTS OF SELLER

Seller hereby covenants and agrees as follows.

Section 5.01. Corporate Action and Consents. Seller will take all necessary corporate and other action and obtain all consents, approvals and amendments of agreements required of it to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 5.02. Confidential Information. Seller shall keep confidential the terms of this Agreement and the agreements to be executed at Closing and all information provided by Buyer regarding the Buyer and shall exercise the same care in handling such information as they would exercise with similar information of their own.

Section 5.03. Taxes. Seller shall pay all sales, use, transfer, purchase, recording and documentary taxes and fees, if any, arising out of the transfer of the Assets.

Section 5.04. Operation and Preservation of Assets. Seller will cause Seller's personal property (including, without limitation, the Assets) to remain substantially intact, including its present operations, physical facilities, working conditions, insurance policies, and relationships with lessors, licensors, and suppliers.

(a) Seller makes no representations or warranties regarding pharmaceuticals which are sold in the transfer of the Assets.

ARTICLE VI COVENANTS OF BUYER

Section 6.01. Corporate Action and Consents. Buyer will take all necessary corporate and other action and obtain all consents, approvals and amendments of agreements required of it to carry out the transactions contemplated by this Agreement and to satisfy the conditions specified herein prior to the Closing.

Section 6.02. Confidential Handling of Documents. Except as required in connection with any financing, Buyer shall keep confidential all information regarding the financial condition and operations of Seller which is not in the public domain and shall exercise the same care in handling such information as it would exercise with similar information of its own

Section 6.03. Patient Medical Records.

(a) Buyer shall have ownership and custody of, and administrative control over, all medical records transferred hereunder on the Closing Date as provided on Schedule 6.03

(b) Buyer or Buyer's employees will request and to the extent permitted by law have access to copies of the patient medical record. Buyer and Seller have previously agreed to a process for transfer of records. Parties will work collaboratively to expedite patient records and

mutually understand that the patient medical record process may be amended from time to time as necessary.

ARTICLE VII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

All obligations of Seller which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Buyer on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Seller at any time prior to the Closing Date):

Section 7.01. Representations and Warranties True. All of the representations and warranties made by Buyer contained in Article V of this Agreement shall be true as of the Effective Date, shall be deemed to have been made again on and as of the Closing Date and shall be true on and as of the Closing Date in all material respects; Buyer shall have performed and complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date; and Seller shall be furnished with a certificate of Buyer, dated on the Closing Date, certifying to the truth of such representations and warranties as of the time of Closing and to the fulfillment of such covenants and conditions.

Section 7.02. No Obstructive Proceeding. No action or proceeding shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency

Section 7.03. Consents and Approvals. Any consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller, including, without limitation, the Consents

Section 7.04. Proceedings and Documents Satisfactory All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith.

ARTICLE VIII CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

All obligations of Buyer which are to be discharged under this Agreement effective as of the Closing Date are subject to the performance, on or before the Closing Date, of all covenants and agreements contained herein which are to be performed by Seller and Owners on or before the Closing Date and to the fulfillment, on or before the Closing Date, of each of the following conditions (unless expressly waived in writing by Buyer at any time at or prior to the Closing Date)

Section 8.01. Representations and Warranties True. All of the representations and warranties of Seller contained in Article IV of this Agreement shall be true as of the Effective Date, and shall be deemed to have been made again on and as of the Closing Date, and shall be true on and as of the Closing Date in all material respects, Seller shall have performed or complied in all material respects with all covenants and conditions required by this Agreement to be performed or complied with by it on

or before the Closing Date; and Buyer shall be furnished with a certificate of Seller dated on the Closing Date, certifying to the truth of such representations and warranties as of the time of Closing and to the fulfillment of such covenants and conditions.

Section 8.02. No Obstructive Proceeding No action or proceedings shall have been instituted against, and no order, decree or judgment of any court, agency, commission or governmental authority shall be subsisting against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Assets, and no such action shall seek damages in a material amount or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any governmental department or agency.

Section 8.03. Due Diligence; Appraisal. Buyer shall have had an opportunity to conduct a complete and thorough due diligence review of the Assets, including, without limitation, a review of all the personal property, contracts and agreements, the results of which shall be fully satisfactory to Buyer in its sole discretion. Buyer shall have received a valuation report supporting the fair market value of the Purchase Price

Section 8.04. Corporate Approvals; Funding. Buyer shall have obtained all necessary corporate approvals and funding (including capital allocations from Buyer's corporate parent) necessary to consummate the transactions described in this Agreement.

Section 8.05. Consents and Approvals. Any corporate approvals and/or consents required from any public or regulatory agency or third party in connection with the transaction described in this Agreement shall have been obtained by Seller, including, without limitation, the Consents

Section 8.06. Proceedings and Documents Satisfactory. All proceedings in connection with the transfer of the Assets and all certificates and documents delivered to the parties pursuant to this Agreement shall be satisfactory in form and substance to the parties acting reasonably and in good faith.

Section 8.07. Receipt of Transfer Documents. Buyer shall have received from Seller a Bill of Sale and such other assignments and transfer documents necessary to transfer to Buyer good and marketable title to the Assets free of all liens, encumbrances, restrictions, encroachments and easements, except for such exceptions as Buyer shall approve in writing. Buyer shall also have received all other documents contemplated by this Agreement.

ARTICLE IX CLOSING DELIVERIES

Section 9.01. Deliveries by Seller On the Closing Date, Seller shall deliver or cause to be delivered to Buyer the following

(a) **Transfer Documents** A Bill of Sale executed by Seller and such other assignments and transfer documents that shall be sufficient to vest in Buyer all rights, title and interest to the Assets in the name of Buyer, free and clear of all Encumbrances except as permitted in this Agreement

(b) **Seller's Certificate** A certificate, dated as of the Closing Date, executed by Seller certifying that (i) the representations and warranties of Seller contained in this Agreement are true, complete and correct in all material respects as of the Closing Date and will be true as of the Closing Date, except as set forth in this Agreement, and (ii) Seller has, in all material

respects, performed all of their obligations and complied with all of its covenants set forth in this Agreement to be performed and complied with prior to or on the Closing Date

(c) **Assignment and Bill of Sale.** A duly executed Assignment and Bill of Sale, executed by Seller.

(d) **Other Deliveries** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof

Section 9.02. Deliveries by Buyer. On the Closing Date, Buyer shall deliver to Seller the following:

(a) **Purchase Price.** The Purchase Price as provided in Section 2.05.

(b) **Buyer's Certificate.** A certificate, dated as of the Closing Date, executed by Buyer certifying that (i) the representations and warranties of Buyer contained in this Agreement are true, complete and correct in all material respects as of the Closing Date and will be true as of the Closing Date, except as set forth in this Agreement, and (ii) Buyer has, in all material respects, performed all of its obligations and complied with all of its covenants set forth in this Agreement to be performed or complied with on or prior to the Closing Date.

(c) **Assignment and Bill of Sale** A duly executed Assignment and Bill of Sale, executed by Buyer.

(d) **Other Deliveries.** Such other instruments and documents as may be reasonably necessary to carry out the transactions contemplated by the Agreement and to comply with the terms hereof

ARTICLE X INDEMNIFICATION

Section 10.01. Indemnity by Seller Subject to the conditions and provisions herein set forth, Seller agrees to indemnify, defend and hold harmless Buyer and its affiliates, and its officers, directors, assigns, subsidiaries, affiliates and agents from and against any and all direct or indirect damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, encumbrances and all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) which are sustained, incurred or paid by any indemnified party resulting from or arising out of.

(a) Any material inaccuracy in any representation or breach of any warranty of Seller contained in this Agreement:

(b) Any failure by Seller to perform any of its covenants or obligations set forth in this Agreement, or

(c) Any of the Excluded Assets or Excluded Liabilities

Section 10.02. Indemnity by Buyer. Subject to the conditions and provisions herein set forth, Buyer agrees to indemnify, defend and hold harmless Seller, its officers, directors, assigns, subsidiaries, affiliates and agents from and against any and all direct or indirect damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, encumbrances and all reasonable costs and

expenses (including, without limitation, attorneys' fees, interest and penalties) which are sustained, incurred or paid by any indemnified party resulting from or arising out of:

- (a) Any inaccuracy in any representation or breach of any warranty of Buyer contained in this Agreement,
- (b) Any failure by Buyer to perform any of its covenants or obligations set forth in this Agreement; or
- (c) Any of the Assumed Liabilities and Assumed Contracts from and after the Closing Date.

Section 10.03. Rules Regarding Indemnification The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party or third parties shall be subject to the following terms and conditions:

- (a) The indemnified party shall give written notice to the indemnifying party within 30 days of learning of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on the indemnity agreement contained in Sections 10.01 and 10.02 hereof, stating the nature and basis of said claim and the amounts thereof, to the extent known.
- (b) The indemnified party shall not make any settlement of any claims without the written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed.
- (c) Unless the indemnifying party is contesting in good faith a claim involving the indemnified party, any amounts owing to the indemnified party pursuant to the provisions of this Article X shall be due and payable on the fifteenth business day following the indemnifying party receiving notice of a claim thereunder.

Section 10.03. Remedies Cumulative. Except as herein expressly provided, the remedies provided in this Article X shall be cumulative and shall not preclude assertion by any party of any other rights or the seeking of any other rights or remedies against any other party hereto.

ARTICLE XI MISCELLANEOUS

Section 11.01. Expenses. Except as otherwise provided herein, all expenses of the preparation of this Agreement and of the transfer of the Assets, including, without limitation, counsel fees, accounting fees, sales taxes, recording fees, investment advisers' fees and disbursements, shall be borne by the respective parties incurring such expense, whether or not such transactions are consummated

Section 11.02. Notices. All notices, demands and other communications required or permitted hereunder shall be sufficiently given if delivered in person or mailed by certified mail, postage prepaid, addressed as follows:

If to Seller

Oklahoma Oncology & Hematology, P C
d/b/a Cancer Care Associates
4110 S. 100th East Avenue, Suite 201
Tulsa, OK 74146
Attention: President

Buyer: Mercy Physicians of Oklahoma, Inc
4300 West Memorial Road
Oklahoma City, OK 73120
Attention: President

With a Copy to: Mercy Health System, Inc
4300 West Memorial Road
Oklahoma City, OK 73120
Attention: President/CEO

or to such other address as any party may designate by notice to the other parties.

Section 11.03. Risk of Loss. Seller shall assume the risk of loss, damage or destruction of the Assets prior to the Effective Date.

Section 11.04. Entire Agreement. This Agreement, the Exhibits and the Schedules delivered pursuant hereto constitute the entire contract between the parties hereto pertaining to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the parties, and there are no representations, warranties or other agreements between the parties in connection with the subject matter hereof or thereof, except as specifically set forth herein or therein

Section 11.05. Assignment.

(a) Buyer may not assign in whole or in part its rights under this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld; provided, however, that Buyer may assign, in whole or in part, its rights under this Agreement to a related or successor entity upon prior written notice to Seller.

(b) Seller shall not, prior to the Closing Date, without the prior written consent of Buyer, which consent may be withheld in Buyer's sole discretion, sell, assign, transfer, mortgage, convey, encumber or grant any easements or other rights or interests of any kind in the Assets, any of Seller's rights under this Agreement or any interest in Seller, whether voluntarily, involuntarily or by operation of law or otherwise, including, without limitation, by merger, consolidation, dissolution or otherwise

Section 11.06. Governing Law The validity and construction of this Agreement shall be governed by the laws of the State of Oklahoma without regard to the conflicts of law rules thereof.

Section 11.07. Section Headings. The Section headings are for reference only and shall not limit or control the meaning of any provision of this Agreement

Section 11.08. Waiver No delay or omission on the part of any party hereto in exercising any right hereunder shall operate as a waiver of such right or any other right under this Agreement.

Section 11.09. Amendments This Agreement may be amended, but only in writing, signed by the parties hereto.

Section 11.10. Survival. The indemnification obligations of the parties each to the other in this Agreement, as well as any other obligations, representations or warranties which by their nature or

content would continue beyond the Closing Date or the expiration or termination of this Agreement, whether specifically identified or not, shall survive the Closing Date or any expiration or termination of this Agreement

Section 11.11. Exhibits and Schedules. All Exhibits and Schedules referred to in this Agreement are integral parts of this Agreement and are hereby incorporated into this Agreement as if fully set forth herein, and all statements appearing therein shall be deemed to be representations.

Section 11.12. Successors and Assigns. This Agreement shall inure to the benefit of and bind the respective successors and permitted assigns of the parties hereto. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein, it being the intention of the parties to this Agreement that the Agreement be for the sole and exclusive benefit of such parties or such successors and assigns and not for the benefit of any other person.

Section 11.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall comprise one and the same instrument.

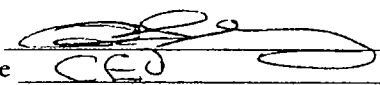
Section 11.14. Attorneys' Fees. If legal action is commenced to enforce this Agreement, each party shall pay its own costs and attorneys' fees in connection with any such action.

Section 11.15. Severability. If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable

Section 11.16. Specific Performance. The parties acknowledge that money damages will be inadequate in the event any party breaches its covenants or obligations under this Agreement. Accordingly, a party shall be entitled to the remedy of specific performance to require the other party to perform its covenants and obligations under this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

MERCY PHYSICIANS OF OKLAHOMA, INC.

By 
Title CEO

**OKLAHOMA ONCOLOGY &
HEMATOLOGY, P.C.**

d/b/a Cancer Care Associates

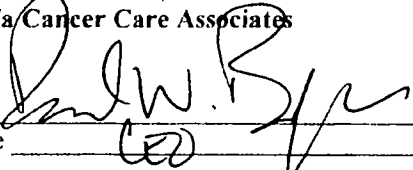
By 
Title CEO

EXHIBIT "A"
LOCATIONS

- i 1220A Willow Road, Suite A, Enid, Oklahoma 73703
- ii 11100 Hefner Pointe Drive, Oklahoma City, OK 73120
- iii. 4205 McAuley Boulevard, Oklahoma City, OK 73120
- iv. 1101 12th Avenue NW, Ardmore, OK 73401
- v. 701 East Robinson, Suite 100. Norman, OK 73071
- vi 4401 W. Memorial Road, Suite 138. Oklahoma City, OK 73134 (Quailbrook)

LIST OF SCHEDULES

Schedule	Description
2 01(a)(i)	Tangible Personal Property – Enid, Oklahoma
2 01(a)(ii)	Tangible Personal Property – Hefner Pointe, Oklahoma City, Oklahoma
2.01(a)(iii)	Tangible Personal Property – McAuley (Mercy), Oklahoma City, Oklahoma
2 01(a)(iv)	Tangible Personal Property – Ardmore, Oklahoma
2 01(a)(v)	Tangible Personal Property – Norman, Oklahoma
2.01(a)(vi)	Tangible Personal Property – Quailbrook, Oklahoma City, OK 73134
2.01(a)(vii)	Tangible Personal Property – Drugs in stock on October 29, 2010 and November 30, 2010 (Ardmore only)
2.01(a)(viii)	Tangible Personal Property - Inventory of supplies
2.01(a)(ix)	Tangible Personal Property – Varian Accclerator (Described on Schedule 2.01(a)(ii) but not valued)
2.01(a)(x)	Leasehold Improvements
2.01(b)	Assumed Contracts
2 02	Excluded Assets
2 03	Assumed Liabilities
2 06	Allocation
3 04(b)	List of Security Interests (Lien Search)
3 06	Litigation
3 10	Consents
6 03	Patient Medical Records

SCHEDULE 2.01(a)(i)
TANGIBLE PERSONAL PROPERTY
1220A Willow Road, Suite A, Enid, Oklahoma 73703

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

CANCER CARE ASSOCIATES - ENID OFFICE

*CONSISTING OF FURNITURE, TRADE FIXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Ms Tammy D Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, Oklahoma 73120*

EFFECTIVE DATE OF APPRAISAL:

October 13, 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, M.V.S.
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
ASA - American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73083-0687
(405) 348-5256
FAX (405) 348-4132

November 1, 2010

Ms. Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, OK 73120

RE: Cancer Care Associates - Enid Office

Dear Ms. Curtis:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Cancer Care Associates - Enid Office*, located at 1220-A West Willow Road in Enid, Oklahoma. We presume that all items listed are owned by *Cancer Care Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of October 14, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

*** \$ 43,800.00 ***

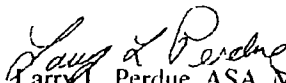
(Forty-Three Thousand, Eight Hundred Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President


Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP fj

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Cancer Care Associates - Enid Office

October 14, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Ms. Tammy D. Curtis, Director of Business Operations
 Mercy Health Network
 4200 West Memorial Road
 Oklahoma City, OK 73120

ASSETS APPRAISED: Furniture, Trade Fixtures and Equipment

ASSETS OWNED BY: Cancer Care Associates

LOCATED AT: 1220-A West Willow Road
 Enid, OK 73703-2505

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
 (See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: Cancer Care Associates

APPRAISED VALUE: Fair Market Value Installed / In Place **\$ 43,800.00**

CLIENT INDICATED USE OF APPRAISAL: To Establish a Purchase Price

REPORT DATE: November 1, 2010

VALUE AS OF DATE: October 14, 2010

INSPECTION DATES: October 14, 2010

SCOPE OF THE APPRAISAL: Conforms to *USPAP* 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as Cancer Treatment Center

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Enid, Oklahoma

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
 THE CONTINGENT AND LIMITING CONDITIONS
 TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
 (See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised; and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP"

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION**PURPOSE OF APPRAISAL:**

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in establishing a purchase price.

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT:

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value.

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate; and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence.

The values are also adjusted to installation considerations which may include:

- (1) Transportation;
- (2) Wiring;
- (3) Special foundations;
- (4) Difficulty of installation (i e., 2nd floors, special walls, pits, etc);
- (5) Adaptations;
- (6) Plumbing;
- (7) Applicable taxes;
- (8) Setup and debugging;
- (9) Other incurred costs.

Cancer Care Associates - Enid Office

October 14, 2010

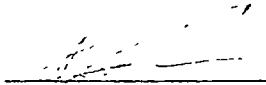
Fair Market Value Installed / In Place

JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.

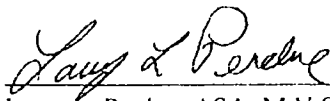

Justin L. Perdue, President

LARRY L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member


Larry L. Perdue, ASA, M.V.S
Certified until January 2008 by the
American Society of Appraisers

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals; commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

COMPANY PROFILE (Cont'd.):**VALUATION:**

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003); Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT:

July 2006-Present	<i>Asset Appraisal Corporation - President/Owner</i>
2003-Present	<i>Master Arc Welding and Fabrication Corporation - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments</i>
2003-June 2006	<i>Blastrac - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer</i>
2002-2003	<i>Cedar Image Fence Company - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell</i>
2001-2002	<i>Asset Appraisal Corporation - responsible for physical inspection, research, and value determination of various asset types</i>
1999-2001	<i>Evergreen Landscapes - Landscape Contractor specializing in landscape design, as well as irrigation design and installation</i>

AREAS OF EXPERTISE:

Appraisal of furniture, trade fixtures, machinery, and equipment Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE:

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

Masters Degree in Valuation Sciences (M V.S.) - Lindenwood College, St. Charles, Missouri (1992); Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory, (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA), Machinery/Technical Specialties: Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose; asset tagging and database management of assets: banking and computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc.; farm machinery and feed mills - grain elevators; fiberglass mfg. - tanks, fittings, boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities - metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials, work in process, parts and components, finished goods; laboratory instruments and testing equipment; manufacturing plants - all industries; medical equipment - conventional and high-tech; medicine/pharmaceuticals; metal production, metalworking, plastics, and woodworking equipment; office furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping, drilling, completion, production and refining; printing plants, pre-press, sheet fed, web, binary, etc.; radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service equipment; service equipment-automotive, truck, etc.; vehicles/transportation/aircraft/marine - all classes; and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator; expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas; asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma; equipment sales and liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE:**

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated, Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal, Liquidation Value In-Place, Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment"; Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personality?," Spring 1989, The M&E Appraiser - "FDIC Rental Value: A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed: Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
101 N. Broadway
P. O. Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed: Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
4921 North May Avenue
Oklahoma City, OK 73112
(405) 949-7280
Work Performed: Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed: Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S. Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed: Appraisals

F&M BANK

John Pixley, President
P.O. Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed: Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed: Expert Witness

D.R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed: Appraisals/Consulting

WILLIAM K. ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed: Expert Witness Testimony

Additional references may be furnished upon request.

CONDITION DEFINITIONS

N - NEW:	Never used and in original cartons or packaging. Has never been installed or operated.
E - EXCELLENT:	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE:	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP:	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content.

Cancer Care Associates - Enid Office		October 14, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	2	SETS: SCOPE DIAGNOSTIC, WELCH-ALLYN COMBINATION OPHTHALMOSCOPE AND OTOSCOPE, WALL MOUNTED, COMPLETE WITH WALL MOUNTED TRANSFORMER	VG	375	750
2	2	MONITORS: BLOOD PRESSURE, TYCOS, MDL 767, JEWELLED MOVEMENT SPHYGOMOMANOMETER, WALL MOUNTED, COMPLETE WITH BLOOD PRESSURE CUFF	G	125	250
3	6	STOOLS, EXAM, SCREW ADJUST, 4-CASTER BASE	VG	45	270
4	4	CHAIRS: ARMSIDE, HARDWOOD FRAME, FABRIC SEAT/BACK	VG	45	180
5	2	ILLUMINATORS: X-RAY, WOLF TRIMLINE PLUS, 2-BANK, MANUAL SWITCH	VG	200	400
6	1	TABLE: EXAM, ENOCHS, MANUAL ADJUST	G	750	750
7	1	SCALE: PHYSICIAN'S BALANCE BEAM, DETECTO, 350-LB. CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	G	125	125
8	20	CHAIRS: ARMSIDE, BENT FRAME FABRIC SEAT/BACK	VG	45	900
9	1	CABINET: STORAGE, COFFEE POT SUPPORT PARTICLE AND LAMINATE CONSTRUCTION	F	25	25
10	1	TABLE: MAGAZINE, 40" x 40" x 20", PARTICLE AND LAMINATE CONSTRUCTION	G	40	40
11	5	TABLES: SIDE, ACCENT, MAGAZINE, 24" x 24" x 24"	VG	25	125
12	2	WHEELCHAIRS: EVEREST AND JENNINGS, TRAVELER	G	150	300
13	1	COOLER: WATER. <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF CULLIGAN</i>	G	0	0
14	9	CHAIRS: CHEMOTHERAPY TREATMENT, LAZY-BOY MEDICAL GRADE RECLINER, LEATHER SEAT/BACK	G	800	7,200
15	6	CABINETS: STORAGE, CHEMOTHERAPY TREATMENT, 2-DRAWER, PARTICLE, LAMINATE AND PLYWOOD CONSTRUCTION, COMPLETE WITH 110-VOLT ELECTRIC STRIP	VG	200	1,200
16	2	STANDS: MAYO, STAINLESS STEEL, BREWER	VG	125	250
17	11	STANDS: IV, CHROME, ADJUSTABLE 5-CASTER BASE	VG	150	1,650
18	1.01	INFUSION PUMPS <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
19	1	OXYGEN DISPENSING SYSTEM: COMPLETE WITH CART, REGULATOR, AND CYLINDER; <i>NOTE CYLINDER LEASED, VALUE FOR CART AND REGULATOR ONLY</i>	VG	75	75

Cancer Care Associates - Enid Office			October 14, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
20	1	TELEVISION: COLOR 22" WITH VHS	G	150	150	
21	1	MONITOR: BLOOD PRESSURE, WELCH-ALLYN, MDL 4200 COMPLETE WITH 5-CASTER CART AND HEWLETT-PACKARD PRINTER	VG	850	850	
22	2	PRINTERS: COMPUTER, DELL, MDL 2330DN	VG	275	550	
23	1	CABINETS: FILE, HON, 4-DRAWER, LETTER LOCKING	G	95	95	
24	7	CHAIRS: TASK, SWIVEL/TILT, FABRIC SEAT/BACK, 5-CASTER BASE	E	125	875	
25	1	CABINET: FUME VENTILATION, NUAIRE BIOLOGICAL SAFETY CABINET, CLASS 2 TYPE B, MDL NU-425-200, SERIES 8, S/N 69865 ADX, MFD 1996, 24"	VG	2,500	2,500	
26	1	DRUG DISPENSING SYSTEM: PYXIS SYSTEMS, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
27	2	REFRIGERATORS: RESIDENTIAL, WHIRLPOOL, 2-DOOR, 18-CUBIC FOOT	G	150	300	
28	LOT	EQUIPMENT: MISCELLANEOUS CLINIC, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, PAPER PUNCHES, STAPLERS, WASTE RECEPTACLES, SOILED LINEN RECEPTACLES, ETC	F-VG	750	750	
29	4	SCANNERS: COMPUTER CANON, MDL IMAGE FORMULA DR-3010C	VG	600	2,400	
30	1	SHREDDER: PAPER, FELLOWES, MDL 120-2, COMMERCIAL	VG	275	275	
31	1	PRINTER: COMPUTER, DELL, MDL 1720DN	VG	175	175	
32	4	CARTS: PATIENT RECORDS, TRANSPORT, CASTERED, METAL	VG	200	800	
33	2	CHAIRS: ARMSIDE, GUEST, FABRIC SEAT/BACK	VG	45	90	
34	1	DESK: EXECUTIVE 30" x 60", DOUBLE PEDESTAL, WITH 1/4" TEMPERED PLATE GLASS TOP, PARTICLE AND LAMINATE CONSTRUCTION	G	150	150	
35	1	CREDENZA: EXECUTIVE, 22" x 72", WITH 1/4" TEMPERED PLATE GLASS TOP, PARTICLE AND LAMINATE CONSTRUCTION	E	325	325	
36	1	TABLE: TYPING, MOBILE, PARTICLE AND LAMINATE CONSTRUCTION	F	5	5	
37	5	CABINETS: PATIENT RECORD STORAGE, HON, 6-LEVEL, LOCKING, WITH FIXED DRAWERS	G	240	1,200	
38	4	CHAIRS: METAL FOLDING, FABRIC SEAT/BACK	VG	20	80	
39	1	COOLER: WATER, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF CULLIGAN</i>	G	0	0	

Cancer Care Associates - Enid Office		October 14, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
40	1	TABLE: FOLDING, 20" x 48", VINYL TOP, METAL FRAME	F	15	15
41	LOT	EQUIPMENT: MISCELLANEOUS BREAK ROOM, CONSISTING OF BUT NOT LIMITED TO MICROWAVE, COFFEE BREWER, WASTE RECEPTACLES, ETC	F-G	100	100
42	1	COPIER: LANIER, MDL. LD245 <i>NOTE LISTED FOR REFERENCE ONLY, LISTED</i>	G	0	0
43	1	PRINTER: COMPUTER, DELL, MDL. LASER MFP 1815DN	VG	150	150
44	2	WORK AREAS: CUSTOM DESIGNED AND MANUFACTURED, L-SHAPED, DOUBLE PEDESTAL, PARTICLE AND LAMINATE TOP WITH HARDWOOD DRAWERS	E	1,600	3,200
45	1	POSTAGE METER; <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF PITNEY BOWES</i>	G	0	0
46	1	PRINTER: LABEL, ZEBRA, MDL. LP-2824	VG	210	210
47	1	CART: RECORD TRANSPORT BREIFORD, 2-LEVEL, 30"	G	40	40
48	1	PRINTER: LABEL, ZEBRA, MDL. TLP2844	VG	300	300
49	LOT	DECOR: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO WALL HANGINGS, SILK PLANTS, ETC., LOCATED THROUGHOUT FACILITY	VG	1,650	1,650
50	2	LAMPS: EXAM, CHROME, GOOSENECK	G	45	90
51	1	CHAIR: METAL, FOLDING, FABRIC SEAT/BACK	G	10	10
52	1	TABLE: EXAM, HAMILTON, E SERIES, MANUAL ADJUST	F	600	600
53	1	COMPUTER MANAGEMENT INFORMATION SYSTEM: COMPLETE WITH (9) DELL GX760, GX755, GX620, AND GX745 PC WORKSTATIONS, NETWORK DEVICES, TIME CLOCK, ETC	VG	7,650	7,650
54	1	TELEPHONE SYSTEM: INTER-TEL ACCESS, COMPLETE WITH KSU, CPU128, 7025 UNIT PAL LSC CARD LSC-D CARD, LMC VOICE MAIL CARD FVMC MAILBOX PAL, COMPLETE WITH (11) EXECUTIVE AND STANDARD DESK SETS	VG	3,740	3,740
REPORT TOTAL				\$ 43,815	

REPORT TOTAL ROUNDED TO:

*** \$ 43,800.00 ***

(Forty-Three Thousand, Eight Hundred Dollars)

SCHEDULE 2.01(a)(ii)
TANGIBLE PERSONAL PROPERTY
11100 Hefner Pointe Drive, Oklahoma City, Oklahoma 73120

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

***CANCER CARE ASSOCIATES
LAKE HEFNER CANCER CENTER***

*CONSISTING OF FURNITURE, TRADE FIXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Ms Tammy D Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, Oklahoma 73120*

EFFECTIVE DATE OF APPRAISAL:

October 13, 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, MVS
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73033-0687
(405) 348-5256
FAX (405) 348-4132

November 1, 2010

Ms. Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, OK 73120

RE: Cancer Care Associates - Lake Hefner Cancer Center

Dear Ms. Curtis:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Cancer Care Associates - Lake Hefner Cancer Center*, located at 11100 Hefner Pointe Drive in Oklahoma City, Oklahoma. We presume that all items listed are owned by *Cancer Care Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of October 13, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

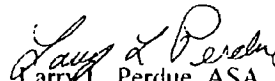
*** \$ 493,000.00 ***
(Four Hundred Ninety-Three Thousand Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President


Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP:fj

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Cancer Care Associates - Hefner Office

October 13, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Ms. Tammy D. Curtis, Director of Business Operations
 Mercy Health Network
 4200 West Memorial Road
 Oklahoma City, OK 73120

ASSETS APPRAISED: Furniture, Trade Fixtures and Equipment

ASSETS OWNED BY: Cancer Care Associates

LOCATED AT: 11100 Hefner Pointe Drive
 Oklahoma City, OK 73120-5041

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
 (See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: Cancer Care Associates

APPRAISED VALUE: Fair Market Value Installed / In Place **\$ 493,000.00**

CLIENT INDICATED USE OF APPRAISAL: To Establish a Purchase Price

REPORT DATE: November 1, 2010

VALUE AS OF DATE: October 13, 2010

INSPECTION DATES: October 13, 2010

SCOPE OF THE APPRAISAL: Conforms to *USPAP* 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as Cancer Treatment Center

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Oklahoma City, Oklahoma

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
 THE CONTINGENT AND LIMITING CONDITIONS
 TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
 (See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised; and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP."

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION**PURPOSE OF APPRAISAL:**

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in establishing a purchase price.

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT:

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value:

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate, and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence.

The values are also adjusted to installation considerations which may include:

- (1) Transportation;
- (2) Wiring;
- (3) Special foundations;
- (4) Difficulty of installation (i.e., 2nd floors, special walls, pits, etc.);
- (5) Adaptations;
- (6) Plumbing;
- (7) Applicable taxes;
- (8) Setup and debugging;
- (9) Other incurred costs.

Cancer Care Associates - Hefner Office

October 13, 2010

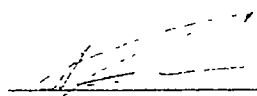
Fair Market Value Installed / In Place

JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.


 Justin L. Perdue, President

Cancer Care Associates - Hefner Office

October 13, 2010

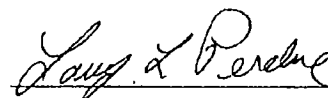
Fair Market Value Installed / In Place

LARRY L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M.V.S.

Certified until January 2008 by the
American Society of Appraisers

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals; commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

COMPANY PROFILE (Cont'd.):**VALUATION:**

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required
EMPLOYEE STOCK OPTION PLANS (ESOPs)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003); Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT:

July 2006-Present	<i>Asset Appraisal Corporation - President/Owner</i>
2003-Present	<i>Master Arc Welding and Fabrication Corporation - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments</i>
2003-June 2006	<i>Blastrac - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer</i>
2002-2003	<i>Cedar Image Fence Company - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell</i>
2001-2002	<i>Asset Appraisal Corporation - responsible for physical inspection, research, and value determination of various asset types</i>
1999-2001	<i>Evergreen Landscapes - Landscape Contractor specializing in landscape design, as well as irrigation design and installation</i>

AREAS OF EXPERTISE:

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE:

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost, Insurable Value Depreciated, Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992); Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation* - Director

May 1988-July 2006 *Asset Appraisal Corporation* - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals

October 1984-Present *Asset Management* - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory; (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA), Machinery/Technical Specialties: Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose: asset tagging and database management of assets; banking and computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc.; farm machinery and feed mills - grain elevators; fiberglass mfg. - tanks, fittings, boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities - metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials, work in process, parts and components, finished goods; laboratory instruments and testing equipment; manufacturing plants - all industries, medical equipment - conventional and high-tech; medicine/pharmaceuticals; metal production; metalworking, plastics, and woodworking equipment; office furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping, drilling, completion, production and refining; printing plants, pre-press, sheet fed, web, binary, etc.; radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service equipment; service equipment-automotive, truck, etc.; vehicles/transportation/aircraft/marine - all classes; and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator; expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas; asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma; equipment sales and liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE:**

Reproduction Cost, New, Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated, Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place, Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment"; Instructor - American Society of Appraisers. Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personality?," Spring 1989, The M&E Appraiser - "FDIC Rental Value. A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed: Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
101 N. Broadway
P. O. Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed: Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
4921 North May Avenue
Oklahoma City, OK 73112
(405) 949-7280
Work Performed: Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S. Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed: Appraisals

F&M BANK

John Pixley, President
P O. Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed: Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed: Expert Witness

D R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed: Appraisals/Consulting

WILLIAM K. ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed: Expert Witness Testimony

Additional references may be furnished upon request.

CONDITION DEFINITIONS

N - NEW:	Never used and in original cartons or packaging. Has never been installed or operated
E - EXCELLENT:	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE:	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP:	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content.

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	1	PATIENT SEATING SYSTEM: CONSISTING OF (9) 3-POSITION SEATING UNITS, HARDWOOD FRAME, FABRIC SEAT/BACK, MFD BY TECHLINE, SERIES UP1030A-N-20, (1) 2-POSITION SEATING UNIT	VG	3,000	3,000
2	2	TABLES: COFFEE, HARDWOOD AND MAPLE VENEER CONSTRUCTION	VG	125	250
3	2	TABLES: SIDE, ACCENT, MAPLE VENEER CONSTRUCTION	G	75	150
4	1	STAND: TELEPHONE 20" x 30", PARTICLE AND LAMINATE CONSTRUCTION	F	25	25
5	1	STAND: TELEVISION, 4-LEVEL, CASTERED	G	45	45
6	1	TELEVISION: 20", WITH VCR AND SATELLITE RECEIVER	VG	100	100
7	1	COOLER: WATER, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF OZARK 1</i>	G	0	0
8	1	STAND: COFFEE SERVICE, MAPLE VENEER CONSTRUCTION	G	45	45
9	2	CHAIRS: PHLEBOTOMY	G	300	600
10	6	CABINETS: FILE, HON, 2-DRAWER, LETTER, LOCKING	G	75	450
11	1	STOOL: EXAM, PNEUMATIC, 5-CAS TER BASE	G	95	95
12	3	PRINTERS: COMPUTER, DELL, MDL 2335DN	VG	300	900
13	1	PRINTER: THERMAL, ELTRON, MDL TLP2642	G	125	125
14	1	STAINER: MICROSCOPE SLIDE, HARLECO, AUTOMATIC, MDL MIDAS II	E	650	650
15	3	ANALYZERS: BLOOD CHEMISTRY, INCLUDING (1) RUBY CELL LINE, (1) SIEMENS, (1) INTERNATIONAL LABORATORY, <i>NOTE LISTED FOR REFERENCE ONLY REAGENT LEISE</i>	VG	0	0
16	1	CENTRIFUGE: LABORATORY, PLASMA PREP MFD BY SEPARATION TECHNOLOGIES, 6-POSITION, WITH COVER	VG	1,275	1,275
17	1	MICROSCOPE: LABORATORY, NIKON MDL ECLIPSE 400 BINOCULAR, (4) OBJECT LENSES, COMPLETE WITH SELF- CONTAINED LIGHT SOURCE	VG	5,000	5,000
18	1	COUNTER: CELL, DIFFCOUNT MDL 10-329, S/N 329249	VG	900	900
19	1	HOT BLOCK: BOEKEL INDUSTRIES MDL 110001	VG	250	250

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place			
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	TOTAL VAL	
20	1	CENTRIFUGE: LABORATORY, UNICO, MDL. POWERSPIN MX CENTRIFUGE, 24-POSITION, VARIABLE SPEED, COMPLETE WITH COVER	VG	975	975	
21	1	REFRIGERATOR: REACH IN, FRIG. MDL. GDM-45, S/N 1-4774034 2-DOOR	VG	2,000	2,000	
22	1	FREEZER: COMPACT, UNDERCOUNTER, MFR UNKNOWN	E	300	300	
23	LOT	FURNITURE: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO DESKS, CHAIRS, ETC., <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
24	13	CHAIRS: CHEMOTHERAPY TREATMENT, LAZY-BOY, MEDICAL GRADE RECLINER, LEATHER SEAT/BACK	F-G	650	8,450	
25	25	STANDS: IV, CHROME, ADJUSTABLE, 5-CASTER BASE	VG	150	3,750	
26	13	CABINETS: STORAGE, CHEMOTHERAPY TREATMENT, 2-DRAWER, PARTICLE, LAMINATE AND PLYWOOD CONSTRUCTION, COMPLETE WITH 110-VOLT ELECTRIC STRIP	VG	200	2,600	
27	9	CHAIRS: METAL STACKING, VINYL SEAT/BACK	VG	35	315	
28	2	MONITORS: BLOOD PRESSURE, WELCH-ALLYN, MDL 4200, DIGITAL, COMPLETE WITH CASTERED BASE	G	850	1,700	
29	1	MONITOR: OXYGEN SATURATION, NELLCOR PULSE OX, MDL NPB40 OR EQUIVALENT	VG	500	500	
30	1	CABINET: MOBILE FILE VERTICAL, LEGAL	VG	100	100	
31	5	STOOLS: EXAM, SCRFW ADJUST, CHROME FOOT RAIL	VG	55	275	
32	2	CABINETS: FILE, HON, 4-DRAWER LATERAL, 30", LOCKING	VG	290	580	
33	23	CHAIRS: TASK, SWIVEL/HILT FABRIC SEAT/BACK, 5-CASTER BASE	E	125	2,875	
34	6	CABINETS: FILE, HON 4-DRAWER LETTER, LOCKING	G	95	570	
35	1	DESK: JUNIOR EXECUTIVE, 30" x 48", SINGLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	G	110	110	
36	1	DRUG DISPENSING SYSTEM: PYXIS SYSTEMS, COMPLETE WITH FREEZER AND PRINTER, <i>NOTE LISTED FOR REFERENCE ONLY LEASED</i>	G	0	0	
37	1	STAND: COMPUTER PRINTER, PARTICLE AND LAMINATE CONSTRUCTION CASTERED	G	50	50	
38	LOT	CABINETS: CONFIDENTIAL PAPER SHREDDING, SHRED-11, <i>NOTE LISTED FOR REFERENCE ONLY LEASED</i>	G	0	0	

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
39	4	CARTS: UTILITY, RUBBERMAID COMMERCIAL PRODUCTS	G	65	260
40	1	SCALE: PHYSICIAN'S BALANCE BEAM, CONTINENTAL HEALTH-O-METER, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	G	75	75
41	3	CABINETS: FILE, IRON, 2-DRAWER, LATERAL, 30", LOCKING	VG	200	600
42	8	STOOLS: DRAFTING, SWIVEL, 5-CASTER BASE	G	150	1,200
43	LOT	EQUIPMENT: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, PAPER PUNCHES, STAPLERS, ETC., LOCATED THROUGHOUT FACILITY	G-VG	2,500	2,500
44	1	PRINTER: COMPUTER, DELL, MDL MFP 1815DN	VG	150	150
45	1	TABLE: CARD, 36" x 36", COMPLETE WITH METAL BASE	G	25	25
46	11	STANDS: MAYO, STAINLESS STEEL, BREWER	VG	125	1,375
47	1	COOLER: WATER; <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF OZARKA</i>	G	0	0
48	1	REFRIGERATOR: COMPACT, SANYO	G	40	40
49	1	BREWER: COFFEE, 3-BURNER, NEWCO, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	150	150
50	1	ICE MAKER: COUNTERTOP AIR COOLED, MDL AND S/N NOT ACCESSIBLE	VG	650	650
51	LOT	RECEPTACLES: SHARPS DISPOSABLE, COMPLETE WITH TROLLEY, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF DISPOSAL COMPANY</i>	G	0	0
52	LOT	DECOR: WALL, INCLUDING WALL HANGINGS, MAGAZINE ORGANIZERS, CLOCKS, PRINTS, ETC., LOCATED THROUGHOUT FACILITY	VG	3,500	3,500
53	1	CABINET: FUME ELIMINATION, STERILGARD HOOD, CLASS 2 TYPE A/B3 MFD BY THE BAKER CO INC., 48" MDL SG-400, S/N SL-43879V, COMPLETE WITH DUCTWORK	VG	5,000	5,000
54	1	DRUG DISPENSING SYSTEM: PYXIS SYSTEMS, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
55	1	REFRIGERATOR, RESIDENTIAL, 2-DOOR, WITH TOP FREEZER	G	225	225
56	2	PRINTERS: COMPUTER, HEWLETT-PACKARD MDL LASERJET 1320	VG	175	350
57	1	PRINTER: LABEL, ZEBRA, MDL TLP2844	VG	300	300

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
58	LOT	STOOLS: EXAM, <i>NOTE LISTED FOR REFERENCE ONLY, CONSIDERED SALVAGE</i>	Salvage	0	0
59	4	CHAIRS: METAL STACKING	Scrap	0	0
60	LOT	EQUIPMENT: MISCELLANEOUS JANITORIAL, CONSISTING OF BUT NOT LIMITED TO SWEEPER, WASTE RECEPTACLES, MOP, MOP BUCKET, ETC. <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF JANITORIAL SERVICES</i>	G	0	0
61	1	PATIENT SEATING UNIT: 2-POSITION, FABRIC SEAT/BACK	G	150	150
62	8	CHAIRS: DINING, METAL STACKING, FABRIC SEAT/BACK	F	10	80
63	2	TABLES: DINING, 36" x 36", PARTICLE AND LAMINATE TOP, METAL BASE	G	35	70
64	1	TABLE: METAL FOLDING, 72"	F	25	25
65	LOT	EQUIPMENT: MISCELLANEOUS BREAK ROOM, CONSISTING OF BUT NOT LIMITED TO TOASTERS, MICROWAVE, BROILER, ETC	F-G	250	250
66	2	REFRIGERATORS: RESIDENTIAL, FRIGIDAIRE, 2-DOOR, WITH TOP FREEZER, APPROX 18-CUBIC FOOT	VG	225	450
67	1	SCALE: FLOOR, BUILT-IN, 210, SCALE-TRONIX, MDL 5152, S/N 5152- 120, 825-LB CAPACITY	N	4 200	4 200
68	1	RECLINER: BARIATRIC, WINCO INC, MDL 654, S/N A1014, MOBILE	E	1,000	1,000
69	1	CUTTER: STYROFOAM, HUESTIS STYRO-FORMER, MDL SF-II, <i>NOTE OBSOLETE</i>	S	0	0
70	1	CABINET: X-RAY FILM STORAGE, BAR RAY, METAL, UNDERCOUNTER	F	125	125
71	1	CABINET: FILM LOADING, S&S X-RAY, MDL 125	VG	175	175
72	1	PRINTER / DUPLICATOR: X-RAY FILM, BLU-RAY, MDL BXR MARK V	G	250	250
73	1	PRINTER: FILM IDENTIFICATION, PICKER, CAT #401750, MFD 1998	G	100	100
74	1	PROCESSOR: X-RAY FILM, KODAK, MDL RP X-OMAT, S/N 3200 M6 PROCESSOR, COMPLETE WITH CHEMICAL SYSTEM AND RECOVERY SYSTEM	G	6,000	6,000
75	1	DIGITIZER: X-RAY FILM VIDAR SYSTEMS CORP MDL DOSIMETRY PRO ADVANTAGE RED, S/N 351590 <i>NOTE UTILIZED WITH VARIAN LINEAR ACCELERATOR</i>	VG	0	0

Cancer Care Associates - Hefner Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
76	1	PROCESSOR: X-RAY FILM, KODAK, MDL DRY-VIEW 8100 LASER IMAGER, S/N 8107060	VG	1,600	1,600	
77	2	INJECTORS: CONTRAST MEDIA POWER, FZ EM INC., SERIES EMPOWER CT, CAT #9830, S/N P63449 AND S/N UNKNOWN, COMPLETE WITH CASTERED BASE, BASE CAT #9840	VG	6,500	13,000	
78	1	WARMER: LABORATORY, NYCOMED AMERSHAM CONSTANT MEDIA WARMER, COUNTERTOP, ELECTRIC	VG	150	150	
79	1	WATER BATH: CHEMOTHERAPY MEDICATION HEATING, AMERICAN PERMANENT WARE, MDL W6, S/N 9608	VG	350	350	
80	1	VACUUM LOCK PUMP: CHEMOTHERAPY TREATMENT, MED-TEC INC., MDL MT-VL-1, S/N 819	VG	1,800	1,800	
81	1	CART: TRANSPORT, STAINLESS STEEL 3-LEVEL	VG	125	125	
82	1	REFRIGERATOR: COMPACT, FRIGIDAIRE, COUNTERTOP	VG	50	50	
83	3	ILLUMINATORS: X-RAY, WOLF TRIM LINE PLUS, 2-BANK, MANUAL SWITCH	VG	200	600	
84	4	PATIENT SEATING UNITS: 2-POSITION, HARDWOOD FRAME, FABRIC SEAT/BACK	VG	200	800	
85	2	CLOSED CIRCUIT TELEVISION SYSTEMS: EACH INCLUDING (2) CAMERAS (2) MONITORS	VG	750	1,500	
86	1	STOOL: DRAFTING, TILT, CHROME FOOT RAIL, 5-CASTER BASE	G	125	125	
87	2	SCALES: PHYSICIAN'S BALANCE BEAM, HEALTH-O-METER PRO SERIES, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	VG	125	250	
88	1	CONTROL UNIT: WELLSHOFFER, MDL CU 500E DUAL PROCESSOR BASE, <i>NOTE OBSOLETE</i>	S	0	0	
89	25	CHAIRS: METAL, STACKING FABRIC SEAT/BACK	F	15	375	
90	1	STRETCHER: MIDMARK, MDL 511	VG	850	850	
91	1	NUCLEAR RADIATION SYSTEM: LINEAR ACCELERATOR, VARIAN, MDL CLINAC 2100C, RADIO THERAPY ACCELERATOR, COMPLETE WITH STANDARD OPTIONS AND ACCESSORIES, INSTALLED 1998 <i>NOTE NOT TO BE VALUED</i>	G	0	0	
92	1	WATER BATH: MED-TEC INC., 40-QUART, S/N 4058, COMPLETE WITH TRANSPORT CART	VG	1,500	1,500	
93	1	HOLDER: X-RAY CASSETTE, HUESTIS MEDICAL PRODUCTS MDL FX303-1	VG	1,800	1,800	

Cancer Care Associates - Hefner Office			October 13, 2010	Fair Market Value Installed / In Place	
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
94	2	IMMOBILIZERS: PATIENT STABILIZATION, CIVCO, REF #M1WB08 WING BOARD	G	600	1,200
95	2	IMMOBILIZERS: PATIENT STABILIZATION, MED-TEC INC. MDL MT-250R-D, S/N 786, BREAST BOARD	G	2,400	4,800
96	1	STOOL: EXAM, SCREW ADJUST, 5-CASTER BASE	VG	110	110
97	2	IMMOBILIZATION FIXTURES: MED-TEC INC. MDL M1-SR02, S/N 587 AND S/N UNKNOWN	VG	275	550
98	1	CABINET: X-RAY FILM STORAGE, 5-LEVEL, METAL, BOLTING, 48" x 84"	G	150	150
99	1	PRINTER: COMPUTER, HEWLETT-PACKARD, MDL PHOTOSMART 7580	VG	150	150
100	3	SCANNERS: COMPUTER, CANON, MDL IMAGE FORMULA DR-3010C	VG	600	1,800
101	3	PRINTERS: COMPUTER, DELL, MDL 1710N	VG	100	300
102	1	ULTRASOUND SYSTEM: A FL, MDL HDI3500, INCLUDING MDL L12-5 TRANSDUCER, C5-2, L7-4, C8-4V, P3-2, SOFTWARE LEVEL 151-11, COMPLETE WITH PANASONIC VHS MDL MD835 PRINTER WITH MOBILE OPTION	VG	15,000	15,000
103	1	STERILIZER: AUTOCLAVE, RITTER MDL M7 SPEEDCLAVE	VG	1,250	1,250
104	1	OXYGEN DISPENSING SYSTEM: COMPLETE WITH CART, REGULATOR, AND CYLINDER. NOTE: CYLINDER LEASED, VALVE FOR CART AND REGULATOR ONLY	VG	75	75
105	1	PRINTER/IMAGER: DICOM DIGITAL COLOR, MDL UP-D77MD, MFD. BY SONY	G	650	650
106	6	SHELVES: X-RAY FILM STORAGE, BAR-RAY, 5-LEVEL, 30", BOLTED METAL	VG	550	3,300
107	1	DESK: WORK, 30" x 60", DOUBLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION, COMPLETE WITH TOP STORAGE UNIT	VG	275	275
108	1	SCANNER: COMPUTER, CANON, MDL IMAGE FORMULA DR-3010G	VG	600	600
109	1	STAND: TYPEWRITER MOBILE, METAL	G	25	25
110	7	CHAIRS: ARMSIDE, EXAM ROOM, FABRIC SEAT/BACK, METAL FRAME	VG	45	315
111	14	STOOLS: EXAM, SCREW ADJUST, 4-CASTER BASE	VG	45	630
112	1	LIGHT SOURCE: WELCH-ALLYN, MDL 45150, SERIES LX-150	G	50	50

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
113	10	ILLUMINATORS: X-RAY, WOLF TRIM LINE PLUS SINGLE BANK, MANUAL SWITCH	VG	100	1,000
114	10	SETS: SCOPE DIAGNOSTIC, WELCH-ALLYN, COMBINATION OPHTHALMOSCOPE AND OTOSCOPE, WALL MOUNTED, COMPLETE WITH WALL MOUNTED TRANSFORMER	VG	375	3,750
115	12	MONITORS: BLOOD PRESSURE, TYCOS, MDL 767 JEWEL'D MOVEMENT SPIRYGOMOMANOMETER, WALL MOUNTED, COMPLETE WITH BLOOD PRESSURE CUFF	G	125	1,500
116	1	TABLE: EXAM, RITTER, MDL 107, ELECTRIC ELEVATED	VG	1,800	1,800
117	7	TABLES: EXAM, RITTER, MDL 104, MANUAL ADJUST	G	850	5,950
118	7	ILLUMINATORS: X-RAY, WOLF TRIM LINE PLUS, 3-BANK, MANUAL SWITCH	VG	300	2,100
119	2	CABINETS: X-RAY FILM STORAGE, 3-LEVEL, METAL, BOLTED	G	300	600
120	1	X-RAY SYSTEM: CONSISTING OF (1) AMRAD X-RAY TUBE, AMRAD MDL S222 FLOATING TOP TABLE, S/N 990401, MFD 1999, (1) FLOOR MOUNTED AMRAD TUBE STAND, (1) MDL B067 CHEST STAND, S/N 990103, COMPLETE WITH POWER SOURCE CONTROL STANDARD OPTIONS AND ACCESSORIES	VG	15,000	15,000
121	1	RACK: HAT AND COAT, WOOD	G	10	10
122	1	CABINET: STORAGE, 2-DOOR, PARTICLE AND LAMINATE CONSTRUCTION	G	85	85
123	LOT	FURNITURE: MISCELLANEOUS OFFICE; <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF DR YOUNG</i>	G	0	0
124	1	DESK: EXECUTIVE RETURN, 30" x 66", 3-PEDESTAL, COMPLETE WITH 24" RETURN AND 4-DOOR TOP STORAGE UNIT	VG	1,500	1,500
125	1	PRINTER: COMPUTER, HEWLETT-PACKARD, MDL LASERJET 1300	VG	150	150
126	5	STOOLS: DRAFTING, PNEUMATIC ADJUST, 5-CASTER BASE	F	35	175
127	1	COOLER: WATER; <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF OASIS</i>	G	0	0
128	LOT	CYLINDERS: OXYGEN DISPENSING, SIZE D, ALUMINUM, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF GAS SUPPLY COMPANY</i>	G	0	0
129	1	VIEWBOX: RADX TECHNOLOGY <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF DR NIKE</i>	G	0	0

Cancer Care Associates - Hefner Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
130	1	CABINET: STORAGE, HON, METAL, 4-LEVEL, 12" x 36" x 48"	G	50	50	
131	1	CABINET: FILE, ANDERSON HICKEY, 5-DRAWER, LEFTER	VG	150	150	
132	1	DESK: JUNIOR EXECUTIVE, 24" x 60", SINGLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	125	125	
133	1	DESK: JUNIOR EXECUTIVE, 24" x 50", DOUBLE PEDESTAL, PARTICLE AND LAMINATE TOP, METAL BASE	F	75	75	
134	2	CABINETS: MOBILE FILE VERTICAL, PENDAFLEXER, LEGAL	VG	75	150	
135	1	POSTAGE METER; <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF PITNEY BOWES</i>	G	0	0	
136	1	PRINTER: COMPUTER, LANIER, MDL LF410, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
137	1	COPIER: LANIER, MDL LD151, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
138	1	PATIENT RECORD FILING SYSTEM: CONSISTING OF (10) 33" WIDE x 7-LEVEL METAL SHELVING UNITS	VG	2,000	2,000	
139	1	DESK: JUNIOR EXECUTIVE, 24" x 48", SINGLE PEDESTAL, METAL	F	30	30	
140	1	CABINET: FILE, 2-DRAWER, LEGAL	G	100	100	
141	1	TABLE: PLASTIC FOLDING, 48", LIFETIME	G	20	20	
142	1	TABLE: WORK, 28" x 66", PARTICLE AND LAMINATE CONSTRUCTION	F	45	45	
143	1	PRINTER: COMPUTER, DELL, MDL 3010CN, <i>NOTE NOT USED</i>	S	0	0	
144	1	PRINTER: COMPUTER, DELL, MDL 5210M	VG	150	150	
145	2	DESKS: WORK DOUBLE PEDESTAL, WITH CORNER UNIT	VG	750	1,500	
146	1	CABINET: STORAGE, 20" x 72" x 36", 5-LEVEL	VG	45	45	
147	1	WORKSTATION: PARTICLE AND LAMINATE CONSTRUCTION, 60", WITH RIGHT HAND RETURN AND TOP STORAGE UNIT	VG	650	650	
148	2	DESKS: JUNIOR EXECUTIVE, 28" x 66", DOUBLE PEDESTAL PARTICLE AND LAMINATE CONSTRUCTION	G	120	240	
149	2	TABLES: EXAM RITTER, MDL 222 ELECTRIC ELEVATED HIGH/LOW LEVEL	VG	2,800	5,600	
150	1	RECEPTACLE: REFUSL, LINCOLN BEAUTY WARE, 3-GALLON CAPACITY, STAINLESS STEEL	VG	45	45	

Cancer Care Associates - Hefner Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
151	LOT	RECEPTACLES: REFUSE, POLYETHYLENE, LOCATED THROUGHOUT FACILITY	F-VG	650	650	
152	LOT	EQUIPMENT: MISCELLANEOUS BLOOD PRESSURE MONITORING AND TEMPERATURE, CONSISTING OF WELCH-ALLEN BRAUN DIGITAL THERMOMETERS, SUNDRY JARS, ETC., LOCATED THROUGHOUT FACILITY	VG	1,215	1,215	
153	1	CART: TRANSPORT, LAKESIDE, MDL 311, STAINLESS STEEL	VG	125	125	
154	1	SCALE: PHYSICIAN'S BALANCE BEAM, SECA, 400-LB. CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	VG	125	125	
155	1	FAX MACHINE: LANIER, MDL LF310, SUPER G3 <i>NOTE LEASED</i>	VG	0	0	
156	1	TABLE: EXAM, HAMILTON, E SERIES, MECHANICAL ADJUST	G	700	700	
157	1	DESK: EXECUTIVE RETURN, 30" x 60", DOUBLE PEDESTAL, COMPLETE WITH 48" RETURN, PARTICLE AND LAMINATE CONSTRUCTION	VG	450	450	
158	1	PRINTER: COMPUTER, HEWLETT-PACKARD, MDL DESKJET 4250N	VG	250	250	
159	2	STRETCHERS: PATIENT TRANSPORT, HILL-ROM, MDL 8020 OR EQUIVALENT, ELECTRIC ADJUST	VG	1,000	2,000	
160	1	CABINET: FILE, 5-DRAWER, LATERAL, 30", LOCKING	VG	360	360	
161	1	SEATING UNIT: KI INDUSTRIES METAL FRAME, ARMED, FABRIC SEAT/BACK	VG	40	40	
162	1	TABLE: CONFERENCE, 48" x 120"	G	650	650	
163	1	MARKING/BULLETIN BOARD, CONFERENCE ROOM, QUARTET, WITH 48" x 48" DRY ERASE MARKING BOARD AND (2) 24" x 48" BULLETIN BOARDS, PARTICLE AND LAMINATE CONSTRUCTION	E	1,000	1,000	
164	1	MOBILE SCAN UNIT: USED FOR PET/CT SCREENING, ELLIS AND WATTS, CTI-SIEMENS TRAILER, VIN 1JJV482WY2L729397, S/N 18238 TL4873 VC204 MFD 12/2001, 48' OVERALL LENGTH, 50,000-GVW, WITH SLIDE-OUT, AIR CONDITIONING, INSULATION, SELF-CONTAINED GENERATOR POWER SUPPLY, COMPLETE WITH HYDRAULIC EQUIPMENT LIFT, MOBILE ALUMINUM ACCESS STEPS, CONFIGURED FOR MOBILE PET/CT SCANNING COMPLETE WITH STANDARD OPTIONS AND ACCESSORIES. <i>NOTE VALUE FOR TRAILER AND ITS COMPONENTS ONLY</i>	VG	50,000	50,000	
165	1	CT SCANNER; <i>NOTE LISTED FOR REFERENCE ONLY LEASED, CURRENTLY LOCATED IN MOBILE SCAN UNIT</i>	G	0	0	

Cancer Care Associates - Hefner Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
166	1	CIRCO TYPE S OVERLAY	VG	2,800	2,800
167	1	CIRCO INDEXING TABLE	VG	6,500	6,500
168	2	CIRCO UNIFRAME BOARDS	VG	320	640
169	1	2009 NUCLETRON MICRO HDR, REF #105088-04, S/N 31856, REMOTE AFTERLOADER, TREATMENT CONTROL STATION, S/N CZE6201YW2, ONCENTRA TREATMENT PLANNING SYSTEM S/N 85760, AND TREATMENT UNIT S/N D36C4606	VG	200,000	200,000
170	1	COMPUTER MANAGEMENT INFORMATION SYSTEM, COMPLETE WITH (50) DELL GX760, GX755, GX620, AND GX745 PC WORKSTATIONS, NETWORK DEVICES, TIME CLOCK, ETC	VG	41,600	41,600
171	1	TELEPHONE SYSTEM: INTER-TEL ACCESS, COMPLETE WITH KSU, CPU128, 7025 UNIT PAL, LSC CARD, LSC-D CARD, EMC VOICE MAIL CARD, EVMC MAILBOX PAL, COMPLETE WITH (44) EXECUTIVE AND STANDARD DESK SETS	VG	14,960	14,960
REPORT TOTAL				\$ 493,050	

REPORT TOTAL ROUNDED TO:***** \$ 493,000.00 *******(Four Hundred Ninety-Three Thousand Dollars)**

SCHEDULE 2.01(a)(iii)
TANGIBLE PERSONAL PROPERTY
4205 McAuley Boulevard, Oklahoma City, Oklahoma 73120

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

***CANCER CARE ASSOCIATES
MERCY HEALTH CENTER CAMPUS***

*CONSISTING OF FURNITURE, TRADE FIXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Ms Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, Oklahoma 73120*

EFFECTIVE DATE OF APPRAISAL:

October 13, 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, MVS
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73083-0687
(405) 348-4256
FAX (405) 348-4132

November 1, 2010

Ms. Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, OK 73120

RE: Cancer Care Associates - Mercy Health Center Campus

Dear Ms. Curtis:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Cancer Care Associates - Mercy Health Center Campus*, located at 4205 McAulcy Boulevard #375 in Oklahoma City, Oklahoma. We presume that all items listed are owned by *Cancer Care Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of October 13, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

*** \$ 125,000.00 ***
(One Hundred Twenty-Five Thousand Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President

JLP/LLP:fj

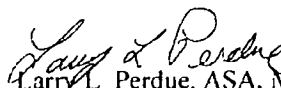

Larry L. Perdue, ASA, M.V.S.
Director

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Cancer Care Associates - McAuley Office

October 13, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Ms. Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, OK 73120

ASSETS APPRAISED: Furniture, Trade Fixtures and Equipment

ASSETS OWNED BY: Cancer Care Associates

LOCATED AT: 4205 McAuley Boulevard #375
Oklahoma City, OK 73120-9302

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
(See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: Cancer Care Associates

APPRAISED VALUE: Fair Market Value Installed / In Place \$ 125,000.00

CLIENT INDICATED USE OF APPRAISAL: To Establish a Purchase Price

REPORT DATE: November 1, 2010

VALUE AS OF DATE: October 13, 2010

INSPECTION DATES: October 13, 2010

SCOPE OF THE APPRAISAL: Conforms to USPAP 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as Cancer Treatment Center

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Oklahoma City, Oklahoma

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
(See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised; and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP."

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION**PURPOSE OF APPRAISAL:**

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in establishing a purchase price.

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value:

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate; and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence.

The values are also adjusted to installation considerations which may include:

- (1) Transportation,
- (2) Wiring;
- (3) Special foundations;
- (4) Difficulty of installation (i.e., 2nd floors, special walls, pits, etc.);
- (5) Adaptations,
- (6) Plumbing;
- (7) Applicable taxes,
- (8) Setup and debugging;
- (9) Other incurred costs

Cancer Care Associates - McAuley Office

October 13, 2010

Fair Market Value Installed / In Place

JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.


 Justin L. Perdue, President

Cancer Care Associates - McAuley Office

October 13, 2010

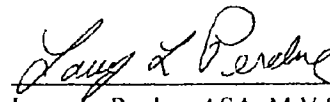
Fair Market Value Installed / In Place

LARRY L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- ➡ The statements of fact contained in this report are true and correct.
- ➡ The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- ➡ I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- ➡ My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- ➡ My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- ➡ I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- ➡ No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- ➡ The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M V S.

Certified until January 2008 by the
American Society of Appraisers

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals; commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

COMPANY PROFILE (Cont'd.):

VALUATION:

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003); Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT:

July 2006-Present	<i>Asset Appraisal Corporation</i> - President/Owner
2003-Present	<i>Master Arc Welding and Fabrication Corporation</i> - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments
2003-June 2006	<i>Blastrac</i> - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer
2002-2003	<i>Cedar Image Fence Company</i> - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell
2001-2002	<i>Asset Appraisal Corporation</i> - responsible for physical inspection, research, and value determination of various asset types
1999-2001	<i>Evergreen Landscapes</i> - Landscape Contractor specializing in landscape design, as well as irrigation design and installation

AREAS OF EXPERTISE:

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE:

Reproduction Cost, New; Replacement Cost, New, Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place, Orderly Liquidation Value; Forced Liquidation Value; Salvage Value, Scrap Value

Cancer Care Associates - McAuley Office

October 13, 2010

Fair Market Value Installed / In Place

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992); Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory; (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA). Machinery/Technical Specialties: Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose; asset tagging and database management of assets, banking and computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc.; farm machinery and feed mills - grain elevators, fiberglass mfg. - tanks, fittings, boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities - metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials, work in process, parts and components, finished goods; laboratory instruments and testing equipment; manufacturing plants - all industries; medical equipment - conventional and high-tech; medicine/pharmaceuticals; metal production; metalworking, plastics, and woodworking equipment; office furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping, drilling, completion, production and refining; printing plants, pre-press, sheet fed, web, binary, etc., radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service equipment; service equipment-automotive, truck, etc., vehicles/transportation/aircraft/marine - all classes; and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator; expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas; asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma, equipment sales and liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE.**

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment"; Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personality?," Spring 1989, The M&E Appraiser - "FDIC Rental Value: A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed: Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
101 N. Broadway
P. O. Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed: Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
4921 North May Avenue
Oklahoma City, OK 73112
(405) 949-7280
Work Performed: Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S. Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed: Appraisals

F&M BANK

John Pixley, President
P.O. Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed: Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed: Expert Witness

D.R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed: Appraisals/Consulting

WILLIAM K. ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed: Expert Witness Testimony

Additional references may be furnished upon request.

CONDITION DEFINITIONS

N - NEW:	Never used and in original cartons or packaging. Has never been installed or operated.
E - EXCELLENT:	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE:	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content

Cancer Care Associates - McAuley Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	2	DESKS: CORNER WORKSTATION 30" x 72" x 30" RETURN, DOUBLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	1,200	2,400
2	1	BOOKCASE: EXECUTIVE, 12" x 30" x 84", PARTICLE AND LAMINATE CONSTRUCTION	VG	50	50
3	36	CHAIRS: TASK, SWIVEL/ROLL, FABRIC SEAT/BACK, 5-CASTER BASE	E	125	4,500
4	1	COPIER: LANIER, MDL LD015SPF, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
5	1	BOOKCASE: EXECUTIVE, 12" x 36" x 48"	F	25	25
6	2	TABLES: COMPUTER WORK, 30" x 60", PARTICLE AND LAMINATE TOP, METAL BASE	VG	85	170
7	5	BOOKCASES: EXECUTIVE, 12" x 30" x 72", PARTICLE AND LAMINATE CONSTRUCTION	VG	65	325
8	1	CABINET: STORAGE, METAL, LOCKING, 2-DOOR, WITH 2-DRAWER LATERAL FILE BASE UNIT	VG	400	400
9	1	CABINET: FILE, 5-DRAWER, LATERAL, 36", LOCKING, COMPLETE WITH PULL-OUT DRAWERS	E	450	450
10	2	STORAGE UNITS: HON, 4-LEVEL, 36" x 72"	VG	125	250
11	1	REFRIGERATOR: RESIDENTIAL, WHIRLPOOL INGLES SERIES, MDL IT18DKXSQ00, 2-DOOR, 18-CUBIC FOOT, WITH TOP FREEZER	E	500	500
12	4	CABINETS: FILE, ANDERSON HICKEY, 2-DRAWER, LATERAL, LEGAL	VG	175	700
13	1	DESK: EXECUTIVE, 36" x 72", SINGLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	600	600
14	3	CABINETS: FILE, HON, 2-DRAWER, LETTER, LOCKING	G	75	225
15	1	REFRIGERATOR: RESIDENTIAL COMPACT, FRIGIDAIRE, UNDERCOUNTER	VG	45	45
16	2	DESKS: EXECUTIVE 36" x 60", SINGLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	125	250
17	2	CABINETS: STORAGE, 24" x 36", PARTICLE AND LAMINATE CONSTRUCTION	G	35	70
18	63	CHAIRS: ARMSIDE, HARDWOOD FRAME FABRIC SEAT/BACK	VG	45	2,835
19	1	TABLE: EXAM, RITTER, MDL 107 ELECTRIC ELEVATED	VG	1,800	1,800
20	12	STOOLS: EXAM SCREW ADJUST, 4-CASTER BASE	VG	45	540

Cancer Care Associates - McAuley Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
21	8	SETS: SCOPE DIAGNOSTIC, WELCH-ALLYN, COMBINATION OPHTHALMOSCOPE AND OTOSCOPE, WALL MOUNTED, COMPLETE WITH WALL MOUNTED TRANSFORMER	VG	375	3,000	
22	7	ILLUMINATORS: X-RAY, WOLF TRIM LINE PLUS, 2-BANK MANUAL SWITCH	VG	200	1,400	
23	1	SCALE: PEDIATRIC BALANCE BEAM, CONTINENTAL HEALTH-O-METER, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	VG	125	125	
24	3	TABLES: SIDE, ACCENT, OCTAGON, PARTICLE AND LAMINATE CONSTRUCTION	F	25	75	
25	6	RECEPTACLES: REFUSE, PARTICLE AND LAMINATE CONSTRUCTION, 6.5-GALLON CAPACITY, FLIP-TOP	G	35	210	
26	1	TABLE: EXAM, HAMILTON, E SERIES, MECHANICAL ADJUST	F	600	600	
27	7	SCALES: PHYSICIAN'S BALANCE BEAM, CONTINENTAL HEALTH-O-METER OR EQUIVALENT, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	VG	125	875	
28	3	RECEPTACLES: REFUSE, LINCOLN BEAUTY WARE, 3-GALLON CAPACITY, CHROME, FLIP-TOP	VG	45	135	
29	4	TABLES: EXAM, RITTER, MDL 104, MANUAL ADJUST	G	850	3,400	
30	1	TABLE: SIDE, ACCENT 24" x 24" x 24", WITH TEMPERED PLATE GLASS TOP, PARTICLE AND LAMINATE CONSTRUCTION	G	40	40	
31	6	STANDS: MAYO, STAINLESS STEEL, BREWER	VG	125	750	
32	1	TABLE: EXAM, JOERNS, MECHANICAL ADJUST	G	650	650	
33	1	TABLE: EXAM, RITTER, MDL 222, ELECTRIC	VG	2,800	2,800	
34	1	VALLET: COAT WOOD	F	15	15	
35	1	DESK: CLERICAL, 30" x 66", COMPLETE WITH 48" RETURN DOUBLE PEDESTAL PARTICLE AND LAMINATE CONSTRUCTION	F	150	150	
36	1	CHAIR: EXECUTIVE, SWIVEL/TILT, 5-CASTER BASE	E	140	140	
37	1	CABINET: FILE, HON, 4-DRAWER, LATERAL, 36"	E	345	345	
38	1	CABINET: STORAGE 2-DOOR METAL	VG	85	85	
39	LOT	EQUIPMENT: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, PAPER PUNCHES, STAPLERS, CALCULATORS, ETC.	F-VG	600	600	

Cancer Care Associates - McAuley Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
40	1	BOOKCASE: EXECUTIVE, 12" x 36" x 72", PARTICLE AND LAMINATE CONSTRUCTION	E	75	75
41	5	TABLES: WAITING ROOM, CUSTOM DESIGNED AND MANUFACTURED, OAK HARDWOOD FRAME WITH PARTICLE AND LAMINATE CONSTRUCTION	VG	150	750
42	1	TELEVISION: COLOR, SANYO, 30", MOUNTED ON WALL RACK	G	250	250
43	LOT	DECOR: MISCELLANEOUS WAITING ROOM, CONSISTING OF BUT NOT LIMITED TO WALL HANGINGS, PRIVACY CURTAIN, MAGAZINE RACKS, ETC	VG	1,900	1,900
44	LOT	DECOR: MISCELLANEOUS CLINIC, CONSISTING OF BUT NOT LIMITED TO WALL HANGINGS, LAMPS, ETC, LOCATED THROUGHOUT FACILITY	VG	850	850
45	1	ILLUMINATOR X-RAY SET: MAXANT	G	100	100
46	9	CHAIRS: CONFERENCE, SWIVEL FILT, 5-CASTER BASE	E	250	2,250
47	1	TABLE: DINING, 36", PARTICLE AND LAMINATE TOP, WOOD BASE	VG	85	85
48	1	BOOKCASE SETS: OAK CONSTRUCTION; <i>NOTE LISTED FOR REFERENCE ONLY, LEASEHOLD IMPROVEMENTS</i>	G	0	0
49	1	DESK: COMPUTER WORK, CORNER UNIT, 30" x 48" x 50", COMPLETE WITH TOP STORAGE UNIT, PARTICLE AND LAMINATE CONSTRUCTION	VG	850	850
50	1	COPIER: CANON, MDL PIXMA MP780	VG	225	225
51	1	PRINTER: COMPUTER, DELL, MDL 2330DN	VG	250	250
52	1	REFRIGERATOR: RESIDENTIAL, COMPACT, FRIGIDAIRE, UNDERCOUNTER	G	40	40
53	2	TELEVISIONS: PLASMA DELL, 44", WIDE SCREEN, WALL MOUNTED	VG	1,200	2,400
54	LOT	CONTAINERS: CONFIDENTIAL PAPER SHREDDING, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF SHRED-IT</i>	G	0	0
55	1	CABINET STORAGE SET, OAK VENEER, <i>NOTE LISTED FOR REFERENCE ONLY, LEASEHOLD IMPROVEMENTS</i>	G	0	0
56	3	DESKS: EXECUTIVE RETURN, 30" x 72" x 60", DOUBLE PEDESTAL, COMPLETE WITH 1/4" TEMPERED PLATE GLASS TOP	G	750	2,250
57	3	PRINTERS: COMPUTER, HEWLETT-PACKARD, MDL LASERJET 1320	VG	175	525
58	2	BOOKCASES: EXECUTIVE 12" x 36" x 84", PARTICLE AND LAMINATE CONSTRUCTION	VG	120	240

Cancer Care Associates - McAuley Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
59	3	PRINTERS: COMPUTER, DELL, MDL 1710N	VG	100	300	
60	6	CARTS: RECORD TRANSPORT, BRENTFORD 3-LEVEL, METAL	VG	200	1,200	
61	4	ILLUMINATORS: X-RAY, WOLF TRIMLINE PLUS, 3-BANK, MANUAL SWITCH	VG	300	1,200	
62	4	NURSES WORKSTATIONS, COMPLETE WITH COUNTER AND BACK STORAGE, <i>NOTE LISTED FOR REFERENCE ONLY LEASEHOLD IMPROVEMENTS</i>	G	0	0	
63	3	BOOKCASES: EXECUTIVE, COMBINATION TOP BOOKCASE UNIT WITH 2-DRAWER LATERAL FILE FLOOR BASE, PARTICLE AND LAMINATE CONSTRUCTION	G	285	855	
64	1	PRINTER: COMPUTER, DELL, MDL 3010CN, COLOR	VG	150	150	
65	1	PRINTER: COMPUTER, LANIER, MDL LD015SPF, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
66	LOT	FURNITURE: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO DESKS, CHAIRS, ETC <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
67	1	REFRIGERATOR: RESIDENTIAL COMPACT, DANBY, UNDERCOUNTER	G	40	40	
68	LOT	EQUIPMENT: MISCELLANEOUS BREAK ROOM, CONSISTING OF BUT NOT LIMITED TO MICROWAVE, COFFEE BREWERS, ETC	F-VG	350	350	
69	1	COOLER: WATER, <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF OZARKA</i>	G	0	0	
70	2	CABINET: FILE, 4-DRAWER, LEGAL	G	120	240	
71	LOT	EQUIPMENT: MISCELLANEOUS JANITORIAL, CONSISTING OF BUT NOT LIMITED TO SWEEPER, WASTE RECEPTACLES, MOP, MOP BUCKET, ETC, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF JANITORIAL SERVICES</i>	F	0	0	
72	2	CABINETS: FILE, HON 4-DRAWER LATERAL, 30", LOCKING	VG	290	580	
73	1	PRINTER: COMPUTER, HEWLETT-PACKARD MDL LASERJET 4050N	VG	250	250	
74	1	ILLUMINATOR: 4-BANK, BUILT-IN, <i>NOTE LISTED FOR REFERENCE ONLY LEASEHOLD IMPROVEMENTS</i>	VG	0	0	
75	2	DRUG DISPENSING SYSTEMS: PYXIS SYSTEMS <i>NOTE LISTED FOR REFERENCE ONLY LEASED</i>	G	0	0	
76	2	PRINTERS: COMPUTER DELL, MDL MFP 1815DN	L	200	400	

Cancer Care Associates - McAuley Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
77	1	PRINTER: LABEL, ZI-BRA, MDL TLP2844	VG	300	300	
78	1	STOOL: TECHNICIAN'S, VINYL SEAT/BACK, 5-CASTER BASE WITH FOOT RAIL	E	185	185	
79	1	CABINET: FUME ELIMINATION THE BAKER CO., STERILGARD, MDL SG300, 36", BIOHAZARD, COMPLETE WITH DUCTWORK AND STANDARD OPTIONS AND ACCESSORIES	VG	4,400	4,400	
80	1	CART: DRUG TRANSPORT, METAL, DOUBLE SIDED	VG	450	450	
81	17	CHAIRS: CHEMOTHERAPY TREATMENT, LAZY-BOY, MEDICAL GRADE RECLINER, LEATHER SEAT/BACK	F-G	800	13,600	
82	15	TABLES: SIDE, ACCENT, MAPLE VENEER CONSTRUCTION	G	75	1,125	
83	14	STANDS: IV, CHROME, ADJUSTABLE, 5-CASTER BASE	VG	150	2,100	
84	4	CHAIRS: METAL, STACKING, FABRIC SEAT/BACK	F	15	60	
85	LOT	OXYGEN DISPENSING CYLINDERS; <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
86	6	CHAIRS: METAL, STACKING, FABRIC SEAT/BACK, CHROME FRAME	F	15	90	
87	1	ICE MACHINE: DISPENSER, HOSHIZAKI CUBE STAR, COUNTERTOP	VG	1,000	1,000	
88	4	CHAIRS: METAL, STACKING, POLYETHYLENE BACK, FABRIC SEAT	E	35	140	
89	4	CARTS: TRANSPORT, RUBBERMAID COMMERCIAL PRODUCTS, MDL 2000	E	75	300	
90	1	MONITORS: BLOOD PRESSURE, WELCH-ALLYN MDL 4200, DIGITAL, COMPLETE WITH CASTERED BASE	G	850	850	
91	1	MONITOR: PATIENT VITAL SIGN, GENERAL ELECTRIC DINAMAP PROCARE AUSCULTATORY 400, COMPLETE WITH CASTERED BASE	E	2,000	2,000	
92	LOT	MISCELLANEOUS IV PUMPS; <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0	
93	5	COMPUTER WORKSTATIONS: ERGOTRON, MDL 45-215-200 WALL MOUNTED	VG	350	350	
94	2	CABINETS: STORAGE, CLEAN LINEN POLYETHYLENE, 2-DOOR	G	85	170	
95	1	TELEVISION: COLOR 32" WITH SATELLITE RECEIVER, VHS PLAYER	F	150	150	
96	1	CABINET: STORAGE, 18" x 36" x 72" 2-DOOR, METAL, LOCKING	VG	110	110	
97	1	TABLE: BEDSIDE 3-DRAWER, PARTICLE AND LAMINATE CONSTRUCTION	VG	125	125	

Cancer Care Associates - McAuley Office			October 13, 2010	Fair Market Value Installed / In Place	
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
98	1	DESK: JUNIOR EXECUTIVE 30" x 66" SINGLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	150	150
99	2	BLOOD DRAWING STATIONS: EACH COMPLETE WITH PHLEBOTOMY CHAIR AND ACCESSORY STORAGE CABINET	E	850	1,700
100	2	CABINETS: STORAGE, OAK CONSTRUCTION. <i>NOTE LISTED FOR REFERENCE ONLY, LEASEHOLD IMPROVEMENTS</i>	G	0	0
101	1	REFRIGERATOR: JUNIOR RESIDENTIAL, 12-CUBIC FOOT	G	150	150
102	1	MICROSCOPE: LABORATORY, NIKON, MDL. ECLIPSE E200, BINOCULAR, (4) OBJECT LENSES, COMPLETE WITH SELF-CONTAINED LIGHT SOURCE	VG	2,000	2,000
103	1	COUNTER: CELL, DIFFCOUNT, MDL 10-329, S/N 329557	VG	900	900
104	2	CHAIRS: TASK, ARMED, ERGONOMIC, 5-CASTER BASE	VG	150	300
105	1	ANALYZER: BLOOD, CELL-DYN RUBY, <i>NOTE LISTED FOR REFERENCE ONLY, REAGENT LEASE</i>	VG	0	0
106	1	STAINER: MICROSCOPE SLIDE, HARLECO, AUTOMATIC MDL MIDUS II, MFD BY EM DIAGNOSTICS SYSTEMS INC	G	450	450
107	1	CENTRIFUGE: LABORATORY, UNICO, MDL. POWERSPIN MX CENTRIFUGE, 24-POSITION, COMPLETE WITH COVER	E	1,050	1,050
108	1	CENTRIFUGE: LABORATORY CLINASEAL SEALED TECHNOLOGY CENTRIFUGE, MDL VUL-6C, MFD BY VULCON TECHNOLOGY, 6-POSITION	VG	250	250
109	1	HOT BLOCK: LABORATORY, BOEKEL INDUSTRIES, MDL 110001	VG	250	250
110	1	ROCKER: TEST TUBE, THERMOLYNE SPECI-MIX, MDL M710151 OR EQUIVALENT	VG	229	229
111	1	PRINTER: COMPUTER, KEY COMMUNICATION SERVICES INC MDL WEBMD KIT 4000 COMPLETE WITH MOBILE BASE	G	150	150
112	12	CHAIRS: ARMSIDE, FABRIC SEAT/BACK, METAL FRAME, USED IN DINING ROOM	F	25	300
113	3	REFRIGFRATORS: RESIDENTIAL 2-DOOR APPROX 18-CUBIC FOOT	F	165	495
114	2	LOCKERS: EMPLOYEE CLOTHES CHANGE 12" x 18" (6) LOCKERS PER UNIT METAL	VG	110	220
115	1	RACK: STORAGE, BOLTED STEEL	F	25	25
116	1	PRINTER: ALL-IN-ONE COMPUTER, DELL, MDL 5110N	VG	150	150

Cancer Care Associates - McAuley Office		October 13, 2010	Fair Market Value Installed / In Place			
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
117	1	SCANNER: COMPUTER, CANON, MDI IMAGE FORMULA DR-3010C	VG	600	600	
118	1	TABLE: SIDE, ACCENT 24" x 24" PARTICLE AND LAMINATE CONSTRUCTION	VG	45	45	
119	1	DESK: EXECUTIVE, 36" x 72" SINGLE PEDESTAL PARTICLE AND LAMINATE CONSTRUCTION	VG	125	125	
120	1	COOLER: WATER; NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF OZARK	G	0	0	
121	1	BREWER: COFFEE. NOTE LISTED FOR REFERENCE ONLY, LEASED	G	0	0	
122	2	MONITORS: BLOOD PRESSURE, TYCOS, MDL 767, JEWELLED MOVEMENT SPHYGOMOMANOMETER, WALL MOUNTED, COMPLETE WITH BLOOD PRESSURE CUFF	G	125	250	
123	2	TABLES: MAGAZINE, SIDE, ACCENT, PARTICLE AND LAMINATE CONSTRUCTION	G	25	50	
124	1	CART: TRANSPORT, MAGLINER, MDL JEMINI JR/JEMINI SR, 2-WHEEL 500-LB. CAPACITY OR 4-WHEEL 1000-LB CAPACITY	VG	300	300	
125	1	RACK: STORAGE, POLYETHYLENE	G	10	10	
126	3	MONITORS: PULSE OXIMETER, MEDIAID, MFD BY PELCO, MDL 300	VG	200	600	
127	1	COMPUTER MANAGEMENT INFORMATION SYSTEM, COMPLETE WITH (31) DELL GX760 GX755, GX620, AND GX745 PC WORKSTATIONS, NETWORK DEVICES, TIME CLOCK, ETC	G-VG	25,800	25,800	
128	1	TELEPHONE SYSTEM: INTER-TEL ACCESS, COMPLETE WITH KSU, CPU128, 7025 UNIT PAL, LSC CARD LSC-D CARD, EMC VOICE MAIL CARD, EVMC MAIL BOX PAL, COMPLETE WITH (32) EXECUTIVE AND STANDARD DESK SETS	VG	10,880	10,880	
REPORT TOTAL					\$ 125,069	

REPORT TOTAL ROUNDED TO:

*** \$ 125,000.00 ***

(One Hundred Twenty-Five Thousand Dollars)

SCHEDULE 2.01(a)(iv)
TANGIBLE PERSONAL PROPERTY
1101 12th Avenue NW, Ardmore, Oklahoma 73401

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

CANCER CARE ASSOCIATES

*CONSISTING OF FURNITURE, TRADE FIXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Mr. Pat Patton, Director of Operations
Mercy Memorial Health Center
1011 14th Avenue Northwest
Ardmore, Oklahoma 73401*

EFFECTIVE DATE OF APPRAISAL:

September 20, 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L. Perdue
President*

*Larry L. Perdue, ASA, M V S
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73083-0687
(405) 348-5256
FAX (405) 348-4132

October 7, 2010

Mr. Pat Patton, Director of Operations
Mercy Memorial Health Center
1011 14th Avenue Northwest
Ardmore, OK 73401

RE: CANCER CARE ASSOCIATES - ARDMORE, OK

Dear Mr. Patton:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Cancer Care Associates*, located at 1101 12th Avenue Northwest in Ardmore, Oklahoma. We presume that all items listed are owned by *Cancer Care Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for * purposes.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of September 20, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

* * * \$ 65,800.00 * * *

(Sixty-Five Thousand, Eight Hundred Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President

Larry L. Perdue
Larry L. Perdue, ASA, M.V.S.
Director

JLP/LLP fj

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Cancer Care Associates

September 20, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Mr. Pat Patton, Director of Operations
Mercy Memorial Health Center
1011 14th Avenue Northwest
Ardmore, OK 73401

ASSETS APPRAISED: Furniture, Trade Fixtures, and Equipment

ASSETS OWNED BY: Cancer Care Associates

LOCATED AT: 1101 12th Avenue Northwest
Ardmore, OK 73401

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
(See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: Cancer Care Associates

APPRAISED VALUE: Fair Market Value Installed / In Place **\$ 65,800.00**

CLIENT INDICATED USE OF APPRAISAL: Establish Purchase Price

REPORT DATE: October 7, 2010

VALUE AS OF DATE: September 20, 2010

INSPECTION DATE: September 20, 2010

SCOPE OF THE APPRAISAL: Conforms to *USPAP* 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as a Cancer Care Center

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Ardmore, Oklahoma

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
(See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation.

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised, and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued. It is assumed that all equipment has standard features commensurate with its normal operation. For

instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP."

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

**GENERAL INFORMATION AND DEFINITION
FAIR MARKET VALUE INSTALLED / IN PLACE APPRAISAL**

PURPOSE OF APPRAISAL:

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in **establishing a purchase price.**

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT:

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

**FAIR MARKET VALUE INSTALLED / IN PLACE
PURPOSE AND METHOD OF APPRAISAL**

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value:

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms. (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include

utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate; and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported.

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed,
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale,
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence

The values are also adjusted to installation considerations which may include:

- (1) Transportation;
- (2) Wiring;
- (3) Special foundations.
- (4) Difficulty of installation (i.e., 2nd floors, special walls, pits, etc.);
- (5) Adaptations;
- (6) Plumbing;
- (7) Applicable taxes.
- (8) Setup and debugging.
- (9) Other incurred costs.

Cancer Care Associates

September 20, 2010

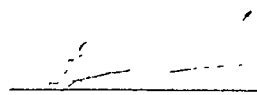
Fair Market Value Installed / In Place

**JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER**

I certify to the best of my knowledge and belief

- The statements of fact contained in this report are true and correct
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member


Justin L. Perdue, President

Cancer Care Associates

September 20, 2010

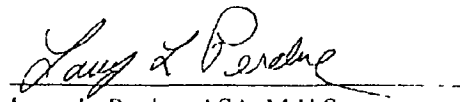
Fair Market Value Installed / In Place

LARRY L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- ➡ The statements of fact contained in this report are true and correct.
- ➡ The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- ➡ I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- ➡ My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- ➡ My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
- ➡ I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- ➡ No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- ➡ The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member


Larry L. Perdue, ASA, M V S
Certified until January 2008 by the
American Society of Appraisers

COMPANY PROFILE

BIOGRAPHY.

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals; commercial and industrial real estate appraisals, complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

VALUATION:

It is essential that an independent, unbiased professional determine value in many situations including

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests.
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

**JUSTIN L. PERDUE
RESUME & QUALIFICATIONS**

EDUCATION

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003), Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT.

July 2006-Present	<i>Asset Appraisal Corporation</i> - President/Owner
2003-Present	<i>Master Arc Welding and Fabrication Corporation</i> - Owner, responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments
2003-June 2006	<i>Blastrac</i> - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer
2002-2003	<i>Cedar Image Fence Company</i> - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell
2001-2002	<i>Asset Appraisal Corporation</i> - responsible for physical inspection, research, and value determination of various asset types
1999-2001	<i>Evergreen Landscapes</i> - Landscape Contractor specializing in landscape design, as well as irrigation design and installation

AREAS OF EXPERTISE:

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE.

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated, Fair Market Value (Exchange), Fair Market Value In Continued Use, Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

**LARRY L. PERDUE
RESUME & QUALIFICATIONS**

EDUCATION

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992); Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory; (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA), Machinery/Technical Specialties: Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose; asset tagging and database management of assets; banking and computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc., farm machinery and feed mills - grain elevators, fiberglass mfg. - tanks, fittings, boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities - metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials, work in process, parts and components, finished goods; laboratory instruments and testing equipment; manufacturing plants - all industries; medical equipment - conventional and high-tech; medicine/pharmaceuticals; metal production; metalworking, plastics, and woodworking equipment; office furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping, drilling, completion, production and refining, printing plants, pre-press, sheet fed, web, binary, etc., radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service equipment, service equipment-automotive, truck, etc.; vehicles/transportation/aircraft/marine - all classes; and, video/arcade game equipment and vending machines; court - appointed receiver and liquidator, expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas; asset liquidator - U S. Bankruptcy Court, Western District of Oklahoma, equipment sales and liquidation consultant

VALUE CONCEPT EXPERIENCE:

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals." and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment"; Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures. Realty or Personalty?," Spring 1989, The M&E Appraiser - "FDIC Rental Value: A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
10900 Hefner Pointe Drive, Suite 300
Oklahoma City, OK
(405) 507-1137
Work Performed: Appraisals

IBC BANK

David Moore, Vice President
3601 Northwest 63rd Street
Oklahoma City, OK 73116
(405) 841-2966
Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
101 N. Broadway
P. O. Box 26788
Oklahoma City, OK 73126-0788
(405) 270-4713
Work Performed: Appraisals

FIRST BETHANY BANK AND TRUST

Ron Moreland, Sr. Vice President
6500 Northwest 39th Street
Bethany, OK 73008
(405) 789-1110
Work Performed: Appraisals, Asset
Verification, Liquidation Consultant,
Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
999 Peachtree Street, NE
Atlanta, GA 30309
(404) 853-8384
Work Performed: Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
201 Robert S. Kerr Avenue, Suite 1600
Oklahoma City, OK 73102
(405) 235-996-3391
Work Performed: Appraisals

F&M BANK

John Pixley, President
P.O. Box 4500
Tulsa, OK 74159
(918) 748-4093
Work Performed: Appraisals, Liquidations

CHEEK & FALCONE PLLC

David Cheek, Attorney
6301 Waterford Boulevard
Oklahoma City, OK 73118
(405) 286-9191
Work Performed: Expert Witness

D.R. PAYNE & ASSOCIATES

David R. Payne, President
119 N. Robinson, Suite 400
Oklahoma City, OK 73102
(405) 272-0511
Work Performed: Appraisals/Consulting

WILLIAM K. ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
Two Leadership Square, Suite 1308
Oklahoma City, OK 73102
(405) 232-3722
Work Performed: Expert Witness Testimony

Additional references may be furnished upon request

CONDITION DEFINITIONS

N - NEW:	Never used and in original cartons or packaging. Has never been installed or operated.
E - EXCELLENT.	Practically new mechanical condition. extremely low hours of use. no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service, requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE.	A component of property separated from the whole because it is no longer useful as a part of the whole property (i e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP:	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content.

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	1	DESK: EXECUTIVE DOUBLE PLDESTAL. 36" x 72". PARTICLE AND LAMINATE CONSTRUCTION	F	450	450
2	1	CHAIR: EXECUTIVE. SWIVEL/TILT. VINYL SEAT/BACK. 5-CASTER BASE	F	85	85
3	3	PRINTERS: COMPUTER. DELL. MDL 1710N	G-VG	30	90
4	1	TELEVISION: COLOR. PHILIPS. 21"	G	50	50
5	1	CABINET: FILE. 2-DOOR. LATERAL. LOCKING. PARTICLE AND LAMINATE CONSTRUCTION	G	250	250
6	1	CHAIR: ARMED SIDE. FABRIC SEAT/BACK	F	65	65
7	1	WHEELCHAIR: INVACARE. MDL TRACER IV	G	100	100
8	6	SHELVES: STORAGE. POLYETHYLENE 4-LEVEL	G	20	120
9	1	TRUCK: HAND 2-WHEEL. SOLID CUSHION TIRE	G	35	35
10	1	SYSTEM: OXYGEN DISPENSING. COMPLETE WITH 2-WHEEL CART SIZE D ALUMINUM CYLINDER. WITH REGULATOR; NOTE VALUE FOR REGULATOR AND CART ONLY. CYLINDER LEASED	E	110	110
11	1	CART: TRANSPORT. RUBBERMAID. 3-LEVEL. CASTERED	VG	75	75
12	12	CHAIRS: CHEMOTHERAPY TREATMENT. MEDICAL. RECLINER. VINYL SEAT/BACK	F	500	6,000
13	1	CHAIR: ARMED SIDE. FABRIC SEAT/BACK. METAL FRAME	F	25	25
14	1	CART: COMPUTER 3-LEVEL. MOBILE. PARTICLE AND LAMINATE CONSTRUCTION. METAL FRAME	G	40	40
15	1	STOOL: EXAM. SCREW ADJUST. 5-CASTER BASE	VG	75	75
16	1	CHAIR: PHLEBOTOMY. COMPLETE WITH ORGANIZER. LEFT	VG	300	300
17	6	TELEVISIONS: COLOR. PHILIPS. 21". WITH WALL MOUNTED BRACKET	G	225	1,350
18	6	TABLES: CROSS BED. PARTICLE AND LAMINATE TOP. METAL BASE	F-VG	150	900
19	3	CARTS: SHARPS DISPOSAL. BD RECYKLEEN. TROLLEY. PRODUCT #305090. COMPLETE WITH BD SHARPS COLLECTION CONTAINER	G	100	300
20	18	CHAIRS: ARMED SIDE. METAL FRAME. FABRIC SEAT/BACK	G	35	630
21	15	STANDS: IV CHROME CASTERED	VG	75	1,125
22	LOI	PUMPS: INFUSION NOTE LISTED FOR REFERENCE ONLY. VENDOR SUPPLIED	G	0	0
23	3	COMPUTER WORKSTATIONS: ERGOTRON. MDL 60-595-062. WALL MOUNTED BRACKET. COMPLETE WITH WRITE-UP DESK	VG	750	2,250

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
24	1	WHEELCHAIR: GUARDIAN	VG	175	175
25	1	STOOL: EXAM. SCREW ADJUST 4-CASTER BASE	VG	65	65
26	1	BED: HOSPITAL, ADJUSTABLE	F	300	300
27	2	CABINETS: STORAGE, 2-DOOR, SUNCAST POLYETHYLENE, 3' x 6' x 2'	E	150	300
28	1	COMMODORE: ENDWOOD, BFD SIDE, CHROME FRAME	F	50	50
29	1	MICROSCOPE: BINOCULAR OLYMPUS, MDL. BH-2, COMPLETE WITH LIGHT SOURCE	VG	1,200	1,200
30	1	DESK: WORK DOUBLE PEDESTAL, 24" x 72", PARTICLE AND LAMINATE CONSTRUCTION	F	75	75
31	2	CABINETS: FILE, LATERAL, 5-DRAWER, 32", LOCKING, WITH ROLL-OUT SHELVES	VG	350	700
32	1	SYSTEM: STEREO, EMERSON, WITH SHARP DVD AND VHS PLAYER. NOTE LISTED FOR REFERENCE ONLY PROPERTY OF COMPANY PERSONNEL	G	0	0
33	1	PRINTER: COMPUTER. NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF QUEST DIAGNOSTICS	G	0	0
34	1	CABINET: FILE, HON, 4-DRAWER, LETTER	VG	110	110
35	1	TABLE: WORK, POLYETHYLENE TOP, METAL FRAME, 24" x 72"	VG	150	150
36	1	ROCKER: LABORATORY, OSCILLATING, BLOOD TYPE	F	100	100
37	1	ANALYZER: HEMATOLOGY, CELL-DYN, MDL. EMERALD, NOTE LISTED FOR REFERENCE ONLY, LEASED	VG	0	0
38	1	PRINTER: COMPUTER, HEWLETT-PACKARD, MDL. DESKJET 6988	VG	50	50
39	1	UNINTERRUPTIBLE POWER SUPPLY: ONGAC, MDL. 250E	VG	150	150
40	1	CHAIR: TASK, 5-CASTER BASE	F	75	75
41	1	REFRIGERATOR: UNDERCOUNTER, 4.2-CUBIC FOOT	F	50	50
42	1	REFRIGERATOR: COMPACT SANYO, 2-CUBIC FOOT	G	65	65
43	1	CABINET, FLAMMABLE LIQUID STORAGE SCIMATCO, MDL. SC8023, 20" x 18" x 24" LOCKING	VG	500	500
44	1	BOOKCASE: EXECUTIVE, 5-LEVEL, 12" x 36' x 72"	VG	85	85
45	1	CABINET: FILE COLE-STEEL, 4-DRAWER, LETTER	F	85	85
46	1	CABINET, FILE, LATERAL, 5-DRAWER, 42"	G	375	375

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
17	1	CABINET: WORK, 2-DOOR, 1-DRAWER, SAFECO PARTICLE AND LAMINATE CONSTRUCTION, METAL DRAWER, 30" x 20" x 30"	G	75	75
48	1	CENTRIFUGE: HAMILTON BELL MDL VANGUARD V6500, 6-POSITION	VG	150	150
49	1	CHEST: STORAGE, SUNCAST, POLYETHYLENE, 21" x 44"	VG	150	150
50	2	COMPUTER WORKSTATIONS: MOBILE, ERGOTRON, CASTERED, POLYETHYLENE COMPLETE WITH MONITOR MOUNT, KEYBOARD SHLLF AND CPU SHELF, MDL SV31-31051	VG	1,500	3,000
51	1	REFRIGERATOR: COMPACT, SANYO, UNDERCOUNTER	G	50	50
52	1	BREWER: COFFEE. <i>NOTE LISTED FOR REFERENCE ONLY; PROPERTY OF EXECUTIVE COFFEE SERVICE</i>	G	0	0
53	1	CABINET: STORAGE, 2-DOOR, PARTICLE AND LAMINATE TOP, METAL BASE	VG	125	125
54	1	CABINET: STORAGE, 2-DOOR, PARTICLE AND LAMINATE TOP, LOCKING	G	45	45
55	1	ICE MAKER: HOSHIZAKI, MDL DCH-270BAH-SQ, S/N U1318AK, AIR COOLED, COMPLETE WITH COLD WATER, BOTTOM STORAGE	VG	1,800	1,800
56	1	CART: SOILED LINEN, CASTERED, CHROME	G	110	110
57	2	SCALES: PHYSICIAN'S BALANCE BEAM, DEFECTO, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	VG	125	250
58	3	SETS: SCOPE, DIAGNOSTIC, WELCH-ALLYN, COMBINATION OPHTHALMOSCOPE AND OTOSCOPE, COMPLETE WITH WALL MOUNTED TRANSFORMER	VG	500	1,500
59	1	MONITOR: BLOOD PRESSURE WELCH-ALLYN, TYCOS JEWELLED MOVEMENT, COMPLETE WITH CUFF	VG	75	75
60	1	TABLE: EXAM, RITTER, MDL 104, MECHANICAL ADJUST, COMPLETE WITH 110-VOLT ELECTRICAL SYSTEM	VG	650	650
61	1	CLOCK: WALL, QUARTZ, BATTERY	G	20	20
62	1	ILLUMINATOR: X-RAY, PICKER, 2-BANK WALL MOUNTED	VG	250	250
63	1	MONITOR: BLOOD PRESSURE, TYCOS JEWELLED MOVEMENT, COMPLETE WITH CUFF	G	75	75
64	LOT	RECEPTACLES, REFUSE, (4) LARGE AND (31) SMALL	F-VG	300	300
65	1	STOOL: DRAFTING 5-CASTER BASE, FABRIC SEAT/BACK	VG	250	250
66	1	CART: RECORD TRANSPORT, 2-WHEEL, CHROME FRAME WITH PAINTED BASE	VG	65	65

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
67	1	COOLER: WATER OASIS <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF MERCY HOSPITAL</i>	G	0	0
68	3	BINS: PAPER TO BE SHRED. <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF SHRED-IT</i>	G	0	0
69	1	PRINTER: COMPUTER DELL, MDL 2335DN	VG	200	200
70	1	DEFIBRILLATOR: AUTOMATIC EXTERNAL, CARDIAC SCIENCE MDL 9200RD OPTION X01, S/N 302999, COMPLETE WITH CARRYING CASE	VG	700	700
71	1	KIT: EMERGENCY MEDICAL, POLYETHYLENE, COMPLETE WITH CONTENTS	G	300	300
72	1	MONITOR: PULSE OX, NELLCOR, MDL N-20/N-20P	VG	350	350
73	1	CHEST: DRUG STORAGE, 18" x 12" x 12", LOCKING	G	150	150
74	8	CHAIRS: TASK, FABRIC SEAT/BACK/ARM, ERGONOMIC, PNEUMATIC ADJUST	F	110	880
75	LOT	EQUIPMENT: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, PAPER PUNCHES, STAPLERS, ETC	F-VG	750	750
76	1	PRINTER: COMPUTER, HEWLETT-PACKARD, MDL LASERJET 5N, <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF MERCY HOSPITAL ASSET #132609</i>	G	0	0
77	2	CABINETS: DRUG DISPENSING, CARDINAL HEALTH, PYXIS STATION, 2-DOOR, COMPLETE WITH ONCOLOGY SUPPLY, <i>NOTE LISTED FOR REFERENCE ONLY LEASED FROM ONCOLOGY SUPPLY</i>	E	0	0
78	1	PRINTER: LABEL ZEBRA, MDL 1LP2844, WITH INTERFACE	VG	300	300
79	1	NIGHT STAND: BED, CASTERED PARTICLE AND LAMINATE CONSTRUCTION	G	75	75
80	1	BOOKCASE: EXECUTIVE, 5-LEVEL, 12" x 36" x 84", PARTICLE AND VENEER CONSTRUCTION	F	75	75
81	1	KIT: EMERGENCY MEDICAL, CRASH KIT, COMPLETE WITH CONTENTS AND SPUR UNIT	VG	350	350
82	2	CABINETS: FILE HON, 4-DRAWER LETTER, LOCKING	VG	125	250
83	1	DESK: EXECUTIVE DOUBLE pedestal 36" x 72" PARTICLE AND LAMINATE CONSTRUCTION	VG	600	600
84	1	MONITOR: BLOOD PRESSURE WELCH-ALLEN NIBP AND PULSE, COMPLETE WITH PRINTER AND 5-CASTER BASE	VG	500	500
85	1	CHAIR: ARMED SIDE, FABRIC SEAT/BACK WOOD FRAME	G	45	45

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
86	1	CABINET: BIOLOGICAL SAFETY, NUAIRF, MDL NU-425300, SERIES 24, MFD 1999, CLASS II, TYPE A/B3	F	3,000	3,000
87	1	CART: TRANSPORT, STAINLESS STEEL, 3-LEVEL	VG	125	125
88	1	STOOL: CLINICIAN, VINYL SEAT/BACK, 5-CASTER BASE	VG	250	250
89	1	CABINET: FILE, HON, 4-DRAWER, LETTER, LOCKING	F	90	90
90	2	SHELVES: STORAGE, POLYETHYLENE, 4-LEVEL	F	35	70
91	2	PRINTERS: COMPUTER, HEWLETT-PACKARD, MDL LASERJET 1320	F-G	75	150
92	1	CHAIR: ARMED SIDE, FABRIC SEAT/BACK, HARD WOOD FRAME	VG	55	55
93	1	MONITOR: BLOOD PRESSURE, WELCH-ALLEN TYCOS JEWELFD MOVEMENT, COMPLETE WITH 4-CASTER BASE	VG	300	300
94	1	TABLE: EXAM, RITTER, MDL 104, MECHANICAL ADJUST	G	650	650
95	1	STOOL: EXAM, SCREW ADJUST, 4-CASTER BASE, CHROME FRAME	G	50	50
96	4	CABINETS: PATIENT RECORD STORAGE, 7-LEVEL, LATERAL, LOCKING	VG	750	3,000
97	1	SHELF: STORAGE, SAFECO, 16" x 48" x 72", 5-LEVEL, ADJUSTABLE	VG	150	150
98	1	PRINTER: LASER COMPUTER, DELL, MDL 5210N	VG	850	850
99	1	PRINTER: LABEL, ZEBRA, MDL 1 P2824, WITH INTERFACE	VG	200	200
100	1	COPIER: LANIER, MDL LD245; <i>(NOTE LISTED FOR REFERENCE ONLY), LEASED</i>	G	0	0
101	1	TABLE: WORK, CUSTOM DESIGNED AND MANUFACTURED, COMPLETE WITH CASTERS	F	25	25
102	1	FAN: AIR CIRCULATION, PATTON, 20", FLOOR MOUNTED	VG	30	30
103	1	STOOL: STEP, POLYETHYLENE	G	15	15
104	2	CARTS: RECORD TRANSPORT, 2-LEVEL, HARD CASTER WHEELS	VG	125	250
105	1	CABINET, FILE, LATERAL 5-LEVEL 42" COMPLETE WITH PULL-OUT DRAWERS, LOCKING	G	375	375
106	1	CABINET: FILE HON, 2-DRAWER, LATERAL 36"	VG	300	300
107	1	DESK: COMPUTER WORK, SINGLE PEDISTAL, PARTICLE AND LAMINATE CONSTRUCTION	G	85	85
108	5	SCANNERS: COMPUTER, CANON MDL DR-3010C	F-VG	400	2,000
109	1	DESK: COMPUTER WORK, CORNER UNIT 2-STATION PARTICLE AND LAMINATE CONSTRUCTION, METAL BASE 48" LEFT AND RIGHT RETURN WITH CORNER UNIT	F	500	500

Cancer Care Associates		September 20, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	INT'VAL	EXT'VAL
110	1	PRINTER: COMPUTER, LEXMARK, MDL. OP18A 1610, <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF MERCY HOSPITAL</i>	G	0	0
111	1	COUNTER: WORK, CUSTOM DESIGNED AND MANUFACTURED PARTICLE AND LAMINATE CONSTRUCTION, L-SHAPED, WITH TOP STORAGE UNIT	G	450	450
112	1	PRINTER: COMPUTER, DELL, MDL. MFP-1815DN	VG	150	150
113	1	DESK: EXECUTIVE, DOUBLE PEDESTAL, 30" x 72", PARTICLE AND LAMINATE CONSTRUCTION	VG	450	450
114	1	CHAIR: ARMED SIDE, FABRIC SEAT/BACK, HOT NAIL TRIM	G	40	40
115	1	BOOKCASE/FILE CABINET: 2-DRAWER, LATERAL, 30", WITH TOP STORAGE UNIT PARTICLE AND LAMINATE CONSTRUCTION	E	250	250
116	1	CHAIR: TASK, ERGONOMIC, FABRIC SEAT/BACK/ARM, 5-CASTER BASE, PNEUMATIC ADJUST	G	125	125
117	1	CABINET: FILE, 2-DRAWER, LETTER	G	30	30
118	1	CABINET: STORAGE, 3-DRAWER, PARTICLE AND LAMINATE CONSTRUCTION WITH METAL DRAWERS	VG	150	150
119	17	CHAIRS: ARMED SIDE, FABRIC SEAT/BACK, HARD WOOD FRAME	F	40	680
120	1	PLANT: SILK 72" FICA, WITH POLYETHYLENE BASE	F	35	35
121	1	TABLE: BOOK DISPLAY CUSTOM DESIGNED AND MANUFACTURED, 30" x 48", PLYWOOD CONSTRUCTION	F	25	25
122	1	TELEVISION: COLOR, MAGNAVOX, 21" WALL MOUNTED	VG	250	250
123	5	SEATS: SECTIONAL, VINYL SEAT/BACK	F	45	225
124	1	TABLE: SIDE, ACCENT, VINYL COVERED PLYWOOD CONSTRUCTION	F	20	20
125	1	RACK: HAT AND COAT, BRUSHED ALUMINUM	G	20	20
126	1	CLEANER: VACUUM, BISSELL UPRIGHT	G	35	35
127	1	SHELF: STORAGE, 12" x 36" x 60", PARTICLE AND LAMINATE CONSTRUCTION	VG	65	65
128	1	TABLE: COFFEE, PARTICLE AND LAMINATE CONSTRUCTION, 30" x 30", <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF COMPANY PERSONNEL</i>	F	25	25
129	1	METER: POSTAGE PITNEY BOWES <i>NOTE LISTED FOR REFERENCE ONLY, PROPERTY OF PITNEY BOWES</i>	VG	0	0
130	1	COPIER: LANIER, MDL. LD015SPF <i>NOTE LISTED FOR REFERENCE ONLY LEASED</i>	G	0	0

Cancer Care Associates		September 20, 2010		Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	INITIAL	FINAL	
131	1	INFORMATION MANAGEMENT SYSTEM: CONSISTING OF BUT NOT LIMITED TO (18) DELL COMPUTER WORKSTATIONS WITH FLAT SCREEN MONITORS, NETWORK SWITCHES, POWER SUPPLIES ETC.	VG	15,000	15,000	
132	2	CHAIRS: TASK, ARMED SIDE, 5-CASTER BASE, ERGONOMIC	G	85	170	
133	1	SYSTEM: BUSINESS TELEPHONE. <i>NOTE LISTED FOR REFERENCE ONLY. PROPERTY OF MERCY HOSPITAL</i>	G	0	0	
134	1	CABINET: FILE, HON, 2-DRAWER, LETTER	G	40	40	
135	1	CABINET: FILE, 2-DRAWER LATERAL, 30"	G	150	150	
136	1	CHAIR: TASK, ARMED SIDE, 5-CASTER BASE	F	30	30	
137	1	DESK: EXECUTIVE, 30" x 66", PARTICLE AND LAMINATE CONSTRUCTION	F	350	350	
138	2	CHAIRS: ARMED SIDE, FABRIC SEAT/BACK, HARD WOOD FRAME	VG	65	130	
139	1	COMPUTER WORKSTATION: ERGOTRON, MDL 45-215-200, WALL MOUNTED BRACKET, COMPLETE WITH WRITE-UP DESK	E	375	375	
140	2	PRINTERS: COMPUTER, DELL, MDL 1720DN	VG	200	400	
141	1	BOOKCASE: EXECUTIVE 12" x 36" x 72" PARTICLE AND VENEER CONSTRUCTION	F	65	65	
TOTAL FOR THE REPORT:					\$ 65,805	

REPORT TOTAL ROUNDED TO:

* * * \$ 65,800.00 * * *

(Sixty-Five Thousand, Eight Hundred Dollars)

SCHEDULE 2.01(a)(v)
TANGIBLE PERSONAL PROPERTY
701 East Robinson, Suite 101, Norman, Oklahoma 73071

*FAIR MARKET VALUE INSTALLED / IN PLACE
APPRAISAL OF SPECIFIC LISTED ASSETS OF*

CANCER CARE ASSOCIATES - NORMAN OFFICE

*CONSISTING OF FURNITURE, TRADE FIXTURES,
AND EQUIPMENT*

PREPARED FOR:

*Ms Tammy D Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, Oklahoma 73120*

EFFECTIVE DATE OF APPRAISAL:

October 13 2010

PREPARED BY:

***ASSET APPRAISAL CORPORATION
P.O. BOX 687
EDMOND, OK 73083-0687
FEDERAL ID NO. 73-1322826***

*Justin L Perdue
President*

*Larry L Perdue, ASA, M V S
Director*

ASSET APPRAISAL CORPORATION



LARRY L. PERDUE
Senior Member
American Society of Appraisers

P O Box 687
Edmond, Oklahoma 73083-0687
(405) 348-5256
FAX (405) 348-4132

November 1, 2010

Ms. Tammy D. Curtis, Director of Business Operations
Mercy Health Network
4200 West Memorial Road
Oklahoma City, OK 73120

RE: Cancer Care Associates - Norman Office

Dear Ms. Curtis:

Pursuant to your request, we have appraised specific listed assets [consisting of furniture, trade fixtures, and equipment], hereinafter known as "*the Assets*," of *Cancer Care Associates - Norman Office*, located at 701 East Robinson, Suite 100 in Norman, Oklahoma. We presume that all items listed are owned by *Cancer Care Associates*, although no investigation was made to verify ownership. A physical inspection of *the Assets* has been performed. The purpose of this appraisal was to determine the *Fair Market Value Installed / In Place of the Assets*, as of the effective date, for the purpose of establishing a purchase price.

Based upon the evaluation of *the Assets*, relevant market survey, and data analysis, it is our professional considered opinion that, as of October 13, 2010, the *Fair Market Value Installed / In Place of the Assets* was:

*** \$ 100,000.00 ***
(One Hundred Thousand Dollars)

Considering current economic conditions, there may or may not be a fluctuation of these values in the future. The fee for this report is for our expressed opinion at the time of the inspection with no warranties or guarantees as to the outcome if the values are tested at any future date. This appraisal sets forth our findings and conclusions, which are based upon our investigation of conditions affecting value. This report is not valid unless used in its entirety and consistent with the Statement of Assumptions and Contingent and Limiting Conditions contained within this report.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions regarding the method of this appraisal, the value concept, or the indicated values, please feel free to contact us.

Respectfully submitted,

Justin L. Perdue
President

JLP/LJP.gj

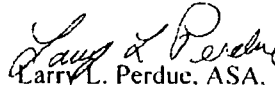

Larry L. Perdue, ASA, M.V.S.
Director

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Cancer Care Associates - Norman Office

October 13, 2010

Fair Market Value Installed / In Place

STATEMENT OF SALIENT FACTS AND CONCLUSIONS

APPRAISAL COMPLETED FOR: Ms. Tammy D. Curtis, Director of Business Operations
 Mercy Health Network
 4200 West Memorial Road
 Oklahoma City, OK 73120

ASSETS APPRAISED: Furniture, Trade Fixtures and Equipment

ASSETS OWNED BY: Cancer Care Associates

LOCATED AT: 701 East Robinson, Suite 100
 Norman, OK 73071-6426

PURPOSE OF APPRAISAL: To determine Fair Market Value Installed / In Place
 (See Definitions of Value Concepts in Body of Report)

PROPERTY RIGHTS APPRAISED: Fee Simple

APPRAISED VALUE REPRESENTS VALUE TO: Cancer Care Associates

APPRAISED VALUE: Fair Market Value Installed / In Place **\$ 100,000.00**

CLIENT INDICATED USE OF APPRAISAL: To Establish a Purchase Price

REPORT DATE: November 1, 2010

VALUE AS OF DATE: October 13, 2010

INSPECTION DATES: October 13, 2010

SCOPE OF THE APPRAISAL: Conforms to *USPAP* 2010-2011, Section 8-2 (b)

HIGHEST AND BEST USE: Continued Use as Cancer Treatment Center

APPROACH TO VALUE GIVEN MOST WEIGHT: Market (Sales Comparison) Approach

MARKET LEVEL: End User to End User

MARKET AREA: Norman, Oklahoma

MARKETING PERIOD: Approximately 60 to 90 Days

STATEMENT OF ASSUMPTIONS AND
 THE CONTINGENT AND LIMITING CONDITIONS
 TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT
 (See Following Pages)

**STATEMENT OF ASSUMPTIONS AND
THE CONTINGENT AND LIMITING CONDITIONS
TO WHICH THE APPRAISAL FINDINGS ARE SUBJECT**

This appraisal was made for the purpose stated and cannot be relied upon for any other use. This report is for your internal use only and, unless otherwise stated, should not be disseminated to the public or third parties, in any part, without the expressed written consent of the appraiser and Asset Appraisal Corporation

An appraisal is an estimate of value. When the amount is considered a reasonable and proper value under the concept of a definition, then it is applied. For this reason the value is, in many cases, a rounded number. All values are of the nature of a forecast of events and are subject to the uncertainties of all prophecies.

Proper emphasis on relevant facts, data, or opinions has been fully stated and was used in obtaining the numerical results.

The appraiser renders no opinion as to legal title. Prevailing leases, liens, and other encumbrances were disregarded and the property was appraised as if in fee simple ownership, unless otherwise specifically stated.

The appraiser has no present or contemplated future interest in the subject property nor any other interest impeding a numerical result.

This report is contingent upon the subject property inspected and does not consider intangibles of any kind.

The value reported for the subject property is valid for the date of valuation only. Considerations of the national and local economies, fiscal conditions, purchasing power of the dollar, supply-and-demand conditions, and property conditions were made as of the date of valuation. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding any transaction. Since these conditions change with time, no judgment is implied as to the value of the subject property for a date other than the date of valuation.

The appraisal is based upon the premise that there is full compliance with all applicable federal, state, and local Environmental Protection Agency hazardous waste regulations and laws.

Unless otherwise noted, the appraiser has made a physical visual inspection of the property appraised, and, being beyond the scope of this engagement, no operational or functional tests have been performed. All estimates of value are presented as the appraiser's considered opinion based upon information obtained during the inspection.

In most cases, equipment is itemized, although certain areas require a group estimate, in which case the listings are shown in the quantity column as "lot." This is usually done in nominal value areas that require general descriptions for applications elsewhere, or in areas where difficulty of access for total description would have required additional time not justified by the items being valued.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS (Cont'd.):

It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machine tools would include, but not be limited to: belt guards, foot pedals, magnetic or standard starters, switchgear, safety equipment, wiring, piping and controls, electrical pneumatic or hydraulic systems, or other peripheral items considered standard to operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, though, to indicate any nonstandard features at an appropriate point within the study.

This report has been made in conformity with, and is subject to, the requirements of the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers "ASA" and Uniform Standards of Professional Appraisal Practice "USPAP."

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser, or those assisting in the preparation of the report, will not be required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate agreement and at additional fee.

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee, or public records. The appraiser is not liable for such information. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the subject or similar property and all are considered appropriate for inclusion to the best of the appraiser's judgment and knowledge.

The appraiser reserves the right to correct any omissions or errors based on new or additional information that may become available in the future, including deposition testimony and our continued analysis of this matter, and expresses no liability or responsibility for results from actions taken by anyone as a result of this appraisal. Further, there is no accountability, obligation, or liability to any third party. In the case of limited partnerships, syndication offerings, or stock offerings, the client agrees that, in the case of a lawsuit (by any party), regardless of outcome, the client will hold the appraiser completely harmless in any such action. The liability of the appraiser and the firm with which he is associated is limited to the client only, not subsequent parties or users. In any event or for any cause, the appraiser's total liability is limited to, and disposed by, a refund of any fee collected. All references to either a singular or plural shall refer to the other if appropriate.

When, and if, applicable, the indicated value in this report gives no consideration to any loss in value that may be attributed to the type of refrigerant charge utilized in any of the subject property's air conditioning and/or refrigeration equipment. The user of this report is hereby informed that the use of restricted CFC's may, in the future, greatly affect the usefulness and value of equipment that contains any of the EPA-restricted refrigerant gases.

The value stated in this report is subject to, and contingent upon, the Statement of Assumptions and Contingent and Limiting Conditions and any other statements contained herein.

**ACCEPTANCE, AND/OR USE, OF THIS APPRAISAL REPORT
CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS**

GENERAL INFORMATION AND DEFINITION**PURPOSE OF APPRAISAL:**

The purpose of this appraisal was to determine the Fair Market Value Installed / In Place of the subject property listed in the enclosed inventory. In estimating this value, it was necessary to perform a physical inspection and listing of the property contained in this study. The results are presented in this report.

FUNCTION OF APPRAISAL:

The property interest (rights) appraised is that of ownership in fee simple, and the subject property is appraised as if free and clear, without liens or encumbrances (unless otherwise noted), for consideration in establishing a purchase price.

FAIR MARKET VALUE INSTALLED / IN PLACE CONCEPT

Fair Market Value Installed / In Place is the estimated amount of an installed property expressed in terms of money, at a certain point in time, that may reasonably be expected in exchange between a willing buyer and a willing seller with equity to both, neither being under any compulsion to buy or sell and both being fully aware of all relevant facts.

This concept considers the Fair Market Value of an item plus all direct cost(s) attributable to installation.

The Fair Market Value Installed / In Place, as particularly applied to equipment, is the value of a piece of equipment installed and may, or may not, be for continued use.

PURPOSE AND METHOD OF APPRAISAL

In estimating the Fair Market Value Installed / In Place, the appraiser has considered the following approaches in arriving at indicators of value.

MARKET (SALES COMPARISON) APPROACH:

The appraisal subject is compared with like or similar items that have sold, or are currently offered for sale, in the marketplace. By analyzing this data, the Fair Market Value Installed / In Place of the Assets may be calculated. Within these comparable items there may be pertinent factors of comparison, which include capacity, age, location, and date of sale, when applicable. Marketability of each item of machinery and equipment is also a determinant of value. These items are considered in arriving at an adjusted value for each item appraised.

Marketability, as a measure of demand, is approximated through recent sales in the marketplace of comparable items of machinery and equipment. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items sold at auction and private treaty sales, with subsequent adjustments made relative to all forms of depreciation.

COST APPROACH:

This approach considers the current Replacement Cost (New) of the machinery and equipment, less accrued depreciation. Depreciation includes loss in value due to physical obsolescence. Physical Depreciation describes a loss of utility not restored by current maintenance which leads to the ultimate retirement of the property. Functional Obsolescence exists in two forms: (1) Excess capital costs, which may stem from inadequate capacity relative to production standards, obsolete technology, or surplus operating capacity; and (2) Excess operating costs, which may include utility costs, labor costs, maintenance costs, production yields, or a combination of these factors. External (Economic) Obsolescence represents a loss in value from factors outside the item(s) appraised, such as a depressed market for the end product manufactured by the item(s) of machinery or equipment, insufficient cash flow, loss of raw material or labor force, etc. These factors are generally characterized as "negative external forces" which have an impact upon the item(s) appraised.

When there is sufficient market comparable sales, the Cost Approach is utilized primarily as a secondary value indicator. This is because it often fails to quantify a loss in value that may exist under certain market conditions. In the absence of comparable market sales the Cost Approach becomes the primary value indicator.

INCOME APPROACH:

The Income Approach to value was considered in this valuation and determined not to be applicable. The income attributable to the assets could not be quantified. In estimating the Fair Market Value Installed / In Place, the appraiser has assumed that there was adequate cash flow to support the indicated value.

PURPOSE AND METHOD OF APPRAISAL (Cont'd.):

If this assumption is found to be incorrect, the indicated value must be reduced to reflect the economic penalty relative to the External (Economic) Obsolescence.

NOTE:

The apposite value set forth in this report represents an "aggregate" value based upon all relevant value indicators. For this reason, isolation of any single element as a sole basis of comparison may be inaccurate, and, subsequent isolation of any single item appraised, or group of items appraised, could result in a variance from the values reported

Determination of Fair Market Value Installed / In Place requires not only the judgment and ability of the appraiser to evaluate a specific piece of equipment, but also the experience to anticipate what could happen under a given set of circumstances based upon actual sales held under Fair Market Sale conditions of like or similar machinery and equipment, with adjustments made for the following:

- (1) Property rights conveyed;
- (2) Financial terms (cash sale);
- (3) Motivation or conditions of sale;
- (4) Relevant market conditions and date of sale;
- (5) Location of property;
- (6) Physical characteristics relevant to physical depreciation, functional obsolescence, and external (economic) obsolescence.

The values are also adjusted to installation considerations which may include:

- (1) Transportation;
- (2) Wiring;
- (3) Special foundations;
- (4) Difficulty of installation (i e , 2nd floors, special walls, pits, etc);
- (5) Adaptations;
- (6) Plumbing;
- (7) Applicable taxes;
- (8) Setup and debugging,
- (9) Other incurred costs

Cancer Care Associates - Norman Office

October 13, 2010

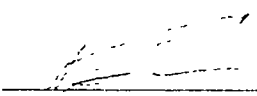
Fair Market Value Installed / In Place

JUSTIN L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have not made a physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.


Justin L. Perdue, President

Cancer Care Associates - Norman Office

October 13, 2010

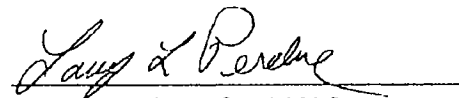
Fair Market Value Installed / In Place

LARRY L. PERDUE
CERTIFICATE OF APPRAISER

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported *Assumptions and Limiting Conditions* and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPAP)*
- I have viewed the property and supervised the physical inspection of the property that is the subject of this report unless otherwise noted in the body of this report.
- No one provided significant professional assistance to the person or persons signing this report unless otherwise noted in the body of this report
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

This work was performed in accordance with the "Code of Ethics" of the American Society of Appraisers, an organization in which I hold the designation of ASA (Accredited Senior Appraiser) Senior Member.



Larry L. Perdue, ASA, M.V.S.
Certified until January 2008 by the
American Society of Appraisers

COMPANY PROFILE

BIOGRAPHY:

Asset Appraisal Corporation was founded as Asset Management in 1984 and has been performing a complete spectrum of appraisal and consulting services nationwide since 1984 and internationally since 1993. We specialize in furniture, trade fixtures, machinery and equipment appraisals, commercial and industrial real estate appraisals; complete business valuations; property management, asset management in the forms of collateral control, liquidation services, security, consulting, etc. Our appraisers are highly educated professionals with specialized valuation training and we have extensive experience in the utilization of all value concepts and maintain international affiliates qualified to appraise any type of asset. Our reference data base is one of the most extensive in the Southwest. Asset Appraisal Corporation's clients include local, national and international banks, accounting firms, financial planners, governmental agencies and many prestigious legal firms.

Our appraisers' primary obligation to a client is to reach complete, accurate and pertinent conclusions and numerical results. The valuation services of Asset Appraisal Corporation are governed by the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers (ASA) and the *Uniform Standards of Professional Appraisal Practice (USPAP)*. Typically, appraisal fees are calculated on an hourly basis plus incurred expenses. Overall fees will vary depending upon the nature and complexity of the assignment as well as the type and quality of financial information that is available.

PROFESSIONALISM:

Valuation is a complex and demanding field requiring training, experience and judgment, and the professional appraiser is fully committed to the field. The professional appraiser is able to keep abreast of changes in appraisal theory and techniques; markets; economics; legal procedures and rulings, as well as regulatory agency standards. The professional is familiar with IRS valuation guidelines and the necessity of performing an appraisal to comply with applicable Revenue Rulings.

The professional appraiser will work closely with owners, attorneys, accountants and other specialized appraisers in a team effort to prepare a valuation suitable for each situation. This dedication yields accurate, defensible, cost effective service for the client.

Appraisers will develop replacement and/or reproduction cost, market values as well as liquidation values. Further, they provide estimates determining effective age and future residual values to the leasing, financial and accounting markets.

If the valuation is challenged, the professional appraiser will be experienced and capable of providing expert witness testimony. A professional appraiser will provide an unbiased, knowledgeable "third-party" viewpoint for the court to use in rendering decisions.

*COMPANY PROFILE (Cont'd.):***VALUATION:**

It is essential that an independent, unbiased professional determine value in many situations including:

NEW LOANS and ASSET-BASED LENDING	A value must be determined to establish collateral requirements
DIVORCES	A fair and independent value which can be supported with testimony is essential to ensure settlement and distribution of community assets.
LITIGATION	Lender liability is the most common area where a valuation professional is required.
EMPLOYEE STOCK OPTION PLANS (ESOPS)	Closely-held businesses that offer ESOP plans require an annual valuation to meet IRS and ERISA requirements.
MERGERS and ACQUISITIONS	When buying or selling a business, a fair market value must be determined including consideration of value for minority interests
FINANCIAL PLANNING	For planning and funding future personal and business financial needs and meeting potential tax liabilities.
ESTATE and GIFT TAXES, DONATIONS	A well-documented value is necessary to support reported information to the Internal Revenue Service.
OTHER REASONS	Buy/sell agreements, fairness opinions, partnership dissolutions, leveraged buy outs, "squeeze out" mergers, bankruptcy proceedings, and insurance valuation.

JUSTIN L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION:

University of Central Oklahoma (2003); Tulsa School of Welding, Master Welder, Oklahoma State Certified (2003); Oklahoma Christian Schools (2001) and American Society of Appraisers' MTS 201 Course

EMPLOYMENT.

July 2006-Present	<i>Asset Appraisal Corporation</i> - President/Owner
2003-Present	<i>Master Arc Welding and Fabrication Corporation</i> - Owner. responsible for design, purchasing, and fabrication of carbon, stainless steel, and aluminum weldments
2003-June 2006	<i>Blastrac</i> - Lead welder and A-1 fitter, responsible for research and development of new products, and retrofit of current machines. In charge of weldment of the 4800-DH shot blast machine - Safety Engineer
2002-2003	<i>Cedar Image Fence Company</i> - Fencing contractor specializing in design, estimates, and installation of all types of fencing for residential and commercial clients, such as Southwestern Bell
2001-2002	<i>Asset Appraisal Corporation</i> - responsible for physical inspection, research, and value determination of various asset types
1999-2001	<i>Evergreen Landscapes</i> - Landscape Contractor specializing in landscape design, as well as irrigation design and installation

AREAS OF EXPERTISE

Appraisal of furniture, trade fixtures, machinery, and equipment. Specializing in machinery, equipment, and manufacturing facilities

VALUE CONCEPT EXPERIENCE.

Reproduction Cost, New; Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange); Fair Market Value In Continued Use; Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

LARRY L. PERDUE
RESUME & QUALIFICATIONS

EDUCATION.

Masters Degree in Valuation Sciences (M.V.S.) - Lindenwood College, St. Charles, Missouri (1992); Bachelor of Science Degree - Central State University, Edmond, OK (1979); Numerous appraisal classes and seminars on a continuing basis

EMPLOYMENT:

July 2006-Present *Asset Appraisal Corporation - Director*

May 1988-July 2006 *Asset Appraisal Corporation - President, appraiser, expert witness, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

October 1984-Present *Asset Management - Owner, responsible for machinery and equipment sales, liquidation consulting, auctioneer, and court-appointed receiver. Extensive background in sales and liquidation of machinery, equipment, furniture, fixtures and inventory: (October 1984 to May 1988) machinery and equipment appraiser, liquidation consultant, court-appointed receiver. Extensive background in furniture, trade fixtures, machinery and equipment appraisals*

PROFESSIONAL MEMBERSHIPS, ASSOCIATIONS:

American Society of Appraisers - Accredited Senior Appraiser (ASA), Machinery/Technical Specialties: Machinery and Equipment, Certified January 1988; Past State Director, Treasurer, Oklahoma/Arkansas Chapter of American Society of Appraisers

AREAS OF EXPERTISE:

Appraisal of assets for any purpose; asset tagging and database management of assets, banking and computer equipment; construction and contractor's equipment; electric generating equipment - steam/gas turbines, natural gas, etc., farm machinery and feed mills - grain elevators; fiberglass mfg. - tanks, fittings, boats, swimming pools, etc.; firearms; food processing and packaging equipment; heat treating facilities - metal and glass; hotels, motels, amusement parks, and recreational facilities; inventories - raw materials, work in process, parts and components, finished goods; laboratory instruments and testing equipment, manufacturing plants - all industries; medical equipment - conventional and high-tech, medicine/pharmaceuticals; metal production; metalworking, plastics, and woodworking equipment; office furniture, trade fixtures, machines, and equipment; oil and gas industry exploration - seismic mapping, drilling, completion, production and refining; printing plants, pre-press, sheet fed, web, binary, etc.; radio/broadcast/telecommunications/fiber optics transmission equipment; restaurant and food service equipment; service equipment-automotive, truck, etc., vehicles/transportation/aircraft/marine - all classes; and, video/arcade game equipment and vending machines, court - appointed receiver and liquidator; expert witness - local, state, and U.S. district courts - Oklahoma, New Mexico, Texas, Kansas, Maryland, and Arkansas; asset liquidator - U.S. Bankruptcy Court, Western District of Oklahoma, equipment sales and liquidation consultant

LARRY L. PERDUE - RESUME & QUALIFICATIONS (Cont'd.):**VALUE CONCEPT EXPERIENCE:**

Reproduction Cost, New, Replacement Cost, New; Insurance Replacement Cost; Insurable Value Depreciated; Fair Market Value (Exchange), Fair Market Value In Continued Use, Fair Market Value - Installed; Fair Market Value - Removal; Liquidation Value In-Place; Orderly Liquidation Value; Forced Liquidation Value; Salvage Value; Scrap Value

MISCELLANEOUS:

Instructor and speaker for FDIC's "Understanding and Interpreting Appraisals," and State of Oklahoma/County Assessors Conference's "Appraisal of Oil Field and Related Machinery and Equipment"; Instructor - American Society of Appraisers, Machinery and Technical Specialties Valuation Courses MTS 201, 202, 203, and 204; Former instructor and committee member "Curriculum Development": International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Published Author: The M&E Appraiser "Crash of '87 - Capital Spending for Machines & Equipment," October 1988, The M&E Appraiser "Fixtures: Realty or Personalty?," Spring 1989, The M&E Appraiser - "FDIC Rental Value: A Non-Traditional Approach," Winter 1989, The M&E Appraiser "The Impact of Ownership and Transfer of Rights on the Valuation of Software Programs," co-author, Winter 1991; Developer of Market Value Rental Methodology for the Federal Deposit Insurance Corporation; Former Instructor - International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Past Member - Curriculum Development Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri; Member - Educational Committee, International Valuation Sciences Institute, Lindenwood College, St. Charles, Missouri (a subcommittee of the American Society of Appraisers' International Education Committee); Co-author - The American Society of Appraisers, Course IDEV200, Principles of Valuation

Cancer Care Associates - Norman Office

October 13, 2010

Fair Market Value Installed / In Place

REFERENCES**ROSE ROCK BANK**

Brad Ferguson, Senior Vice President
 10900 Hefner Pointe Drive, Suite 300
 Oklahoma City, OK
 (405) 507-1137
 Work Performed: Appraisals

IBC BANK

David Moore, Vice President
 3601 Northwest 63rd Street
 Oklahoma City, OK 73116
 (405) 841-2966
 Work Performed: Appraisals

BANCFIRST

E. G. Alexander, Senior Vice President
 101 N. Broadway
 P. O. Box 26788
 Oklahoma City, OK 73126-0788
 (405) 270-4713
 Work Performed: Appraisals

UNION BANK AND TRUST COMPANY

Ron Moreland, Sr. Vice President
 4921 North May Avenue
 Oklahoma City, OK 73112
 (405) 949-7280
 Work Performed: Appraisals, Asset
 Verification, Liquidation Consultant,
 Expert Witness, Collateral Management

SUTHERLAND ASBILL & BRENNAN LLP

Keith J. Barnett
 999 Peachtree Street, NE
 Atlanta, GA 30309
 (404) 853-8384
 Work Performed Appraisals

HARTZOG CONGER CASON & NEVILLE

William A. Johnson
 201 Robert S. Kerr Avenue, Suite 1600
 Oklahoma City, OK 73102
 (405) 235-996-3391
 Work Performed: Appraisals

F&M BANK

John Pixley, President
 P.O. Box 4500
 Tulsa, OK 74159
 (918) 748-4093
 Work Performed: Appraisals, Liquidations

CHEEK & FALCONE P.L.L.C

David Cheek, Attorney
 6301 Waterford Boulevard
 Oklahoma City, OK 73118
 (405) 286-9191
 Work Performed: Expert Witness

D.R. PAYNE & ASSOCIATES

David R. Payne, President
 119 N. Robinson, Suite 400
 Oklahoma City, OK 73102
 (405) 272-0511
 Work Performed Appraisals/Consulting

WILLIAM K ELIAS, ATTORNEY

Elias, Books, Brown, & Nelson, PC
 Two Leadership Square, Suite 1308
 Oklahoma City, OK 73102
 (405) 232-3722
 Work Performed: Expert Witness Testimony

Additional references may be furnished upon request.

CONDITION DEFINITIONS

N - NEW.	Never used and in original cartons or packaging. Has never been installed or operated.
E - EXCELLENT:	Practically new mechanical condition, extremely low hours of use, no defects, and may still be under warranty.
VG - VERY GOOD:	Exceptionally good condition. Recently overhauled or rebuilt with new materials and/or has such limited use that repairs or worn part replacement is not necessary.
G - GOOD:	In complete 100% operating condition, no known mechanical defects. May have high hours of use, but no known defects are obvious.
F - FAIR:	Operational with high hours of use. Minor defects are obvious and repair or general rebuild may be anticipated.
P - POOR:	Has sustained excessive hours of service. requires repair, rebuild or overhaul before serviceable. Nonoperational.
SALVAGE:	A component of property separated from the whole because it is no longer useful as a part of the whole property (i.e., base casting, gears, shafts, or other mechanical components, such as controls, valves, gauges, pipe fittings, or electrical parts).
S - SCRAP.	Cost of repair exceeds value or exceeds cost of replacing with like equipment. Past useful life; should be sold as scrap for its material content.

Cancer Care Associates - Norman Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
1	40	CHAIRS: ARMSIDE, HARDWOOD FRAME, FABRIC SEAT/BACK	VG	45	1,800
2	2	WHEELCHAIRS: INVACARE, DUAL TRACK	VG	175	350
3	2	CHAIRS: PATIENT SEATING, BARIATRIC, METAL FRAME VINYL SEAT/BACK	VG	160	320
4	33	CHAIRS: TASK, SWIVEL/TILT FABRIC SEAT/BACK, 5-CASTER BASE	F	125	4,125
5	1	DESK: EXECUTIVE RETURN, 30" x 72", DOUBLE PEDESTAL, WITH LEFT HAND RETURN, PARTICLE AND LAMINATE CONSTRUCTION	VG	1,250	1,250
6	LOT	EQUIPMENT: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO ORGANIZERS, PAPER PUNCHES, STAPLERS, ETC	VG	450	450
7	3	SCANNERS: COMPUTER, CANON, MDL IMAGE FORMULA DR-3010C	VG	600	1,800
8	LOT	CONTAINERS: CONFIDENTIAL PAPER SHREDDING, <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF SHRED-IT</i>	G	0	0
9	1	PRINTER: COMPUTER, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
10	1	COPIER; <i>NOTE LISTED FOR REFERENCE ONLY LEASED</i>	G	0	0
11	1	POSTAGE MACHINE; <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
12	1	TABLE: TYPEWRITER, PORTABLE, PARTICLE AND LAMINATE TOP, METAL BASE	G	35	35
13	4	CARTS: UTILITY, RUBBERMAID COMMERCIAL PRODUCTS	G	65	260
14	1	FIRE EXTINGUISHERS; <i>NOTE LISTED FOR REFERENCE ONLY, REAL ESTATE</i>	G	0	0
15	1	CABINETS: FILE HON, 4-DRAWER LATERAL, 36", LOCKING	VG	290	290
16	1	CABINETS: FILE HON 4-DRAWER, LETTER, LOCKING	G	95	95
17	15	CHAIRS: METAL, STACKING, FABRIC SEAT/BACK, ARMED	F	45	675
18	LOT	EQUIPMENT: MISCELLANEOUS JANITORIAL, CONSISTING OF BUT NOT LIMITED TO SWEEPER, WASTE RECEPTACLES, MOP, MOP BUCKET ETC. <i>NOTE LISTED FOR REFERENCE ONLY PROPERTY OF JANITORIAL SERVICES</i>	G	0	0
19	1	CABINETS: FILE HON, 2-DRAWER, LETTER, LOCKING	G	75	75
20	3	TABLES: EMPLOYEE DINING, 48" x 48", PARTICLE AND LAMINATE TOP METAL BASE	VG	45	135

Cancer Care Associates - Norman Office		October 13, 2010		Fair Market Value Installed / In Place	
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
21	12	CHAIRS: METAL, STACKING, VINYL SEAT/BACK	G	25	300
22	2	LOCKERS: EMPLOYEE CLOTHES CHANGEL. 12" x 18" x 12" (6) LOCKERS PER UNIT, METAL	VG	110	220
23	1	STOOL: BAR, METAL	G	15	15
24	1	REFRIGERATOR: RESIDENTIAL, WHIRLPOOL, "FRENCH DOOR," MDL GX5FHDXVB00, S/N KW4007397, 3-DOOR, WITH BOTTOM FREEZER	E	1,200	1,200
25	1	REFRIGERATOR: RESIDENTIAL, RCA 2-DOOR, 18-CUBIC FOOT	VG	150	150
26	1	BREWER, COFFEE: <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
27	2	MICROWAVE; <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
28	8	TABLES: MEETING, 24" x 60", PARTICLE AND LAMINATE TOP, METAL BASE	E	65	520
29	1	PATIENT RECORD FILING SYSTEM, CONSISTING OF (11) 36" x 7-LEVEL CLIP TYPE SHELVING UNITS	VG	2,200	2,200
30	2	CABINETS: X-RAY FILM STORAGE, DATUM, 15-COMPARTMENT, STEEL	E	800	1,600
31	1	PRINTER: LABEL, ZEBRA, MDL LP-2824; <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	VG	0	0
32	1	COPIER: CONICA MINOLTA BIZHUB, <i>NOTE LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
33	1	BOOKCASE: EXECUTIVE, 12" x 36" x 72", PARTICLE AND LAMINATE CONSTRUCTION	F	125	125
34	1	TABLE: SIDE, ACCENT 24" DIAMETER, PARTICLE AND LAMINATE CONSTRUCTION	F	20	20
35	2	PATIENT SEATING UNITS: BENCH TYPE HARDWOOD FRAME, FABRIC SEAT/BACK	G	150	300
36	1	RACKS, MAGAZINE DISPLAY, PARTICLE AND LAMINATE CONSTRUCTION	G	35	35
37	LOT	DECOR: MISCELLANEOUS OFFICE, CONSISTING OF BUT NOT LIMITED TO WALL HANGINGS, COPPER WATERFALL, BULLETIN BOARD ETC, LOCATED THROUGHOUT FACILITY	VG	1,650	1,650
38	1	RECEPTACLE: REFUSE, 7-GALLON CAPACITY CHROME, FLIP-TOP	VG	55	55

Cancer Care Associates - Norman Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
39	1	CABINET: FILE, 3-DRAWER, LITIER, LOCKING	VG	135	135
40	15	STANDS: IV, CHROME, ADJUSTABLE, 5-CASTER BASE	VG	150	2,250
41	1	BREWER: COFFEE, NUCO. <i>NOTE: LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
42	1	ICE MACHINE: DISPENSER, CORNELIUS COMMERCIAL ICE SYSTEM, COUNTERTOP	VG	1,250	1,250
43	2	CHAIRS: CHEMOTHERAPY, RECLINING, STRYKER SEATING PRODUCTS, SERIES 3110-0404-50, S/N F200213590 AND S/N UNKNOWN	E	1,000	2,000
44	10	CHAIRS: CHEMOTHERAPY TREATMENT LAZY-BOY, MEDICAL GRADE RECLINER, LEATHER SEAT/BACK	F-G	800	8,000
45	1	MONITOR: BLOOD PRESSURE, WELCH-ALLYN, MDL 4200, COMPLETE WITH 5-CASTER CART AND PRINTER	VG	850	850
46	1	MONITOR: PULSE OXIMETER, SIMS BCI INTERNATIONAL, REF #3301, MFD 2002, S/N 703343322	VG	400	400
47	1	CABINET: STORAGE, CASTERED, 2-DRAWER, POLYETHYLENE AND METAL CONSTRUCTION	VG	150	150
48	9	STOOLS: EXAM, SCREW ADJUST, 4-CASTER BASE	VG	45	405
49	12	TABLES: CHEMOTHERAPY TREATMENT 3-DRAWER, PARTICLE AND LAMINATE TOP WITH PLYWOOD VENEER BASE AND DRAWERS	VG	200	2,400
50	1	STANDS: COMPUTER TERMINAL, ERGOTRON, MDL 45-215-200, WALL MOUNTED	E	375	375
51	1	REFRIGERATOR: COMPACT, SANYO, UNDERCOUNTER	E	40	40
52	5	STOOLS: TECHNICIAN'S, 5-CASTER BASE WITH CHROME FOOT RAIL, PNEUMATIC ADJUST	VG	135	675
53	1	DRUG DISPENSING SYSTEM: PYXIS SYSTEMS <i>NOTE: LISTED FOR REFERENCE ONLY, LEASED</i>	G	0	0
54	1	REFRIGERATOR: SAMSUNG, WITH BOTTOM FREEZER, 22-CUBIC FOOT	VG	1,200	1,200
55	1	CABINET: FUME ELIMINATION, STERILGUARD HOOD, MDL SG300, CLASS II, TYPE A/B, MFD BY THE BAKER CO., COUNTERTOP 36", COMPLETE WITH DUCTWORK	VG	4,000	4,000
56	LOT	OXYGEN DISPENSING CYLINDERS; <i>NOTE: LISTED FOR REFERENCE ONLY, PROPERTY OF GAS SUPPLY COMPANY</i>	G	0	0

Cancer Care Associates - Norman Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
57	LOT	RECEPTACLES: REFUSE POLYETHYLENE, LOCATED THROUGHOUT FACILITY	F-VG	300	300	
58	1	WARMER: BLANKET, MDI CASTLE, MDL BW-C-MDT 5500	VG	2,000	2,000	
59	LOT	INFUSION PUMPS; <i>(NOTE LISTED FOR REFERENCE ONLY) LEASED</i>	G	0	0	
60	1	SCREEN: PRIVACY, CASTERED, ALUMINUM	G	75	75	
61	1	TELEVISION: COLOR, 26", CILING MOUNTED	G	250	250	
62	1	BOOKCASE, EXECUTIVE, 12" x 36" x 72"; <i>(NOTE LISTED FOR REFERENCE ONLY)</i>	S	0	0	
63	2	CABINETS: FILE, ANDERSON HICKEY, 2-DRAWER, LATERAL LEGAL	VG	175	350	
64	1	DESK: EXECUTIVE, 30" x 60", DOUBLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	VG	150	150	
65	1	CABINET: SIDE 18" x 26" x 30", PARTICLE AND LAMINATE CONSTRUCTION	F	25	25	
66	1	RECEPTACLE: REFUSE, FIBERGLASS, 36" HIGH x 14" DIAMETER	VG	45	45	
67	1	SCALE: PHYSICIAN'S BALANCE BEAM, CONTINENTAL HEALTH-O-METER OR EQUIVALENT, 350-LB CAPACITY, COMPLETE WITH HEIGHT MEASURING UNIT	G	125	125	
68	8	SETS: SCOPE DIAGNOSTIC, WELCH-ALLYN, COMBINATION OPHTHALMOSCOPE AND OTOSCOPE, WALL MOUNTED, COMPLETE WITH WALL MOUNTED TRANSFORMER	VG	375	3,000	
69	8	MONITORS: BLOOD PRESSURE, TYCOS, MDL 767, JEWELLED MOVEMENT SPHYGMOMANOMETER, WALL MOUNTED, COMPLETE WITH BLOOD PRESSURE CUFF	G	125	1,000	
70	3	TABLES: EXAM, HAMILTON, E SERIES, MECHANICAL ADJUST	VG-E	900	2,700	
71	8	RECEPTACLES: REFUSE UNITED FIREFIGHTER MDL ST12 SERIES, STAINLESS STEEL, SQUARE STEP	F	175	1,400	
72	1	SCALE: FLOOR, 2009, SCALE-IRONIX, MDL 5152, 825-LB CAPACITY	VG	3,200	3,200	
73	2	STANDS: MAYO STAINLESS STEEL, BREWER	VG	125	250	
74	1	STOOL, EXAM SCREW ADJUST 5-CASTER BASE WITH BACK REST	E	150	150	
75	2	CHAIRS: METAL FOLDING, VINYL SEAT/BACK	G	15	30	
76	1	TABLE: EXAM RITTER HIGH LOW, MDL 222	G	2,500	2,500	

Cancer Care Associates - Norman Office			October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL	
77	2	TABLES: EXAM RITTER, MDL. 204	E	1,200	2,400	
78	4	ILLUMINATORS: X-RAY, 2-BANK	G	800	3,200	
79	3	TABLES: EXAM, RITTER, MDL. 104, MANUAL ADJUST	G	850	2,550	
80	1	CHAIR: ARMSIDE, FABRIC SEAT/BACK, HARDWOOD FRAME, MEDIUM BACK	F	25	25	
81	2	BOOKCASES: EXECUTIVE, 12" x 36" x 72", PARTICLE AND LAMINATE CONSTRUCTION	VG	85	170	
82	2	DESKS: EXECUTIVE RETURN, 30" x 60", DOUBLE PEDESTAL, WITH 48" RETURN, COMPLETE WITH TOP STORAGE UNIT	VG	850	1,700	
83	1	CHAIR: EXECUTIVE, SWIVEL/TILT, VINYL SEAT/BACK, 5-CASTER BASE	VG	125	125	
84	1	REFRIGERATOR: COMPACT, <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
85	1	MICROWAVE; <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
86	1	CABINET: FILE, HON, 4-DRAWER, LETTER, <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
87	1	CART: RECORD TRANSPORT, 2-LEVEL, 36", METAL, CASTERED	E	200	200	
88	1	DESK: EXECUTIVE, 36" x 72", DOUBLE PEDESTAL, PARTICLE AND LAMINATE CONSTRUCTION	F	125	125	
89	1	BOOKCASE: EXECUTIVE, 30" x 84", PARTICLE AND LAMINATE CONSTRUCTION	VG	110	110	
90	1	ORGANIZER: OFFICE, 3-SECTION, WITH TOP STORAGE UNIT, PARTICLE AND LAMINATE CONSTRUCTION	VG	180	180	
91	1	RECEPTACLE: REFUSL, RUBBERMAID, 36" x 14"	L	50	50	
92	1	CABINET: FILE 2-DRAWER, LATERAL LOCKING, WOOD	VG	350	350	
93	1	DESK: EXECUTIVE 36" x 72", DOUBLE PEDESTAL, COMPLETE WITH 48" RIGHT HAND RETURN	VG	450	450	
94	1	BOOKCASE: EXECUTIVE <i>NOTE LISTED FOR REFERENCE ONLY, PHYSICIAN OWNED</i>	G	0	0	
95	1	COMPUTER MANAGEMENT INFORMATION SYSTEM, COMPLETE WITH (20) DELL GX760 GX755, GX620 AND GX745 PC WORKSTATIONS, NETWORK DEVICES, TIME CLOCK, ETC	VG	17,000	17,000	

Cancer Care Associates - Norman Office		October 13, 2010	Fair Market Value Installed / In Place		
ENTRY	QTY	DESCRIPTION	CONDITION	UNIT VAL	EXT VAL
96	1	TELEPHONE SYSTEM: INTER-TEL ACCESS, COMPLETE WITH KSU CPU128, 7025 UNIT PAL, LSC CARD, LSC-D CARD, EMC VOICE MAIL CARD, EVMC MAILBOX PAL, COMPLETE WITH (28) EXECUTIVE AND STANDARD DESK SLTS	VG	9,520	9,520
REPORT TOTAL					\$ 99,885

REPORT TOTAL ROUNDED TO:

* * * \$ 100,000.00 * * *

(One Hundred Thousand Dollars)

SCHEDULE 2.01(a)(vi)
TANGIBLE PERSONAL PROPERTY
4401 W. Memorial Road, Suite 138, Oklahoma City, OK 73134

IT Closet

\$ 2,700.00

SCHEDULE 2.01(a)(vii)
TANGIBLE PERSONAL PROPERTY
Drugs in stock on October 29, 2010 and November 30, 2010 (as indicated)

SUMMARY:

• Drugs in stock on 10.29.10 – Enid	\$ 47,093.48
• Drugs in stock on 10.29.10 – Hefner	\$ 72,637.36
• Drugs in stock on 10.29.10 – Mercy	\$ 275,067.14
• Drugs in stock on 10.29.10 – Norman	\$ 165,156.28
• Drugs in stock on 11.30.10 – Ardmore	<u>\$ 156,713.03</u>

TOTAL \$ 716,667.29

SEE ATTACHED FOR BREAKDOWN BY LOCATION

Exhibit 2.01(a)(vii)

CANCER CARE

ASSOCIATES

A Division of Cancer Care, Inc.

Mercy Health System of Oklahoma
4300 W. Memorial Road
Oklahoma City, OK 73120

Drugs in stock on October 29, 2010 at Enid

Invoice Number:	111510-80
Invoice Date:	November 15, 2010
Invoice Terms:	Due Upon Receipt

Description	Drug Count	Drug Cost per Unit	Total Cost
TYLENOL 500MG CPL T 100/BTL	0.60	\$8.84	\$5.30
ADRIAMYCIN 200MG SOL 100ML	1.00	\$68.11	\$68.11
LUPRON DEPOT 30MG 4MO KIT	1.00	\$2,852.20	\$2,852.20
MITOMYCIN 20MG VL	1.00	\$66.31	\$66.31
TOPOSAR 20MG/ML MDV 25ML	1.00	\$19.71	\$19.71
VINCASAR 1MG/ML 2ML	1.00	\$13.17	\$13.17
FERAHEME 510 MG/17ML SDV	1.00	\$388.76	\$388.76
ERBITUX 100MG/50ML VL	1.00	\$482.33	\$482.33
SOD THIOSUL 25% SDV 50ML	1.00	\$19.60	\$19.60
VELCADE INJ 3 5MG/10ML	1.00	\$1,354.11	\$1,354.11
RITUXAN 500MG VIAL 50ML	1.00	\$2,922.52	\$2,922.52
NEULASTA 6MG/0.6ML SYRINGE	1.00	\$2,494.23	\$2,494.23
ACTIVASE CATHFLO 2MG POWDER SDV	1.00	\$92.06	\$92.06
ZOMETA INJ 4MG/5ML VIAL	1.00	\$851.76	\$851.76
NEUPOGEN 300MCG VIAL 10X1 ML	1.00	\$212.72	\$212.72
EMEND 115MG SDV 10ML	2.00	\$192.08	\$384.16
FUROSEMIDE 10MG/ML SDV 25X2ML	2.00	\$1.62	\$3.24
TAXOTERE 80MG SDV	2.00	\$1,285.97	\$2,571.94
OXALIPLATIN 50MG 5MG/ML 10ML	2.00	\$510.31	\$1,020.62
ARANESPLYSB 200MCG PFS 0.4ML	2.00	\$500.89	\$1,001.78
ARANESPLYSB 300MCG PFS 0.6ML	2.00	\$751.32	\$1,502.64
GEMZAR 1GM VIAL 50ML	2.00	\$730.44	\$1,460.88
ARIXTRA 10MG/0.8ML SYG 2/PK	2.00	\$68.38	\$136.76
RITUXAN 100MG VL 10ML	2.00	\$584.49	\$1,168.98
ARIXTRA 5MG/0.4ML SYG 2/PK	2.00	\$68.38	\$136.76
ARANESPLYSB 100MCG SDV 4X1ML	2.00	\$241.65	\$483.31
FERRLECIT 62 5MG/5ML AMP10X5ML	2.00	\$32.46	\$64.92
CISPLATIN PRES FREE 100MG MDV 100ML	2.50	\$21.75	\$54.38
HERCEPTIN 440MG MDV 20ML	2.60	\$2,963.05	\$7,703.93
OXALIPLATIN 5 MG/ML SDV 20 ML	3.00	\$1,463.91	\$4,391.73
GEMZAR 200MG VL 10ML	3.00	\$146.10	\$438.30

Exhibit 2.01(a)(vii)

PACLITAXEL 300MG/50ML INJ	3.00	\$92.31	\$276.93
AVASTIN VL 100MG	3.00	\$561.05	\$1,683.15
CARBOPLATIN SOL 450MG/45ML	3 30	\$42.66	\$140.78
IRINOTECAN 20MG/ML SDV 5ML	4.00	\$33.99	\$135.96
VANCOMYCIN 500MG FTV 10/BX	4.00	\$2.79	\$11 16
ZINECARD 500MG/ML SDV	4.00	\$449.61	\$1,798.44
CYCLOPHOSPHAMIDE SDV 500MG	5.00	\$44.86	\$224.30
PNEUMOVAX 23 VL 10X0 5ML	5 00	\$46 35	\$231 76
LEUCOVORIN CAL 50MG VIAL 10/BX	5.00	\$2.40	\$11 99
ALOXI 25MG/5ML SDV	6.00	\$164.88	\$989 28
NEUPOGEN 480MCG VIAL 10X1.6ML	6.00	\$338.75	\$2,032.49
FLUOROURACIL 500MG VIAL 10X10ML	7.00	\$2.44	\$17.08
POT CHL 2MEQ/ML 25X10ML	7.00	\$0.77	\$5 41
CYANOCO 1000MCG/ML 25X1ML VL	7.00	\$0.98	\$6.86
CEFTRIAZONE 500MG SDV 10/PK	8.00	\$4 50	\$36 00
DEXFERRUM IV 50MG/ML SDV10X2ML	8 00	\$23.32	\$186.54
DEXAMETHASONE 10MG/ML MDV 10X10ML	8 50	\$1 94	\$16.49
MANNITOL 25% SDV 25X50ML	9.00	\$1 40	\$12.60
PROCHLORPERAZ 5MG/ML VL 10X2ML	9.00	\$2 65	\$23.89
LEUCOVORIN CAL 100MG VIAL 20MG	11.00	\$2 62	\$28 82
SOLU MEDROL 125MG AOV PF 25	11.00	\$5 07	\$55.73
DIPHENHYDRAMINE 50MG/ML VIAL 25X1ML	11 00	\$0.77	\$8.47
FAMOTIDINE 20MG SDV 25X2ML	14 00	\$0.68	\$9.52
LORAZEPAM 2MG/ML 1ML SDV C4 (BX/10)	14 00	\$1.12	\$15.62
CALCIUM GLUCONATE10%SDV25X10ML	15.00	\$0.99	\$14.85
SOD BIC 8.4% FTV 25X50ML	15.00	\$0 86	\$12.88
SOLU CORTEF 100MG VIAL 2ML	16 00	\$4.16	\$66.56
ATROPINE SUL 0 4MG MDV 25X1ML	17 00	\$0.30	\$5.10
FLUOROURACIL 50MG/ML VL10X20ML	17.00	\$2.44	\$41.48
ALBUTEROL INH SOL .83% 25X3ML	18.00	\$0.12	\$2.15
TOPOSAR 100MG VL	20 00	\$3.94	\$78.80
VIT K 10MG AMP 25X1ML	20 00	\$9.27	\$185 40
PROMETHAZINE 25MG/ML AMP25X1ML	20.00	\$1.30	\$25.98
FUSILEV LEVOLEUCO 50MGVL 10ML	22 00	\$178 82	\$3,934.04
MAGNESIUM SUL 50% SDV 25X2ML	27 00	\$0.42	\$11 32
ONDANSETRON 8MG TAB 30/BTL	31 00	\$6.10	\$189.10
DIPHENHYD 25MG CAP 1000	39 00	\$0.02	\$0 66
ACETAMIN 325MG TAB 100/BTL	43.00	\$0.01	\$0 35
HEP SOD SYR 100U 5ML 60X12ML	481.00	\$0 41	\$198 33

45709348

Please remit to: Cancer Care Associates
c/o Mary Dreesen
4110 S. 100th East Ave., Ste. 201
Tulsa, OK 74146

Exhibit 2.01(a)(vii)

CANCER CARE

ASSOCIATES

Mercy Health System of Oklahoma
4300 W. Memorial Road
Oklahoma City, OK 73120

Drugs in stock on October 29, 2010 at Lake Hefner

Invoice Number:	111510-25
Invoice Date:	November 15, 2010
Invoice Terms:	Due Upon Receipt

Description	Drug Count	Drug Cost per Unit	Total Cost
ABRAXANE 100MG LYO 20ML	4.00	\$905.20	\$3,620.80
ACTHIB VL 5/BX	3.00	\$23.15	\$69.45
ACTIVASE CATHFLO 2MG POWDER SDV	3.00	\$92.06	\$276.18
ALOXI 25MG/5ML SDV	10.00	\$164.88	\$1,648.80
AMINOPHYLLINE 250MG FTV25X10ML	24.00	\$0.55	\$13.09
AMMONIA INHALANT .33CC 10/PK	10.00	\$0.16	\$1.61
ANZEMET 100MG PRES FREE SDV 5ML	20.00	\$38.61	\$772.20
ARANESPLYSB 500MCG PFS 1.0ML	3.00	\$1,252.21	\$3,756.63
ARANESPLYSB 100MCG SDV 4X1ML	5.00	\$241.65	\$1,208.26
ARANESPLYSB 200MCG SDV 1.0ML	6.00	\$500.89	\$3,005.34
ARANESPLYSB 300MCG SDV 1.0ML	3.00	\$751.32	\$2,253.96
ARIKTRA 10MG/0.8ML SYG 2/PK	3.00	\$68.38	\$205.14
ARIKTRA 5MG/0.4ML SYG 2/PK	4.00	\$68.38	\$273.52
ARIKTRA 7.5MG/0.6ML SYR 10/PK	18.00	\$65.12	\$1,172.20
ATROPINE 1MG/ML SDV 25X1ML	18.00	\$1.25	\$22.59
AVASTIN VL 100MG	2.00	\$561.05	\$1,122.10
BENZTROPINE 1MG/ML AMP 5X2ML	6.00	\$51.62	\$309.72
BONIVA 3MG/3ML PREFILLED SYG	1.00	\$442.40	\$442.40
CALCIUM GLUCONATE 10% SDV 25X10ML	18.00	\$0.99	\$17.82
CARBOPLATIN SOL 600MG/60ML	1.63	\$56.88	\$92.71
CEFTRIAXONE 1GM SDV 10/PK	15.00	\$7.57	\$113.51
CISPLATIN 200MG MDV 200ML	1.11	\$43.51	\$48.30
CLONIDINE 0.1MG TAB 100/BTL	49.00	\$0.03	\$1.55
CYANOCO 1000MCG/ML 25X1ML VL	23.00	\$0.98	\$22.54
CYCLOPHOSPHAMIDE SDV 1GM	1.00	\$80.42	\$80.42
CYCLOPHOSPHAMIDE SDV 500MG	2.00	\$44.86	\$89.72
DEPO TESTOSTERONE 200MG/ML 10ML	1.00	\$136.83	\$136.83
DEXAMETHASONE 4MG/ML MDV 25X30ML	12.00	\$7.64	\$91.65
DEXFERRUM IV 50MG/ML SDV 10X2ML	7.00	\$23.32	\$163.23
DEXTROSE 50% ANSYR SYG 10X50ML	2.00	\$23.51	\$47.02
DEXTROSE 50% LFS SYG 10X50ML	2.00	\$5.72	\$11.44

Exhibit 2.01(a)(vii)

DIPHENHYD 50MG CAP 100	1.01	\$0.03	\$0.03
DIPHENHYDRAMINE 25MG CAPS	0.75	\$0.03	\$0.02
DIPHENHYDRAMINE 50MG/ML VIAL 25X1ML	40.00	\$0.77	\$30.82
DOXORUBICIN 200MG/100ML	2.20	\$68.11	\$149.84
EPINEP 1:1000 AMP 25X1	6.00	\$1.58	\$9.49
EPINEP LFSHLD SYG10X10ML NONDL	3.00	\$1.95	\$5.86
ETOPOSIDE 20MG/ML MDV 10X5ML	10.00	\$1.03	\$10.31
ETOPOSIDE INJ 100MG/5ML VIAL	3.40	\$6.12	\$20.81
FASLODEX 250MG PF SYR 1X5ML	5.00	\$833.00	\$4,165.00
FERRLECIT 62.5MG/5ML AMP10X5ML	9.00	\$32.46	\$292.14
FLUDARABINE 50MG/2ML SOL	3.00	\$158.45	\$475.35
FLUMAZENIL 0.1MG/ML 10X5ML	8.00	\$8.37	\$66.92
FLUOROURACIL 1GM 10X20ML SDV	16.00	\$4.88	\$78.08
FLUOROURACIL 2.5GM PBP 50ML VL	1.00	\$7.99	\$7.99
FLUOROURACIL 500MG/10ML 10/PK	7.00	\$1.96	\$13.72
FLUOROURACIL 5GM VL 100ML	2.00	\$16.46	\$32.92
FUROSEMIDE 10MG/ML FTV 25X2ML	14.00	\$0.39	\$5.47
GEMZAR 1GM VIAL 50ML	1.00	\$730.44	\$730.44
GRANISETRON 1MG/ML SDV	4.00	\$12.42	\$49.68
HEPARIN SOD P 1MUN/ML 25X2ML	30.00	\$14.63	\$438.76
HERCEPTIN 440MG MDV 20ML	1.70	\$2,963.05	\$5,037.19
IBUPROFEN 200MG TAB 100	105.00	\$0.02	\$2.10
INFED 50MG/ML VL 10X2ML	18.00	\$24.30	\$437.38
INSULIN HUMULIN R 100UN/ML VIAL 10ML	1.00	\$42.52	\$42.52
LEUCOVORIN CA 10MG/ML 50ML SOL	70.00	\$10.21	\$714.70
LEUCOVORIN CAL 100MG VIAL 20MG	6.00	\$2.62	\$15.72
LEUCOVORIN CAL 50MG VIAL 10/BX	61.00	\$2.40	\$146.28
LEVAQUIN 500MG BAG 24X100ML	6.00	\$38.57	\$231.41
LORAZEPAM 2MG/ML 1ML SDV C4 (BX/10)	23.00	\$1.12	\$25.67
LOVENOX 300MG MDV 3ML	4.30	\$237.85	\$1,022.76
LUPRON DEPOT 22.5MG 3MO SYG	1.00	\$429.55	\$429.55
MAGNESIUM SUL 50% SDV 25X2ML	35.00	\$0.42	\$14.67
MANNITOL 25% FTV 25X50ML	32.00	\$0.97	\$31.05
MANNITOL 25% SDV 25X50ML	4.00	\$1.40	\$5.60
METOCLOPRAM 5MG/MLVL 25X2ML	12.00	\$0.57	\$6.89
NALOXONE 0.4MG/ML AMP 10X1ML	4.00	\$1.83	\$7.31
NEULASTA 6MG/0.6ML SYRINGE	1.00	\$2,494.23	\$2,494.23
NEUPOGEN 300MCG VIAL 10X1 ML	11.00	\$212.72	\$2,339.94
NEUPOGEN 480MCG VIAL 10X1.6ML	17.00	\$338.75	\$5,758.72
NITROSTAT 0.4 MG TABS 4X25	1.00	\$7.39	\$7.39
NPLATE 250MCG SDV 0.5ML	1.00	\$1,139.23	\$1,139.23
ONDANSETRON 2MG/ML MDV 20ML	1.00	\$9.27	\$9.27
ONDANSETRON 8MG TAB 30/BTL	39.00	\$6.10	\$237.90
PACLITAXEL 300MG/50ML INJ	1.78	\$92.31	\$164.31
PAMIDRONATE SOL 9MG/ML 10ML	1.00	\$59.87	\$59.87
PNEUMOVAX 23 VL 10X0.5ML	2.00	\$46.35	\$92.70
POT CHL 20MEQ FTV 25X10ML	26.00	\$0.46	\$11.98
PROCHLORPERAZ 10MG TAB 100	0.87	\$4.79	\$4.17
PROCHLORPERAZ 5MG/ML VL 10X2ML	8.00	\$2.65	\$21.23
PROCRIT 40,000 UN/ML VIAL 4X1ML	5.00	\$332.63	\$1,663.13
PROMETHAZINE 25MG/ML AMP25X1ML	22.00	\$1.30	\$28.58
RANITIDINE 50MG SDV 10X2ML	18.00	\$0.92	\$16.54
RANITIDINE MDV 150MG INJ 6ML	1.00	\$3.06	\$3.06
RECLAST 5MG VL 100ML	1.00	\$1,078.46	\$1,078.46
RITUXAN 100MG VL 10ML	3.00	\$584.49	\$1,753.47

Exhibit 2.01(a)(vii)

RITUXAN 500MG VIAL 50ML	1.00	\$2,922.52	\$2,922.52
SANDOSTAT LAR 20MG DIL PFS KIT	2.00	\$2,231.30	\$4,462.60
SANDOSTAT LAR 30MG DIL PFS KIT	1.00	\$3,340.79	\$3,340.79
SANDOSTATIN .1MG/ML AMP 10X1ML	2.00	\$20.17	\$40.35
SOD BIC 8 4% FTV 25X50ML	24.00	\$0.86	\$20.60
SOLU CORTEF PF100MG AOV 25X2ML	22.00	\$4.26	\$93.72
SOLU MEDROL 125MG AOV 25/BX	2.00	\$5.07	\$10.13
SOLU MEDROL 125MG AOV PF 25	33.00	\$5.07	\$167.18
SOLU MEDROL 1GM AOV 8ML	3.00	\$29.11	\$87.33
SOLU MEDROL 40MG AOV PF1ML.25/BX	17.00	\$3.13	\$53.28
SOLU-CORTEF 500MG 4ML	1.00	\$16.70	\$16.70
TRELSTAR DEPO 3.75MG INJ	1.00	\$130.61	\$130.61
TRELSTAR LA 11 25MG MIXJECT	1.00	\$391.84	\$391.84
TUBERSOL 5TU 10 TEST VIAL 1ML	1.00	\$30.59	\$30.59
TYLENOL 500MG CPLT 100/BTL	0.89	\$8.84	\$7.87
VANCOMYCIN 1GM FTV 10/BX	10.00	\$5.36	\$53.60
VANCOMYCIN 1GM SDV 10X20ML	5.00	\$8.53	\$42.63
VANCOMYCIN 500MG 25X10ML VL	20.00	\$106.56	\$2,131.20
VINBLASTINE 10MG MDV 10ML	1.00	\$8.43	\$8.43
VIT K 10MG AMP 25X1ML	5.00	\$9.27	\$46.35
WINRHO SDF LIQ 1000MCG 5000IU	2.00	\$882.95	\$1,765.90
ZOLADEX 10 8MG SFTY SYG	1.00	\$507.59	\$507.59
ZOLADEX 3.6MG SFTY SYG	1.00	\$169.20	\$169.20
ZOMETA INJ 4MG/5ML VIAL	4.00	\$851.76	\$3,407.04

\$872,637.36

Please remit to: Cancer Care Associates
 c/o Mary Dreesen
 4110 S. 100th East Ave., Ste. 201
 Tulsa, OK 74146

Exhibit 2.01(a)(vii)

CANCER CARE

ASSOCIATES
A Division of

Mercy Health System of Oklahoma
4300 W. Memorial Road
Oklahoma City, OK 73120

Drugs in stock on October 29, 2010 at Mercy

Invoice Number:	111510-70
Invoice Date:	November 15, 2010
Invoice Terms:	Due Upon Receipt

Description	Drug Count	Drug Cost per Unit	Total Cost
PROCHLORPERAZ 10MG TAB 100	0.30	\$4.79	\$1.44
ALKERAN IV 50MG SDV	1.00	\$1,632.20	\$1,632.20
BLEOMYCIN 15UNIT VL	1.00	\$30.77	\$30.77
GAMUNEX 10%5GM50ML NONRETURN	1.00	\$403.90	\$403.90
JEVTANA SDV 60MG/1.5ML W/DIL	1.00	\$8,072.73	\$8,072.73
NIPENT 10MG VL 5ML	1.00	\$1,550.12	\$1,550.12
VINCRISTINE 1MG/ML SDV 1ML	1.00	\$7.39	\$7.39
ALIMTA 100MG INJ VL	1.00	\$510.71	\$510.71
PAMIDRONATE SOL 9MG/ML 10ML	1.00	\$59.87	\$59.87
TRELSTAR DEPO 3.75MG INJ	1.00	\$130.61	\$130.61
ZOLADEX 10.8MG SFTY SYG	1.00	\$507.59	\$507.59
AVASTIN VL 100MG	1.00	\$561.05	\$561.05
ARANESP PLYSB 500MCG PFS 1.0ML	1.00	\$1,252.21	\$1,252.21
VINBLASTINE 10MG MDV 10ML	1.20	\$8.43	\$10.12
DIPHENHYDRAMINE 25MG CAPS 100	1.80	\$0.02	\$0.04
BLEOMYCIN INJ 30IU LYO 20ML	2.00	\$59.78	\$119.56
CYTARABINE SOL 100MG/ML 20ML	2.00	\$14.00	\$28.00
DOXIL 50MG/25ML (2MG/ML) SDV	2.00	\$2,369.15	\$4,738.30
FLUCONAZ BAG 200MG 6X100ML	2.00	\$10.25	\$20.49
FUROSEMIDE 10MG/ML FTV 25X4ML	2.00	\$0.46	\$0.91
METHOTREX INJ LPF 1GM /40ML	2.00	\$43.40	\$86.80
NAVELBINE 50MGVL 5ML	2.00	\$87.73	\$175.46
TORISEL 25MG INJ KIT W/DIL	2.00	\$1,235.32	\$2,470.64
FERAHEME 510 MG/17ML SDV	2.00	\$388.76	\$777.52
VANCOMYCIN 500MG FTV 10/BX	2.00	\$2.79	\$5.58
LUPRON DEPOT 22.5MG 3MO SYG	2.00	\$429.55	\$859.10
ACTIVASE CATHFLO 2MG POWDER SDV	2.00	\$92.06	\$184.12
LOVENOX 300MG MDV 3ML	2.00	\$237.85	\$475.70
ELSPAR 10M IU VL 10ML	3.00	\$63.66	\$190.98
GAMUNEX 10%10GM100ML NONRETURN	3.00	\$807.80	\$2,423.40
GAMUNEX 10%20GM200ML NONRETURN	3.00	\$1,615.61	\$4,846.83

Exhibit 2.01(a)(vii)

LUPRON DEPOT 7.5MG SYR	3.00	\$143.18	\$429.54
METHOTREX 250MG LPP 10ML MDV	3.00	\$12.23	\$36.69
MUSTARGEN 10MG VL 4X20ML	3.00	\$168.11	\$504.33
TREANDA 25MG VL 8ML	3.00	\$459.27	\$1,377.81
OXALIPLATIN 50MG 5MG/ML 10ML	3.00	\$510.31	\$1,530.93
DEXRAZOXANE 500MG KIT	3.00	\$336.80	\$1,010.40
VELCADE INJ 3.5MG/10ML	3.00	\$1,354.11	\$4,062.33
FLUOROURACIL 2.5GM PBP 50ML VL	3.00	\$7.99	\$23.97
NITROSTAT 0.4 MG TABS 4X25	3.00	\$7.39	\$22.18
SANDOSTAT LAR 30MG DIL PFS KIT	3.00	\$3,340.79	\$10,022.37
TRELSTAR LA 11 25MG MIXJECT	3.00	\$391.84	\$1,175.52
TUBERSOL 5TU 10 TEST VIAL 1ML	3.00	\$30.59	\$91.77
SANDOSTAT LAR 20MG DIL PFS KIT	3.00	\$2,231.30	\$6,693.90
SOLU MEDROL 1GM AOV 8ML	3.00	\$29.11	\$87.33
PROCHLORPERAZ 5MG/ML VL 10X2ML	3.00	\$2.65	\$7.96
ENGRIX ADULT P/F SDV 10X1ML	4.00	\$55.56	\$222.26
EPIRUBICIN 50MG VL 25ML	4.00	\$66.22	\$264.88
INTRON A HSAF SOL 25MM IU/3 2ML VIAL	4.00	\$479.78	\$1,919.12
LUPRON DEPOT 30MG 4MO KIT 1	4.00	\$572.73	\$2,290.92
METHOTREXATE 50MG/2ML LPF SDV 10X2ML	4.00	\$23.39	\$93.56
METHOTREXATE 1GM PF SDV 40ML	4.00	\$42.27	\$169.08
TREANDA 100MG VL 20ML	4.00	\$1,837.11	\$7,348.44
NPLATE 500MCG SDV 1 0ML	4.00	\$2,278.44	\$9,113.76
ALIMTA 500MG INJ VL	4.00	\$2,553.53	\$10,214.12
VINCISTINE 1MG/ML SDV 2ML	4.00	\$12.83	\$51.32
ARANESP 100MCG SDV 4X1ML	4.00	\$369.82	\$1,479.27
DEXTROSE 50% LFS SYG 10X50ML	4.00	\$5.72	\$22.87
FASLODEX 250MG PF SYR 1X5ML	4.00	\$833.00	\$3,332.00
PROCRT 40,000 UN/ML VIAL 4X1ML	4.00	\$332.63	\$1,330.50
ONDANSETRON 8MG TAB 30/BTL	4.00	\$6.10	\$24.40
HEPARIN 5,000UN/ML MDV 25X1ML	5.00	\$4.58	\$22.88
SOLU CORTEF 100MG AOV VL 2ML	5.00	\$4.27	\$21.35
ARANESPLYSB 200MCG PFS 0 4ML	5.00	\$500.89	\$2,504.45
ARANESPLYSB 300MCG PFS 0 6ML	5.00	\$751.32	\$3,756.60
OXALIPLATIN 5 MG/ML SDV 20 ML	5.00	\$1,463.91	\$7,319.55
ERBITUX 200MG/100ML VL	5.00	\$964.66	\$4,823.30
DACARBAZINE 100MG VL 10X10ML	5.00	\$8.38	\$41.90
FLUOROURACIL 5GM VL 100ML	5.00	\$16.46	\$82.30
DOXORUBICIN 200MG/100ML	5.20	\$68.11	\$354.17
HERCEPTIN 440MG MDV 20ML	5.30	\$2,963.05	\$15,704.17
CYTARABINE 1GM VL	6.00	\$8.16	\$48.96
CYCLOPHOSPHAMIDE SDV 500MG	6.00	\$44.86	\$269.16
FLUOROURACIL 500MG/10ML 10/PK	6.00	\$1.96	\$11.76
PACLITAXEL 300MG/50ML INJ	6.30	\$92.31	\$581.55
ARIIXTRA 7.5MG/0 6ML SYG 2/PK	7.00	\$68.38	\$478.66
HYCAMTIN 4MG SINGLES	7.00	\$1,061.67	\$7,431.69
FERRLECIT 62 5MG/5ML AMP10X5ML	7.00	\$27.18	\$190.24
TAXOTERE 40MG/ML(80MG) SDV 2ML	7.00	\$1,285.97	\$9,001.79
GEMZAR 1GM VIAL 50ML	7.00	\$730.44	\$5,113.08
CYCLOPHOSPHAMIDE SDV 1GM	7.00	\$80.42	\$562.94
PNEUMOVAX 23 VL 10X0.5ML	7.00	\$46.35	\$324.46
NEUPOGEN 300MCG VIAL 10X1 ML	7.00	\$212.72	\$1,489.05
CEFTRIAZONE 1GM VL 10/PK	8.00	\$2.50	\$20.00
OCTREOTIDE 1MG/ML 10X1ML	8.00	\$7.35	\$58.78
RITUXAN 500MG VIAL 50ML	8.00	\$2,922.52	\$23,380.16

Exhibit 2.01(a)(vii)

NALOXONE 0.4MG/ML AMP 10X1ML	8.00	\$1 83	\$14.62
CORTROSYN 0 25MG VL 10X1ML	9 00	\$78.67	\$708.03
NEULASTA 6MG/0 6ML SYRINGE	9 00	\$2,494.23	\$22,448.07
ZOMETA INJ 4MG/5ML VIAL	9.00	\$851.76	\$7,665.84
FLUMAZENIL 0.1MG/ML 10X5ML	9.00	\$8 37	\$75 29
LORAZEPM F/T 2MG/MLVL 10X10ML	10.00	\$9.10	\$91.03
LEUCOVORIN CA 200MG VL	10 00	\$5.87	\$58.70
GEMZAR 200MG VL 10ML	10.00	\$146.10	\$1,461 00
FERRLECIT 62.5MG/5ML AMP10X5ML	10.00	\$32 46	\$324.60
ETOPOSIDE 20MG/ML MDV 10X5ML	10.00	\$1 03	\$10.31
IRINOTECAN 20MG/ML SDV 2 ML	11.00	\$13.51	\$148.61
EPINEP LFSHLD SYG10X10ML NONDL	11.00	\$1.95	\$21.47
ABRAXANE 100MG LYO 20ML	11 00	\$905.20	\$9,957.20
VANCOMYCIN 1GM FTV 10/BX	11 00	\$5.36	\$58.96
INFED 50MG/ML VL 10X2ML	11 00	\$24.30	\$267 29
CALCIUM GLUCONATE10%SDV25X10ML	11 00	\$0.99	\$10 89
IRINOTECAN 20MG/ML SDV 5ML	12.00	\$45.76	\$549 12
TAXOTERE 20MG/.5ML SDV 0 5ML	12.00	\$321.50	\$3,858 00
FLUOROURACIL 1GM 10X20ML SDV	12.00	\$4.88	\$58 56
AVASTIN VL 400MG	13 00	\$2,244.23	\$29,174 99
ETOPOSIDE INJ 20MG/ML 25ML MD	13 30	\$49.26	\$655.16
SOLU CORTEF 250MG AOV VIAL 2ML	14 00	\$7.40	\$103.60
RITUXAN 100MG VL 10ML	15.00	\$584.49	\$8,767 35
NEUPOGEN 480MCG VIAL 10X1 6ML	16 00	\$338.75	\$5,419 97
ATROPINE 1MG/ML SDV 25X1ML	16.00	\$1.25	\$20.08
MANNITOL 25% FTV 25X50ML	17.00	\$0.97	\$16.50
LEUCOVORIN CA 10MG/ML 50ML SOL	20.00	\$10.21	\$204 20
VIT K 10MG AMP 25X1ML	21 00	\$9 27	\$194.67
HEPARIN SOD P 1MUN/ML 25X2ML	21.00	\$14 63	\$307.13
DEXAMETHASONE 4MG/ML MDV 25X30ML	22 10	\$7.64	\$168.78
DACARBAZINE 200MG VL 10X20ML	23.00	\$8.42	\$193.66
HEPARIN 10,000UN/ML MDV 25X1ML	23.00	\$7 76	\$178.52
SOLU MEDROL AOV 40MG VIAL 25/BX	23.00	\$3.13	\$72.08
FAMOTIDINE 20MG SDV 25X2ML	23.00	\$0.68	\$15.64
SOLU MEDROL 125MG AOV PF 25	23 00	\$5.07	\$116.52
PROMETHAZINE 25MG/ML AMP25X1ML	24 00	\$1.30	\$31.18
EPINEP I-1000 AMP 25X1	25.00	\$1.58	\$39.54
MAGNESIUM SUL 50% SDV 25X2ML	26 00	\$0 42	\$10.90
SOD BIC 8 4% FTV 25X50ML	32 00	\$0 86	\$27.47
LEUCOVORIN CAL 100MG VIAL 10/BX	33 00	\$2.45	\$80.82
DIPHENHYDRAMINE 50MG/ML VIAL 25X1ML	48 00	\$0 77	\$36 98
LEUCOVORIN CAL 50MG VIAL 10/BX	53.00	\$2 40	\$127 09
POT CHL 2MEQ/ML VL 25X30ML	55 00	\$1 20	\$66 26
LEUCOVORIN CAL 350MG SDV 30ML	73.00	\$7 76	\$566 48
CLONIDINE 0 1MG TAB 100/BTL	107 00	\$0 03	\$3 38

ES25 AUG 14

Please remit to: Cancer Care Associates
c/o Mary Dreesen
4110 S. 100th East Ave., Ste. 201
Tulsa, OK 74146

Exhibit 2.01(a)(vii)

CANCER CARE

ASSOCIATES

Mercy Health System of Oklahoma
4300 W. Memorial Road
Oklahoma City, OK 73120

Drugs in stock on October 29, 2010 at Norman

Invoice Number:	111510-40
Invoice Date:	November 15, 2010
Invoice Terms:	Due Upon Receipt

Description	Drug Count	Drug Cost per Unit	Total Cost
ABRAXANE 100MG LYO 20ML	3.00	\$905.20	\$2,715.60
ACETAMIN 325MG TAB 1000 EA	500.00	\$0.01	\$4.29
ACTIVASE CATHFLO 2MG POWDER SDV	1.00	\$92.06	\$92.06
ALBUTEROL INH SOL .83% 25X3ML	24.00	\$0.12	\$2.86
ALIMTA 100MG INJ VL	8.00	\$510.71	\$4,085.68
ALIMTA 500MG INJ VL	3.00	\$2,553.53	\$7,660.59
ALOXI .25MG/5ML FOR PF	28.00	\$161.58	\$4,524.24
ARANESP 100MCG SDV 4X1ML	6.00	\$369.82	\$2,218.91
ARANESP 150MCG SDV 4X.75ML	6.00	\$560.33	\$3,361.98
ARANESP 200MCG PF SYR 4ML	4.00	\$747.11	\$2,988.44
ARANESP 25MCG SDV 4X1ML	3.00	\$93.63	\$280.88
ARANESP 300MCG PF SYR 6ML	4.00	\$1,120.66	\$4,482.64
ARANESP PLYSB 40MCG PFS 4X.4ML	7.00	\$101.40	\$709.80
ARANESP PLYSB 500MCG PFS 1.0ML	1.00	\$1,252.21	\$1,252.21
ATROPINE 0.4MG/ML SDV 25X1ML	20.00	\$0.82	\$16.37
AVASTIN VL 100MG	7.00	\$561.05	\$3,927.35
AVASTIN VL 400MG	4.00	\$2,244.23	\$8,976.92
BLEOMYCIN 30IU SDV	1.00	\$61.55	\$61.55
CALCIUM GLUCONATE 10% SDV 25X10ML	14.00	\$0.99	\$13.86
CARBOPLATIN 600MG/60ML SOL	5.00	\$58.04	\$290.20
CISPLATIN 1MG/ML 100ML	7.00	\$22.45	\$157.15
CYANOCO 1000MCG/ML SDV 25X1ML	14.00	\$0.65	\$9.10
CYCLOPHOSPHAMIDE SDV 1GM	7.00	\$80.42	\$562.94
CYCLOPHOSPHAMIDE SDV 500MG	7.00	\$44.86	\$314.02
DACARBAZINE 100MG VL 10X10ML	13.00	\$8.38	\$108.93
DEXAMETHASONE 4MG/ML MDV 25X30ML	8.00	\$7.64	\$61.10
DEXRAZOXANE 500MG KIT	3.00	\$336.80	\$1,010.40
DIPHENHYDRAMINE 25MG CAPS 100	104.00	\$0.02	\$2.13
DIPHENHYDRAMINE 50MG/ML VIAL 25X1ML	57.00	\$0.77	\$43.91
DOXORUBICIN 200MG/100ML	5.00	\$68.11	\$340.55
EPIRUBICIN 50MG/25ML SDV	3.00	\$128.00	\$384.00

Exhibit 2.01(a)(vii)

ERBITUX 100MG/50ML VL	1.00	\$482.33	\$482.33
ERBITUX 200MG/100ML VL	2.00	\$964.66	\$1,929.32
ETOPOPHOS 100MG	5.00	\$140.03	\$700.15
ETOPOSIDE 500MG MDV 25ML	2.00	\$25.51	\$51.02
ETOPOSIDE INJ 100MG/5ML VIAL	2.00	\$6.12	\$12.24
FERRLECIT 62.5MG/5ML AMP10X5ML	2.00	\$27.18	\$54.35
FLUDARA 50MG VL	5.00	\$313.72	\$1,568.60
FLUOROURACIL 2.5GM VL	12.00	\$7.99	\$95.88
FLUOROURACIL 500MG/10ML 10/PK	31.00	\$1.96	\$60.76
FUROSEMIDE 10MG/ML FTV 25X2ML	23.00	\$0.39	\$8.98
FUSILEV LEVOLEUCO 50MGVL10ML	54.00	\$178.82	\$9,656.28
GEMZAR 1GM VIAL 50ML	6.00	\$730.44	\$4,382.64
GEMZAR 200MG VL 10ML	10.00	\$146.10	\$1,461.00
HEPARIN LF 100U/ML 25X30ML	24.00	\$1.29	\$30.84
HERCEPTIN 440MG MDV 20ML	3.00	\$2,963.05	\$8,889.15
HYDROXYZ PAM 25MG CAP 100	100.00	\$5.12	\$512.00
INTRON A PWDR 10MM IU VIAL 1ML	8.00	\$151.53	\$1,212.24
IRINOTECAN 20 MG/ML 2 ML VL	16.00	\$33.90	\$542.40
IRINOTECAN 20 MG/ML 5 ML VL	8.00	\$84.75	\$678.00
LEUCOVORIN CA 10MG/ML 50ML SOL	1.00	\$10.21	\$10.21
LEUCOVORIN CA 200MG VL	5.00	\$5.87	\$29.35
LEUCOVORIN CAL 350MG VIAL 50ML	8.00	\$6.12	\$48.96
LEUCOVORIN CAL 50MG VIAL 10/BX	51.00	\$2.40	\$122.30
LIDOCAINE 1% FTV 25X20ML	7.00	\$0.60	\$4.22
LORAZEPAM 2MG/ML 10ML MDV	9.00	\$14.19	\$127.75
LOVENOX 120MG PFS 10X0.8ML	7.00	\$95.27	\$666.90
MAG SULF 50% 500MG/ML 25X10ML	34.00	\$0.57	\$19.39
MANNITOL 25% SDV 25X50ML	37.00	\$1.40	\$51.81
METHOTREX INJLPP 50MG/2ML 5/PK	5.00	\$2.24	\$11.18
NAVELBINE 10MG VIAL 1ML	1.00	\$17.54	\$17.54
NAVELBINE 50MG VL 5ML	1.00	\$87.73	\$87.73
NEULASTA 6MG/0.6ML SYRINGE	7.00	\$2,494.23	\$17,459.61
NEUPOGEN 300MCG VIAL 10X1 ML	6.00	\$212.72	\$1,276.33
NEUPOGEN 480MCG VIAL 10X1 6ML	10.00	\$338.75	\$3,387.48
NPLATE 500MCG SDV 1.0ML	2.00	\$2,278.44	\$4,556.88
ONDANSETRON 8MG TAB 30/BTL	31.00	\$6.10	\$189.10
OXALIPLATIN 100MG 5MG/ML 20ML	22.00	\$1,020.62	\$22,453.64
OXALIPLATIN 50 MG SOL SDV 10ML	3.00	\$783.51	\$2,350.53
PACLITAXEL 300MG MDV 50ML	7.00	\$116.13	\$812.91
PNEUMOVAX 23 VL 10X0.5ML	10.00	\$46.35	\$463.52
POTASSIUM CHL 40MEQ SDV 25X20ML	26.00	\$0.98	\$25.54
PROCHLORPERAZ 10MG TAB 100	57.00	\$4.79	\$273.03
PROCHLORPERAZ 5MG/ML VL 10X2ML	4.00	\$2.65	\$10.62
PROCRIT 10,000 UN/ML VIAL 6X1ML	7.00	\$83.16	\$582.10
PROCRIT 20MUN/ML MDV 6X1ML	3.00	\$186.58	\$559.73
RANITIDINE 50MG SDV 10X2ML	83.00	\$0.92	\$76.28
RITUXAN 100MG VL 10ML	2.00	\$584.49	\$1,168.98
RITUXAN 500MG VIAL 50ML	1.00	\$2,922.52	\$2,922.52
SOD THIOSUL 25% SDV 50ML	1.00	\$19.60	\$19.60
SOLU CORTEF 100MG AOV 25X2ML	4.00	\$4.31	\$17.22
SOLU MEDROL 125MG AOV 25/BX	27.00	\$5.07	\$136.78
TAXOTERE 20MG/ 5ML SDV 0.5ML	9.00	\$321.50	\$2,893.50
TAXOTERE 40MG/ML(80MG) SDV 2ML	6.00	\$1,285.97	\$7,715.82
VELCADE INJ 3.5MG/10ML	4.00	\$1,354.11	\$5,416.44
VINBLASTINE 10MG MDV 10ML	3.00	\$8.43	\$25.29

Exhibit 2.01(a)(vii)

VINCRISTINE IMG/ML SDV 2ML	3 00	\$12.83	\$38.49
WINRHO SDF LIQ 3000MCG 15000IU	1 00	\$2,648.84	\$2,648.84
ZINECARD 250 MG/ML SDV	2 00	\$242.22	\$484.44
ZINECARD 500MG/ML SDV	1 00	\$449.61	\$449.61
ZOMETA INJ 4MG/5ML VIAL	3 00	\$851.76	\$2,555.28

\$165,156.28

Please remit to: Cancer Care Associates
 c/o Mary Dreesen
 4110 S. 100th East Ave., Ste. 201
 Tulsa, OK 74146

CANCER CARE ASSOCIATES

Vile
Mercy Health System of Oklahoma
4300 W. Memorial Road
Oklahoma City, OK 73120

Drugs in stock on November 30, 2010 at Ardmore

Invoice Number:	121510
Invoice Date:	December 15, 2010
Invoice Terms:	Due Upon Receipt

Description	Drug Count	Drug Cost per Unit	Total Cost
ABRAXANE 100MG LYO 20ML	2 00	\$905 20	\$1,810.40
ACETAMIN 325MG TAB 100/BTL	79 00	\$0.01	\$0 64
ACETAMINOPHEN 500MG TABS 1000	46 00	\$0 01	\$0 63
ACTIVASE CATHFLO 2MG POWDER SDV	1 00	\$98 32	\$98 32
ALBUTEROL INH SOL 83% 25X3ML	5 00	\$0 12	\$0 60
ALIMTA 100MG INJ VL	3 00	\$510 71	\$1,532 13
ALIMTA 500MG INJ VL	1 00	\$2,553 53	\$2,553 53
ALOXI 25MG/5ML SDV	23 00	\$164 88	\$3,792 24
ARANESP PLYSB 500MCG PFS 1 0ML	1 00	\$1,252 21	\$1,252 21
ARANESPLYSB 200MCG PFS 0.4ML	7 00	\$500 89	\$3,506 23
ARANESPLYSB 300MCG PFS 0.6ML	6 00	\$751 32	\$4,507 92
ATROPINE 0.4MG/ML SDV 25X1ML	6 00	\$0 82	\$4 91
AVASTIN VL 100MG	17 00	\$561 05	\$9,537 85
AVASTIN VL 400MG	1 00	\$2,244 23	\$2,244 23
CALCIUM GLUCONATE 10% SDV 25X10ML	65 00	\$0 99	\$64 35
CARBOPLATIN SOL 450MG/45ML	9 00	\$42 66	\$383 94
CISPLATIN PRES FREE 100MG MDV 100ML	2 00	\$21 75	\$43 50
CYANOCO 1000MCG/ML 25X1ML VL	18 00	\$0 98	\$17 64
CYCLOPHOSPHAMIDE SDV 1GM	3 00	\$80 42	\$241 26
CYCLOPHOSPHAMIDE SDV 500MG	3 00	\$44 86	\$134 58
DACARBAZINE 200MG VL 10X20ML	9 00	\$8 42	\$75 78
DEMEROL 25MG/ML 1ML CPJ LL SLM	9 00	\$0 71	\$6 43
DEXAMETHASONE 4MG/ML MDV 25X30ML	18 00	\$7 64	\$137 47
DEXRAZOXANE 500MG KIT	5 00	\$336 80	\$1,684 00
DIPHENHYD 50MG CAP 100	67 00	\$0 03	\$1 88
DIPHENHYDRAMINE 25MG CAPS 100	32 00	\$0 02	\$0 66
DIPHENHYDRAMINE 50MG/ML VIAL 25X1M	90 00	\$0 77	\$69 34
DOXORUBICIN 200MG/100ML	1 00	\$68 11	\$68 11
EPINEP 1 1000 AMP 25X1	22 00	\$1 58	\$34 80
ETOPOSIDE INJ 100MG/5ML VIAL	17 00	\$6 12	\$104 04
FAMOTIDINE 20MG SDV 25X2ML	51 00	\$0 68	\$34 68
FLUMAZENIL 0.1MG/ML 10X5ML	3 00	\$8 37	\$25 10
FLUOROURACIL 1GM 10X20ML SDV	17 00	\$4 88	\$82 96
FLUOROURACIL 500MG VIAL 10X10ML	43 00	\$2 44	\$104 92
FLUOROURACIL 5GM VL	14 00	\$16 46	\$230 44

FUROSEMIDE 10MG/ML FTV 25X2ML	32.00	\$0.39	\$12.49
FUSILEV LEVOLEUCO 50MGVL10ML	82.00	\$178.82	\$14,663.24
GAMUNEX 10%10GM100ML NONRETURN	1.00	\$807.80	\$807.80
GAMUNEX 10%20GM200ML NONRETURN	1.00	\$1,615.61	\$1,615.61
GEMCITABINE 1GM	4.00	\$555.71	\$2,222.84
GEMCITABINE 200MG	5.00	\$111.14	\$555.70
HEPARIN 1,000UN/ML MDV 25X30ML	24.00	\$9.09	\$218.17
HERCEPTIN 440MG MDV 20ML	3.00	\$2,963.05	\$8,889.15
HYCAMTIN 4MG SINGLES	3.00	\$1,061.67	\$3,185.01
INTRON A PWDR 50MM IU VL 1ML	1.00	\$757.29	\$757.29
IRINOTECAN 20 MG/ML 2 ML VL	6.00	\$33.90	\$203.40
IRINOTECAN 20MG/ML SDV 5ML	3.00	\$85.00	\$255.00
JEVTANA SDV 60MG/1 5ML W/DIL	1.00	\$8,072.73	\$8,072.73
LEUCOVORIN CAL 50MG VIAL 10/BX	9.00	\$2.40	\$21.58
LORAZEPAM 2MG/ML 1ML SDV C4 (BX/10)	5.00	\$1.12	\$5.58
MAGNESIUM SUL 50% SDV 25X2ML	34.00	\$0.42	\$14.25
MANNITOL 25% SDV 25X50ML	28.00	\$1.40	\$39.21
METHOTREXATE 250MG PF 10X10ML	9.00	\$57.15	\$514.35
NAVELBINE 50MG VL 5ML	1.00	\$87.73	\$87.73
NEULASTA 6MG/0.6ML SYRINGE	3.00	\$2,494.23	\$7,482.69
NEUPOGEN 300MCG VIAL 10X1 ML	7.00	\$212.72	\$1,489.05
NEUPOGEN 480MCG VIAL 10X1 6ML	9.00	\$338.75	\$3,048.73
NPLATE 250MCG SDV 0.5ML	1.00	\$1,139.23	\$1,139.23
ONDANSETRON 8MG TAB 30/BTL	28.00	\$6.10	\$170.80
OXALIPLATIN 5 MG/ML SDV 10 ML	2.00	\$783.51	\$1,567.02
OXALIPLATIN 5 MG/ML SDV 20 ML	11.00	\$1,463.91	\$16,103.01
PACLITAXEL 300MG/50ML INJ	10.00	\$92.31	\$923.10
PAMIDRONATE 6MG/ML SDV 10ML LIQ	1.00	\$58.21	\$58.21
PNEUMOVAX 23 VL 10X0 5ML	10.00	\$46.35	\$463.52
POT CHL 2MEQ/ML 25X10ML	55.00	\$0.77	\$42.50
PROCRT20M UN/ML MDV 4X1ML	4.00	\$166.31	\$665.25
RIMSO-50 VL 50ML EA	2.00	\$96.85	\$193.70
RITUXAN 100MG VL 10ML	11.00	\$584.49	\$6,429.39
RITUXAN 500MG VIAL 50ML	4.00	\$2,922.52	\$11,690.08
SANDOSTAT LAR 20MG DIL PFS KIT	1.00	\$2,231.30	\$2,231.30
SANDOSTAT LAR 30MG DIL PFS KIT	1.00	\$3,340.79	\$3,340.79
SOLU CORTEF 100MG VIAL 2ML	3.00	\$4.16	\$12.48
SOLU MEDROL 125MG AOV PF 25	25.00	\$5.07	\$126.65
TAXOTERE 20MG/ 5ML SDV 0.5ML	8.00	\$321.50	\$2,572.00
TAXOTERE 40MG/ML(80MG) SDV 2ML	3.00	\$1,285.97	\$3,857.91
TREANDA 100MG VL 20ML	4.00	\$1,837.11	\$7,348.44
TREANDA 25MG VL 8ML	5.00	\$459.27	\$2,296.35
VIDAZA 100MG VL	6.00	\$497.28	\$2,983.68
VINBLASTINE 10MG MDV 10ML	2.00	\$8.43	\$16.86
VINCRIStINE 1MG/ML SDV 2ML	1.00	\$12.83	\$12.83
WATER STERILE FTV 25X10ML	9.00	\$0.44	\$3.98
ZOLADEX 10 8MG SFTY SYG	1.00	\$507.59	\$507.59
ZOMETA INJ 4MG/5ML VIAL	4.00	\$851.76	\$3,407.04

\$156,713.03

Please remit to: Cancer Care Associates
c/o Mary Dreesen
4110 S 100th East Ave., Ste 201
Tulsa, OK 74146

SCHEDULE 2.01(a)(viii)
TANGIBLE PERSONAL PROPERTY
Inventory of Supplies

SEE ATTACHED

Site	Dept	Description	Jul	Aug	Sep	Oct	Nov	Total	Last Four Month Avg	Oct/4-Mo	100% Amounts over Four Mth Avg	Due to CCA 1/2 Mth Avg + Overage
Hefner	Lab	Lab Supplies	14,425 38	8,314 85	6,822 30	3,824 68	259 17	96,523 63	8,296 80	46.1%	-	
Hefner	Lab	Patient Lab	28 50	-	445 63	-	-	698 08	118 53	0 0%	-	
Hefner	Drug	Pharm Supply	1,204 60	1,643 40	933 78	1,104 80	-	12,285 13	1,221 65	90 4%	-	
Hefner	All	Office Supply	912 91	1,142 43	1,440 96	605.77	571 41	11,707 46	1,025 52	59 1%	-	
Hefner	E&M	Med Supplies	5,498 30	5,993 50	4,243 18	2,846 45	-	60,211 23	4,645 36	61.3%	-	
Hefner	E&M	Patient Supply	553 65	510 10	437 92	593 86	-	6,696 67	523 88	113 4%	69 98	7,985 85
Norman	Drug	Pharm Supply	1,071 20	1,278.20	537 80	1,764.19	-	11,079 20	1,162 85	151 7%	601 34	
Norman	All	Office Supply	856 80	162 92	868 52	466 21	448 60	6,949 80	588.61	79 2%	-	
Norman	MedRec	Office Supply	270 45	-	129 49	1,025.28	-	4,007 93	356.31	287 7%	668.97	
Norman	E&M	Med Supplies	3,504 93	4,479.45	4,117 70	7,981 07	-	58,657 26	5,020 79	159 0%	2,960 28	
Norman	E&M	Patient Supply	-	-	-	-	-	189 95	-	#DIV/0!	-	
Norman	E&M	Patient Supply	192 94	363 32	327 12	540 73	-	4,558 47	356 03	151 9%	184 70	8,157 59
Mercy	Lab	Lab Supplies	1,833 55	2,302 88	3,180 15	3,861 69	-	27,650 64	2,794 57	138 2%	1,067 12	
Mercy	Lab	Patient Lab	91 30	54 75	479.00	-	-	988 60	156 26	0 0%	-	
Mercy	Drug	Pharm Supply	1,801 42	3,399 31	2,063 35	3,728 29	-	22,971 97	2,748 09	135 7%	980 20	
Mercy	All	Office Supply	1,544 18	1,208 75	1,057 96	1,772 18	358 37	15,419 61	1,395 77	127 0%	376 41	
Mercy	E&M	Office Supply	-	-	-	-	-	20 45	-	#DIV/0!	-	
Mercy	MedRec	Office Supply	-	66.08	-	1,096 49	-	7,167 29	290 64	377 3%	805 85	
Mercy	E&M	Med Supplies	8,685 02	9,402 41	8,396 47	16,920 64	294.71	95,414 13	10,851 14	155 9%	6,069.50	
Mercy	E&M	Patient Supply	759 64	782 33	716 97	745 82	-	8,174 44	751 19	99 3%	-	18,792.91
Enid	Drug	Pharm Supply	654 20	1,007 14	459 80	638 80	-	6,347 09	689.99	92 6%	-	
Enid	All	Office Supply	244 86	175 74	117 57	628 33	118 75	3,693 54	291 63	215 5%	336 70	
Enid	MedRec	Office Supply	128 04	-	-	-	-	3,015 93	32 01	0 0%	-	
Enid	E&M	Med Supplies	1,712 76	2,693 68	1,235 65	2,513 52	-	21,127 05	2,038 90	123 3%	474 62	
Enid	E&M	Patient Supply	136 48	128 82	174.35	52 00	-	1,381 15	122 91	42 3%	-	2,399 04
Ardmore	Lab	Lab Supplies	1,160 63	1,349 38	1,285 13	691 25	1,964 13	14,406 42	1,322 47	148 5%	641 66	
Ardmore	Drug	Pharm Supply	868 20	1,075 70	1,033 64	1,072 42	852 20	10,087 48	1,008 49	84 5%	-	
Ardmore	All	Office Supply	643 70	270 13	517 78	761 10	1,283 19	6,172 86	708 05	181 2%	575 14	
Ardmore	E&M	Office Supply	21 75	-	43.77	-	-	91 77	10 94	0.0%	-	
Ardmore	FO/MR	Office Supply	-	-	-	-	-	80 56	-	#DIV/0!	-	
Ardmore	E&M	Med Supplies	3,400 67	2,843 78	2,806 41	4,572 33	6,011 89	42,274 03	4,058 60	148.1%	1,953 29	
Ardmore	E&M	Patient Supply	339 54	325 62	284 21	467 35	1,335.72	5,601 43	603 23	221 4%	732 49	7,758.47
			52,545 60	50,974 67	43,956 61	60,275 25	13,498 14	565,651 25	53,191.21		18,498 25	45,093 86

SCHEDULE 2.01(a)(ix)
TANGIBLE PERSONAL PROPERTY - VARIAN LINEAR ACCELERATOR

Varian Linear Accelerator as described in Schedule 2.01(a)(ii)
Appraisal as Item #91

\$5,000.00

**SCHEDULE 2.01(a)(x)
LEASEHOLD IMPROVEMENTS**

<u>Properties</u>	<u>Purchase Price</u>
Quailbrook:	
QB renovations	\$13,038.67
Norman:	
Robinson Buildout	\$11,184.31
Vinyl Wall covering 1C	\$0
Vinyl Wall covering 2C	\$0
Vinyl Wall Covering 4L	\$0
Vinyl Wall Covering 6C	\$0
Add Sign Letters	\$0
New Buildout	\$19,354.00
Remodel JMC Office	<u>\$8,057.49</u>
<i>Total</i>	\$38,595.80
Mercy:	
Carpet	\$0
Replace Wall Covering	\$0
Replace Wall Covering	\$0
Total	\$51,635.00

SCHEDULE 2.01(b)
ASSUMED CONTRACTS

NONE

**SCHEDULE 2.02
EXCLUDED ASSETS**

For purposes of this Agreement, the following items will be treated as Excluded Assets pursuant to Paragraph 2.02:

Schedule 2.01(a)(ii) - Item #75 - DIGITIZER: X-RAY FILM, VIDAR SYSTEMS CORP., MDL. DOSIMETRY PRO ADVANTAGE RED, S/N351590 - APPRAISED VALUE \$0.00

Schedule 2.01(a)(ii) - Item #88 - CONTROL UNIT: WELLHOFFER, MDL. CU 500E, DUAL PROCESSOR BASE- APPRAISED VALUE \$0.00

Schedule 2.01(a)(ii) - Item #164 - MOBILE SCAN UNIT. USED FOR PET/CT SCREENING, ELLIS AND WATTS, CTI-SIEMENS TRAILER, VIN IJJV482WX2L729397, S/N 18238 TL 4873.VC204, MFD. 12/2001, 48' OVERALL LENGTH, 50,000-GVW, WITH SLIDE-OUT, AIR CONDITIONING, INSULATION, SELF-CONTAINED GENERATOR POWER SUPPLY; COMPLETE WITH HYDRAULIC EQUIPMENT LIFT, MOBILE ALUMINUM ACCESS STEPS, CONFIGURED FOR MOBILE PET/CT SCANNING, COMPLETE WITH STANDARD OPTIONS AND ACCESSORIES - APPRAISED VALUE \$50,000.00

**SCHEDULE 2.03
ASSUMED LIABILITIES**

SEE ATTACHED

2.03 - ASSUMED LIABILITIES

<u>VENDOR</u>	<u>INVOICE #</u>	<u>DATES OF SERVICE</u>	<u>LOCATION</u>	<u>AMOUNT DUE</u>
Abbott Laboratories	932978442	11.10.10	Mercy	117.50
	932978443	11.10.10	Mercy	208.34
	932996031	11.11.10	Mercy	419.78
	933162324	11 30.10	Ardmore	477.44
	7780505	12.1.10	Mercy	2280.92
	7810437	12.6 10	Mercy	1272.22
	7810398	12.6 10	Hefner	1040.91
	933251262	12.8.10	Ardmore	358 79
	933251263	12.8 10	Ardmore	204.69
	9332555604	12 8.10	Ardmore	204.15
	933250647	12 8 10	Mercy	628 12
ACIST (Service agreement)	No invoice	No invoice	Hefner	0.00
ADT	35758914	12 1.10-12.31.10	Mercy	67.91
	37651853	1.1.11-1 31.11	Mercy	67.91
Ala Carte Courier	110810/14	11.8.10		72.15
	111510/13	11.15.10		46.62
	112210/13	11.22.10		49.95
	112910/12	11.29.10		46.62
	120610/12	12 6.10		56 61
	121310/11	12.13.10		58.83
Angelica	2100090816	10.31.10 to 11.6 10	Norman	144 31
	2100090817	10.31 10 to 11.6.10	Mercy	319 94
	2100090870	10.31 10 to 11.6 10	Hefner	221.30
	2100091372	11 7 10 to 11.13 10	Norman	141 96
	2100091373	11.7.10 to 11.13.10	Mercy	255 54
	2100091425	11 13 10 to 11 14 10 to	Hefner	147 45
	2100091885	11 20.10	Hefner	279.64

	2100092310	11 14.10 to 11 20 10	Norman	158 51
	2100092311	11 14.10 to 11.20.10	Mercy	250.18
	2100092470	11.21.10 to 11 27 10	Hefner	182 01
	2100092417	11.21.10 to 11.27.10	Norman	179.82
	2100092418	11.21.10 to 11.27.10	Mercy	169 00
	2100093006	11 28.10 to 12 4.10	Hefner	350.54
	2100092953	11.28.10 to 12 4.10	Norman	143.94
	2100092954	11.28.10 to 12.4.10	Mercy	321.60
	2100093474	12.5.10 to 12.11.10	Norman	143 94
	2100093475	12.5.10 to 12.11.10	Mercy	302.94
	2100093476	12.5.10 to 12.11.10	Ardmore	105.08
	2100093527	12.5.10 to 12.11 10	Hefner	300 30
Apria Healthcare	00YB7700	11 1 10	Hefner	20.00
AT&T		11.15.10	Enid	494.41
Beckman Coulter	5213369	11.26.10	Hefner	0 00
Beekley Corporation	693433	11 22 10	Hefner	634 95
Bio-Rad	321/30227268	12.1.10	Hefner	0.00
BPS Security, LLC	19895	12 1 10	Hefner	84 00
Bridge Communications, LLC	6843	12.1.10	Ardmore	200.00
Business Music, Inc		11.1.10 & 12.1 10	Hefner	172 00
City of OKC		12 1 10	Hefner	2173 53

Cox Business		11.1.10	Norman	71.90
		11 1 10	Mercy	2659 35
		11 7.10	Hefner	2519 50
Culligan	1673673	10 31.10	Enid	18.42
	80876T0	11.8.10	Enid	26.00
	81575T0	11.23.10	Enid	45.51
DEQ - Oklahoma	61022287	11.30.10	Hefner	4000.00
Elekta Capital	7810369	11 13 10	Hefner	0.00
Eureka Water	122210	11.1 10	Mercy	29.80
	144628	11.3 10	Hefner	29.80
	161202	11.4.10	Mercy	439.62
	186325	11 5 10	Hefner	177.80
	217020	11 10 10	Norman	88.93
	245410	11 15.10	Mercy	29.80
	273224	11.17.10	Mercy	416 96
	267828	11 17.10	Hefner	23 84
	284404	11.18.10	Hefner	198 15
	317837	11.23.10	Norman	198 87
	297071	11.30.10		13 83
	298463	11 30.10	Hefner	18 44
Greenturf		11.20.10	Hefner	754.14
Heartland	229372	12 2.10	Ardmore	201.15
Henry Schein	8118248-01	11.12.10	Hefner	720 95
	5267378-01	11.18 10	Hefner	704.55
	8710345-01	11.23.10	Mercy	804 22
InfoLab, Inc	2922188	12 13 10	Mercy	341 36
	2922190	12 13 10	Hefner	364.13
	2922191	12.13 10	Ardmore	315 24
MXR	470844	11 8 10	Hefner	453 22
	470364	11 8 10	Hefner	285 08
	471117	11 19 10	Hefner	120 66
Nucletron Corporation	4035807	11.18 10	Hefner	0.00
OGE	1189152-0	10 28 10 to 11 29 10	Hefner	3293 02

OOSI Leasing, Inc.	10302954	11.23 10	Norman	1436.51
Philips Medical Systems	94996130	10 27.10 (service	Hefner	2517.75
	921930781	11 26 10	Hefner	2517.75
	***Pro-rated amount - no invoice	11 1.10 - 11 10.10	Hefner	839.25
Pitney Bowes	1228650-NV10	11 23.10	Multiple	1423.56
Protection One		11 15.10	Norman	131 85
Red Earth Environmental, Inc.	101126	11 30.10	Multiple	2022.93
Ricoh	12118159	10.15.10	Mercy	85.87
	12118163	10 15.10	Hefner	374.81
	12118164	10 15.10	Enid	322.85
	12232594	10.29.10	Hefner	59.89
	12232595	10.29.10	Mercy	151 88
	12232596	10.29.10	Mercy	102 09
	12232597	10 29.10	Mercy	83.65
	12253029	11.12.10	Mercy	85.87
	12253032	11.12 10	Mercy	374.81
	12253033	11.12.10	Hefner	374 81
	12253034	11.12.10	Enid	322 85
	12253035	11.12.10	Ardmore	75.57
	12253036	11.12.10	Ardmore	322 07
	12366258	11 30 10	Hefner	59.89
	12336259	11.30 10	Mercy	151.88
	12366260	11.30 10	Mercy	102.09
	12366261	11.30.10	Mercy	83.65
	410795813	12 1 10	N. Dewey	0 00
	410795854	12 1 10	Mercy	154.67
	410795857	12.1 10	Mercy	406.44
	410902699	12.4 10	Hefner	356.00
	***Pro-rated amount - no invoice	11 1 10 - 11 14.10	Hefner	27 95
	***Pro-rated amount - no invoice	11 1.10- 11 14 10	Mercy	39.04

	***Pro-rated amount - no invoice	11 1 10- 11 14.10	Mercy	47 64
	***Pro-rated amount - no invoice	11 1 10- 11 14 10	Mercy	70 88
St. John Companies	7415502	11.1 10	Hefner	912.54
Sanofi Pasteur, Inc	98230885	12 8 10	Hefner	396 32
Shred-It	10010989172	11.8.10	Mercy	79.40
	10010988819	11 8.10	Hefner	71.90
	10010989148	11 12.10	Norman	63.60
	10010989173	11 22.10	Mercy	79.40
	10010988820	11.22.10	Hefner	71 10
	10010989293	11.23.10	N. Dewey	0.00
Siemens Financial Services	4123371	11 19.10		0 00
	95460373	11.30.10	Hefner	0.00
	4126050	12.2.10		0.00
Sooner Answer Service, Inc.	10811022010	11.2.10	Mercy	0 00
	35411022010	11.2 10	Norman	427.50
	45911022010	11 2.10	Hefner	0.00
	45912012010	12.1.10	Hefner	220 00
	10812012010	12 1.10	Mercy	834.30
Stanley	7160110077	11 1.10	Enid	0 00
Sudden Link		12 17.19 (Covers 11 9.10- 1 8.11)	Enid	150 19
	***Pro-rated amount - no invoice	11.1.10- 11 8.10	Enid	20 02
Tacy Medical, Inc	383279	11 11.10	Enid	176.60
	383722	11 17 10	Mercy	283 20
	383769	11.17.10	Hefner	500 90
	383817	11.17.10	Mercy	317 60

	383818	11.17.10	Hefner	321.60
	383955	11.18.10	Norman	432.80
	383957	11.18.10	Norman	240.00
	384801	12.1.10	Enid	237.80
	384945	12.2.10	Enid	120.00
Triangle Insurance Company	112603	10.15.10	Enid	400.00
	113679	11.15.10	Enid	400.00
United Linen & Uniform	1332757	11.4.10	Enid	56.36
UPS	00007E3174450	11.6.10		31.57
	0000W826X3480	11.27.10		80.00
Varian Accelerator	No invoice	No invoice	Hefner	0.00
Weatherman Mechanical	15327-7222	12.1.10	Hefner	424.45
TOTAL OUTSTANDING INVOICES				57416.49

**SCHEDULE 2.06
ALLOCATION**

	Drugs Class IV	Supplies Class IV	Pers. Prop. Class V	Leasehold Class V	Med Rec Class V
Hefner	72,637.36	7,985.85	448,000.00	-	-
Norman	165,156.28	8,157.59	100,000.00	38,595.80	-
Mercy	275,067.14	18,792.91	125,000.00	-	-
Enid	47,093.48	2,399.04	43,800.00	-	-
Ardmore	156,713.03	7,758.47	65,800.00	-	34,790.00
Quailbrook	-	-	2,700.00	13,039.20	-
	716,667.29	45,093.86	785,300.00	51,635.00	34,790.00

SCHEDULE 3.04(b)
SECURITY INTERESTS (LIEN SEARCH)

SEE ATTACHED

0 Seconds
All Records verified through 05/22/1930

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#	Instrument #	Image	Ver	Doc Rec	Name	Role	OtherName	OtherRole	Book/ Page	Type	Legal	multilegal	multiref	References	Legacy #	multigrantor	multigrantee
1	200802209445900		Y	8/5/2008 2 37 22 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	SIEMENS MEDICAL SOLUTIONS USA INC	Secured Party		UC1	N	N			2008009065434	N	N
2	200802209446000		Y	8/5/2008 2 37 22 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	SIEMENS MEDICAL SOLUTIONS USA INC	Secured Party		UC1	N	N		200802213386800	2008009065535	N	N
3	200602169244000		Y	2/22/2006 11 40 27 AM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	AOR MANAGEMENT COMPANY OF OKLAHOMA INC	Secured Party		UC1	N	N		200602181743600	2006002112519	N	N
4	200602177815500		Y	8/21/2006 11 43 46 AM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	DELL FINANCIAL SERVICES L P	Secured Party		UC1	N	N			2006010146222	N	N
5	200702197146600		Y	10/22/2007 1 40 17 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	GENERAL ELECTRIC CAPITAL CORPORATION	Secured Party		UC1	N	N			2007012704528	N	N
6	200602181743600		Y	11/16/2006 2 11 31 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	AOR MANAGEMENT COMPANY OF OKLAHOMA INC	Secured Party		AM1	N	N			2006013840024	N	N
7	200802213386800		Y	11/13/2008 1 29 31 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	SIEMENS FINANCIAL SERVICES INC	Secured Party		AM1	N	N			2008012798037	N	N
8	200702187559500		Y	3/30/2007 8 44 25 AM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	ELEKTA INC	Secured Party		EU1	Y	N			2007003646230	N	N
9	200602179554100		Y	9/27/2006 1 22 34 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	CITICORP VENDOR FINANCE INC	Secured Party		UC1	N	N			2006011776131	N	N
10	200802209214500		Y	7/30/2008 4 03 52 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	SIEMENS FINANCIAL SERVICES INC	Secured Party		UC1	N	N			2008008843538	N	N
11	200802208765900		Y	7/22/2008 9 02 43 AM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	ABBOTT LABORATORIES INC	Secured Party		EU1	N	N			2008008420630	N	N
12	200602180332600		Y	10/16/2006 3 22 46 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	BANCFIRST	Secured Party		UC1	N	N			2006012518025	N	N
13	200902218798600		Y	4/13/2009 3 19 41 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	ABBOTT LABORATORIES INC	Secured Party		EU1	Y	N			2009003596943	N	N
14	200902220247800		Y	5/20/2009 4 04 05 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY P C	Debtor	OKLAHOMA OFFICE SYSTEMS	Secured Party		EU1	Y	N			2009004966844	N	N

SECURITY INTERESTS (LIEN SEARCH)
SCHEDULE 3.04(b)

SCHEDULE 3.04(b)
SECURITY INTERESTS (LIEN SEARCH)

15	200602178062400	Y	8/25/2006 11 13 14 AM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	DELL FINANCIAL SERVICES LP	Secured Party	UC1		N	N			2006010380020	N	N
16	200602176969500	Y	8/2/2006 1 19 19 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	DELL FINANCIAL SERVICES LP	Secured Party	UC1		N	N			2006009352633	N	N
17	200802201776400	Y	2/19/2008 1 30 01 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	ELEKTA INC	Secured Party	EU1		Y	N			2008001809331	N	N
18	200902217595700	Y	3/16/2009 12 34 50 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	ASD SPECIALTY HEALTHCARE INC	Secured Party	UC1		N	N			2009002472733	N	N
19	200902216307800	Y	2/9/2009 2 55 44 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	BANC OF AMERICA LEASING & CAPITAL LLC	Secured Party	UC1		N	N			2009001259331	N	N
20	20091112020077090	Y	11/12/2009 1 32 50 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	OKLAHOMA OFFICE SYSTEMS	Secured Party	UC1	0	N	N				N	N
21	20100914020924700	Y	9/14/2010 3 50 44 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	TOMOTHERAPY INCORPORATED	Secured Party	UC1		N	N				N	N
22	20101013021029310	Y	10/13/2010 4 40 34 PM	OKLAHOMA ONCOLOGY & HEMATOLOGY PC	Debtor	FIRST FINANCIAL CORPORATE LEASING LLC	Secured Party	UC1		N	N				N	N

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#	Instrument #	Image	Ver	Dat Rec	Name	Role	OtherName	OtherRole	Book/ Page	Type	Legal Descr	multilegal	multiref	References	Legacy #	multigrantor	multigrantee
1	19970227327100		Y	4/22/1997 11 58 00 AM	CANCER CARE ASSOCIATES	Debtor	AT&T CAPITAL LEASING SERVICES INC	Secured Party		UC1	N	N			0020423	N	N
2	20000278055200		Y	6/15/2000 11 24 05 AM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		UC1	N	N			0032846	N	N
3	20010293274500		Y	8/24/2001 4 57 35 PM	CANCER CARE ASSOCIATES	Debtor	INTERNAL REVENUE SERVICE	Secured Party		TL1	N	N		200202102909500	2001700028727	N	N
4	200302116440400		Y	1/2/2003 2 23 30 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		UC1	N	N			2003000048421	N	N
5	200302122669900		Y	5/13/2003 1 20 40 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		AM1	N	N			2003005759334	N	N
6	200302122295600		Y	5/6/2003 12 51 46 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		UC1	N	N			2003005417426	N	N
7	200402138961000		Y	5/3/2004 2 09 32 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING INC	Secured Party		UC1	N	N			2004005306727	N	N
8	200602180332600		Y	10/16/2006 3 22 46 PM	CANCER CARE ASSOCIATES	Debtor	BANCFIRST	Secured Party		UC1	N	N			2006012518025	N	N
9	200802205021400		Y	4/29/2008 2 25 01 PM	CANCER CARE ASSOCIATES	Debtor	KONICA MINOLTA MEDICAL IMAGING USA INC	Secured Party		UC1	N	N			2008004883639	N	N
10	1990025323600		Y	7/3/1990 9 33 00 AM	CANCER CARE ASSOCIATES	Debtor	HEWLETT PACKARD COMPANY	Secured Party		UC1	N	N			0035503	N	N
11	19930212737600		Y	1/4/1993 1 28 00 PM	CANCER CARE ASSOCIATES	Debtor	GENERAL ELECTRIC COMPANY	Secured Party		UC1	N	N		19930251086900	0000195	N	N
12	19930212735900		Y	1/4/1993 12 16 00 PM	CANCER CARE ASSOCIATES	Debtor	GENERAL ELECTRIC COMPANY	Secured Party		UC1	N	N		19930251086800	0000170	N	N
13	20000278232400		Y	6/21/2000 2 07 40 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		UC1	N	N		200302122669900	0034001	N	N
14	200302121746300		Y	4/24/2003 11 53 02 AM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party		UC1	N	N			2003004912127	N	N
15	200902217595700		Y	3/16/2009 12 34 50 PM	CANCER CARE ASSOCIATES	Debtor	ASD SPECIALTY HEALTHCARE INC	Secured Party		UC1	N	N			2009002472733	N	N
16	19930251086900		Y	3/2/1993 11 33 00 AM	CANCER CARE ASSOCIATES	Debtor	GENERAL ELECTRIC COMPANY	Secured Party		AM1	N	N			0010427	N	N
17	200202102909500		Y	3/20/2002 9 26 11 AM	CANCER CARE ASSOCIATES	Debtor	INTERNAL REVENUE SERVICE	Secured Party		RT1	N	N			2002700072828	N	N
18	200602178557300		Y	9/6/2006 3 38 54 PM	CANCER CARE ASSOCIATES	Debtor	BANK OF OKLAHOMA NA	Secured Party		EU1	N	N		200702196359100	2008010841123	N	N
19	200702196359100		Y	10/3/2007 2 52 25 PM	CANCER CARE ASSOCIATES	Debtor	BANK OF OKLAHOMA NA	Secured Party		EUA	N	N			2007011962735	N	N

20	19930214276300	Y	7/19/1993 12 06 00 PM	CANCER CARE ASSOCIATES	Debtor	SAWNA BUSINESS CREDIT CORP	Secured Party	UC1	N	N	0037994	N	N
21	19970228602900	Y	2/14/1997 11 30 00 AM	CANCER CARE ASSOCIATES	Debtor	AT & T CAPITAL LEASING SERVICES INC	Secured Party	UC1	N	N	0007466	N	N
22	200402137011500	Y	3/24/2004 12 58 09 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party	UC1	N	N	2004003494026	N	N
23	200502152826000	Y	3/2/2005 12 56 24 PM	CANCER CARE ASSOCIATES	Debtor	JD YOUNG LEASING LLC	Secured Party	UC1	N	N	2005002547530	N	N
24	19970228603000	Y	2/14/1997 11 33 00 AM	CANCER CARE ASSOCIATES INC	Debtor	AT&T CAPITAL LEASING SERVICES INC	Secured Party	UC1	N	N	0007467	N	N
25	19960228044800	Y	2/14/1996 11 33 00 AM	CANCER CARE ASSOCIATES INC	Debtor	AT & T CAPITAL LEASING SERVICES INC	Secured Party	UC1	N	N	0007467	N	N

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SCHEDULE 3.04(b)
SECURITY INTERESTS (LIEN SEARCH)

**SCHEDULE 3.06
LITIGATION**

Oklahoma Oncology & Hematology P C., an Oklahoma Professional Corporation d/b/a Cancer Care Associates, Plaintiff. v. US Oncology, Inc., a Delaware Corporation, Defendants, Case No. CJ-2005-00929 (Consolidated with Case No : CJ-2006-2127) filed in the District Court of Tulsa County, State of Oklahoma

JP Morgan Chase Bank, N A, Interpleader-Plaintiff v Oklahoma Oncology & Hematology, P C d/b/a Cancer Care Associates, US Oncology, Inc and AOR Management Company of Oklahoma, Inc., Defendants, Case No H-06-0645, filed in the United States District Court for the Southern District of Texas, Houston Division.

Vikki A Canfield, Craig L Reitz, Michael J Keefer, James E Reeves, Jess F. Armor, and Abby R. Bova, Plaintiffs v Oklahoma Oncology & Hematology P C d/b/a Cancer Care Associates, Mark R. Olsen, Paul Bukofzer, Curtis Ralston, Bashar S Alasad, Daron G. Street, Kevin S. Weibel, L. Michael Bowen, Christopher A Puckett, Alan D Langerak, Ritwick Panicker, Jeffrey S Delo, Connie Nguyen, Scott A. McHam, Ralph G. Ganick, Alan M Keller, Charles M. Strnad, Stephen C. Buck, Thy K. Nguyen, Nasser Janbay, Kadar K. Hussein, Gary W Rahe, Mark C Genesen, Ali H. Moussa, Pamela C Landon, Charles W. Taylor, John H Lohrey, and Edwin L McCreary, Defendants, Case No. CJ-2010-5034 filed in the District Court of Oklahoma County, State of Oklahoma

Janae M. Clapp, Kathy K Dagg, and Sherri L. Durica, Plaintiffs v Oklahoma Oncology & Hematology P C, Defendants, Case No CJ-2010-1058 filed in the District Court of Cleveland County, State of Oklahoma

SCHEDULE 3.10
CONSENTS

NONE



My Location is Near

I Want To... Find Careers Make a Donation MyMercy



Urgent Care

When you need care now, but you don't need the ER, walk in to Mercy Urgent Care.

[Find an Urgent Care Location](#)

[Home](#) » [Services](#) » [Urgent Care](#)

Urgent Care

Remember:

Urgent care is not a substitute for the Emergency Department. If your symptoms are life-threatening, call 911 immediately.

Find Urgent Care Services Near You

---Select a Location---

About this Service

Should I Visit the ER?

Should I take My Child to the ER?

Accidents and illnesses can happen anytime - even when your regular doctor may not be available. With Mercy Urgent Care, you can walk in without an appointment and get the medical attention you need at a lower cost and with a shorter waiting time than your local emergency room.

Use urgent care for:

- Simple cuts , puncture wounds, abscesses
- Sprains, strains, fractures
- Cold and flu symptoms, ear pain, fever, strep, mono
- Urinary tract infections
- Rashes, minor burns, insect bites

Latest News

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Mercy Independence Celebrates Co-worker Valentines

Leonard Weaver, ultrasound technologist and Richenda Herren, MD, general surgeon



This Valentine's Week, Mercy Celebrates Co-worker Couples

John and Angie Pearson, then and now

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All Communities

Physical Therapist
All Communities

Registered Nurse
All Communities

Nurse Practitioner
All Communities

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Sharing Stories is at the Core of Who We Are

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[Home](#) » [Oklahoma City Newsroom](#) » [Mercy Walmart Blessing and Opening](#)

Mercy Walmart Blessing and Opening

March 2, 2011

With a third location opening today, Mercy has plans to open another eight walk-in clinics in Oklahoma Walmarts over the next year. The goal: to make it easier for Oklahomans to access quality health care. The newest addition, at 7800 N.W. Expressway in Oklahoma City, opened today.

The Clinic at Walmart provides convenient, neighborhood care, as well as a connection to Mercy's integrated electronic health record to ensure greater safety in patient care. In addition, the walk-in clinics - open seven days a week and owned and operated by Mercy - provides both "get well" and "stay well" services. A set price list allows patients to know costs up front for ailments and diagnostic tests.

Staffed with Mercy physician assistants and nurse practitioners, the clinics are located inside Walmarts and are open extended hours, weekends and holidays with no appointment necessary. Services include:

- Common illnesses - strep throat to earaches to pink eye
- Skin ailments - poison ivy to cold sores to sunburns
- Additional services - wart removal to sprains to abrasions
- Basic check-ups - TB to cholesterol screenings
- Immunizations - flu to tetanus to pneumonia

"Our new model of partnership with hospitals provides access to quality health care for folks who don't want to wait in a busy emergency room or can't get in to see their physician," said Dr. John Agwunobi, Walmart's senior vice president and president, health and wellness.

Cullen Thomas, M.D., president of Mercy Clinic, strongly agrees.

"This has the potential to decrease the pressure on emergency rooms and ultimately decrease overall health care costs," Dr. Thomas said. "It also provides Oklahomans with a convenient, affordable, quality option."

More than 60 percent of people who use a retail clinic nationwide don't have a regular doctor. For Oklahoma - ranked highest in some of the nation's worst health statistics - preventive care is critical in reversing statewide trends.



Father John Baptist Seruwu blesses Mercy's third Oklahoma Walmart walk-in clinic.



Mercy co-workers gather for blessing and opening of newest walk-in clinic.

Story Covered by

- The Journal-Record
- The Journal-Record (jump)
- Oklahoma's Nursing Times

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Media Contact

[Rachel Wright](#)

rachel.wright@mercy.net

Phone: 405-936-5896

Cell: 918-430-5141

Fax: 405-752-3233

"It's a sobering reality that medical care is fragmented across our nation," said Dr. Smalley, president of Mercy in Oklahoma. "We have to find new ways to get health care to our communities. Our partnership with Walmart and our electronic health record are just some of the ways Mercy is connecting the dots so care doesn't fall through the cracks."

With a \$450 million investment in an integrated electronic health record (EHR), Mercy can track medical care at any of Mercy's 28 hospitals and numerous other medical facilities in Oklahoma, Arkansas, Kansas and Missouri. Mercy is one of only 3 percent of hospitals nationwide with an integrated EHR.

"Everything is tied together and that makes these clinics very unique," said David Tew, Mercy's chief operating officer in Oklahoma. "If you live in Springfield, Mo., but your child is going to school at UCO in Edmond and they visit Mercy's Walmart clinic or Mercy's ER, the medical team can see everything in their medical record. They know if they are deathly allergic to a certain drug, if they just had medical tests performed and all the information is safe and secure."

While Walmart currently has 97 clinics in 21 states, Mercy's three clinics in Edmond and Oklahoma City are the first in the metro (and in the state, Duncan Regional Hospital is the only other facility to have partnered with Walmart). Mercy Walmart partnerships include: 7800 N.W. Expressway in Oklahoma City; 2000 W. Memorial Road in Oklahoma City; 2200 W. Danforth Road in Edmond; and one in Berryville, Ark.

"When the first five Sisters of Mercy rolled into Indian Territory in a covered wagon in the late 1800s, they were determined to fill the gap," Smalley said. "Once again, Mercy is meeting the challenges of America's health care head-on by providing more ways for Oklahomans to access care."

Latest News

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This Valentine's Week, Mercy Celebrates Co-worker Couples

John and Angie Pearson, then and now



Jordan and Roehl Join Mercy Clinic OB-GYN

Drs. Lauren Jordan and Bryan Roehl join Mercy Clinic OB-GYN - Ada Arlington.

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MERCY CODE OF CONDUCT

As the Sisters of Mercy before us, we bring to life the healing ministry of Jesus through our compassionate care and exceptional service.

Updated: May, 2012

Mercy 

To Board Members, Medical Staff, Co-workers and others engaged in Mercy's Health Care Ministry:

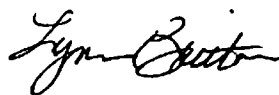
Consistent with Mercy's mission and values, we're committed to providing quality health care to the communities we serve. Part of that service is lawful and ethical conduct at each Mercy facility and clinic. Mercy's Compliance Program is designed to promote these standards in a moral manner consistent with the heritage, values and teachings of the Sisters of Mercy.

As the foundation of our Compliance Program, our Code of Conduct expresses a commitment to conduct our business with integrity in accordance with all applicable federal, state and local laws and regulations.

Our Compliance Program provides the educational resources and tools you need to fulfill your role in the Program and adhere to the principles and standards in the Code of Conduct. Please review the attached information carefully. You are the essential ingredient in the Compliance Program, and your participation and ideas strengthen our ministry. We have a simple reporting process to encourage you to bring forward any issues or concerns you may have regarding ethical and lawful conduct in Mercy.

Thank you for your contributions and commitment to our health care mission.

Very truly yours,



Lynn Britton
President and Chief Executive Officer

Mercy†

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Attachment I

Letter from Lynn Britton, President/Chief Executive Officer

Values—Code of Conduct Summary

Follow the Faith-Based Directives

Perform all duties on behalf of Mercy in conformance with the *Ethical and Religious Directives for Catholic Health Care Facilities*.

Comply with Laws, Regulations and Policies

Observe all laws, regulations and policies that govern Mercy's activities.

Act in Good Faith and Honesty in Business Transactions

Represent Mercy honestly and in good faith in all business transactions. Conduct business transactions with vendors, contractors and other third parties in a manner that is free from offers or solicitation or gifts or favors or other improper inducements.

Maintain Confidentiality

Maintain the confidentiality of patient information and other proprietary confidential information in accordance with applicable legal and ethical standards.

Avoid Conflicts of Interest

Observe a duty of undivided and unqualified loyalty to Mercy.

Be a Good Steward of Mercy Assets

Make prudent and effective use of Mercy's resources and properly and accurately report its financial condition.

Engage in Education and Professional Development

Educate yourself on Mercy's compliance policies and pursue professional growth and development

How Do I Ask a Question or Report a Concern?

Compliance Hot Line - Available 24/7
Call 1-877-4MERCY2 or 1-877-463-7292



Contact Information

VALUES**Dignity**

We cherish each person as
created in the image of God.

Justice

We pledge to be in right
relationship with one
another with particular
concern for people who are
economically poor.

Service

We seek out and put the
needs of others first.

Excellence

We give only the best for
those entrusted to our care.

Stewardship

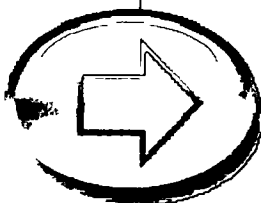
We wisely use our talents
and resources to strengthen
Mercy as a ministry of the
Church.

MERCY

CODE OF CONDUCT SUMMARY

Mercy's Code of Conduct ("Code") sets forth principles of ethical and moral conduct for all persons engaged in its health care ministry. Mercy's ministry includes Mercy Health and each hospital, clinic, skilled nursing, rehabilitation, home health, hospice and other health care entity of which Mercy Health is the sole or controlling member. All board and committee members and Mercy co-workers, medical staff and others engaged in services of Mercy are expected to act in accordance with the following principles of conduct:

- 1) *Follow the Faith-Based Directives*
- 2) *Comply with laws, regulations and policies*
- 3) *Act in good faith and honesty in business transactions*
- 4) *Maintain confidentiality*
- 5) *Avoid conflicts of interest*
- 6) *Be a good steward of Mercy assets*
- 7) *Engage in education and professional development*



These core values provide focus, direction and accountability for making the right choices as we go about our daily service. The principles of conduct described in the following pages guide how we live out these values.

PRINCIPLE 1—Follow the Faith-Based Directives

PRINCIPLE 1

Follow the Faith-Based Directives

As a Mercy community member, you are expected to comply with the *Ethical and Religious Directives for Catholic Health Care Services*. The Directives are moral guidelines which express the Church's teaching on medical and moral matters.

The current edition of the Directives is divided into six parts. They are:

The Social Responsibility of Catholic Health Care Services: Catholic health care is a ministry of the Church which promotes the dignity of all, cares for persons who are poor, and contributes to the common good of the community and responsibly stewards its resources.

The Pastoral and Spiritual Responsibility of Catholic Health Care: A Catholic health care institution is a community of healing and compassion, embracing the physical, psychological, social and spiritual dimensions of the human person.

The Professional/Patient Relationship: Catholic health care nurtures a truly interpersonal professional/patient relationship that requires mutual respect, trust, honesty and appropriate confidentiality.

Issues in Care for the Beginning of Life: Catholic health care ministry is rooted in a commitment to respect the sacredness of every human life from the moment of conception to death.

Issues in Care for the Dying: A Catholic health care institution provides compassionate care and related relief of pain and suffering for the dying.

Forming New Partnerships with Health Care Organizations and Providers: Catholic health providers, when forming new partnerships with other health care organizations, should require systematic and objective moral analysis and respect Church teaching.

For more information regarding how the Directives apply to you and your position, please contact your supervisor or Mission leader. The Directives can be found on the website of the United States Conference of Catholic Bishops at:

(USCCB): <http://www.usccb.org/about/doctrine/ethical-and-religious-directives/>

PRINCIPLE 2— Comply With Laws, Regulations and Policies

PRINCIPLE 2

Comply with Laws, Regulations and Policies

You are responsible for performing Mercy activities in compliance with applicable laws, regulations and policies.

i The following are examples of legal requirements that apply to Mercy. These examples do not cover every situation you may encounter. Please talk with your manager or local Compliance Officer if these examples are not clear to you or do not cover the question you have. *(Contact information for your Compliance Officer is listed in Attachment I.)*

ANTI-KICKBACK LAW: Kickbacks are gifts, entertainment, or anything else of value given to or from a person or company with an expectation or hope that it will result in referrals of patients or prescribing or ordering of items or services paid for by a government program.

The Anti-Kickback statute prohibits offering or receiving, directly or indirectly, remuneration (anything of value) to induce, or in exchange for, a referral of federal health care program business—patients, items, services.

You are responsible for recognizing gifts or other benefits that may violate the Anti-Kickback Law and may not offer or receive those items or services. *(See also Gifts, Gratuities and Entertainment – pp 9-10.)*

ANTITRUST LAWS: You must comply with applicable antitrust and similar laws that regulate competition. Examples of prohibited conduct include:

(1) agreements to fix prices (including price sharing) with competitors; (2) boycotts, participation in certain exclusive dealing and price discrimination agreements; and (3) unfair trade practices including bribery, stealing trade secrets, deception, intimidation and similar unfair practices.



How Do I Ask a Question or Report a Concern?

How Do I Ask a Question or Report a Concern?

As a Mercy co-worker, you have the most direct link to our patients and our operations and are in the best position to identify areas for improvement. Mercy relies on you to provide feedback and report potential problems so that corrections and improvements can be made as needed to support continuous improvement in the quality of our services.

You are encouraged and expected to use any or all of the following options, as needed, to get information or report a concern so you can "Do the Right Thing" and also support your fellow physicians and co-workers in doing the same.

- ⇒ Speak with a supervisor
- ⇒ Contact your local Compliance or Privacy Officer
- ⇒ Contact the Ministry Chief Compliance & Privacy Officer
- ⇒ Call the Compliance Hot Line

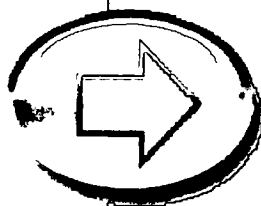
To report a concern anonymously,

call the Compliance Hot Line at

1-877-4MERCY2

(1-877-463-7292)

The Compliance Hot Line is available 24 hours a day, seven days a week. Reports made using the Hot Line are received by trained staff employed by an outside vendor who document and forward information to your local and/or Ministry Chief Compliance Officer for appropriate action. These reports are not traced or recorded. You may remain anonymous if you wish. If you choose to identify yourself, there is no guarantee that your identity will remain confidential. However, when you identify yourself it is easier for the Compliance Officer to provide you with a direct response.



SEE ATTACHMENT I FOR CONTACT INFORMATION

How Do I Ask a Question or Report a Concern?

Training and Education. Mercy conducts training and education to help you understand and comply with our expectation that you conduct yourself ethically and responsibly. This education and training is provided annually and at the time you join the organization. In addition, many co-workers receive periodic specialized training on subjects such as billing, coding, confidentiality, safety, environmental issues and regulations that relate specifically to their jobs.

Consequences of Failure to Comply with the Mercy Code of Conduct. There are a variety of potentially serious consequences if we fail to comply with laws, regulations and Mercy policies and procedures. The consequences to Mercy include risks to patient safety, refund of payments received from government programs, civil or criminal liability, exclusion from federal payment programs and loss of tax-exempt status. In addition, co-workers may be subject to disciplinary action, including suspension or termination of employment, termination of contractual relationship or removal from office or board membership. Individuals may also be prosecuted and subject to substantial fines.

Our core values and Code of Conduct describe guiding principles that help us maintain an ethical and compliant culture and avoid the consequences described above. It is our responsibility to understand and follow these standards of conduct. Contact your manager, local or Ministry Compliance Officer or the Compliance Hot Line with questions or concerns. No retaliatory action will be taken against anyone who makes a good-faith report of a compliance or ethics concern.

Please keep this Code of Conduct handy and use it as a reference to do your part to promote the values and ethics of Mercy Health



**IF SOMETHING
IS WRONG,
MAKE IT
RIGHT!**



**New Co-Worker Orientation
Agenda
St. Louis, Missouri**

8:00 - 8:15 a.m.	Welcome (<i>Welcome & Hospitality Tips, fill out Table Tent & Green Time Sheet, review Agenda for day, and offer reminder about 90 Day follow-up program</i>)
8:15 – 8:50 a.m.	Leadership Welcome (Items covered include: <u>Mission and Vision of Mercy Ministry</u> ; Emerging Strategies; Mercy Community – Locations, etc.; East Community Executive Leadership Council; Service Departments/Facilities; Mercy’s Care Model; Healing Environment Initiatives)
8:50 – 9:00 a.m.	Break
9:00 – 10:15 a.m.	<u>Mission & Ethics</u> (Items covered include: Mission, Vision, Charism, and Values of Mercy Health Ministry; Heritage – History of Mercy and its Foundress, Catherine McAuley; Local History; Understanding and Applying the Ethical & Religious Directives (Social Responsibility, Pastoral & Spiritual Responsibility, Professional-Patient Relationship, Beginning of Life Care, Care for the Dying, and Forming Partnerships); Community Health & Outreach; Spiritual Care; and Pastoral Services in Catholic Healthcare; Philanthropy)
10:15 – 10:25 a.m.	Break
10:25 – 10:55 a.m.	Diversity (Items covered include: Dignity & Justice; Self Assessment – Being aware of own Personal Biases, Stereotypes, and Prejudices; Awareness of Cultural Norms and Attitudes/Beliefs of the Diverse Population we Serve and our Responsibilities)

10:55 – 11:25 a.m.

Corporate Compliance

(Items covered include: Legal Department presents Video – Topics include Mercy's Corporate Compliance Program and Code of Conduct – Faith-Based Directives, Legal Compliance, Confidentiality, Conflicts of Interest, Business Ethics & Relationships, Protection of Assets, and Education; For emphasis, a variety of vignettes are illustrated to show where violations could occur; *Co-Workers sign Code of Conduct – Confidentiality Statement indicating that they have received training and have reviewed handbook/information – Signed Documents are given to Nancy Stumpf*)

11:25 – 11:55 p.m.

Lunch

11:55 – 12:30 p.m.

Mandatories (*Fire Safety, Tornado/Severe Weather, Codes, MCI, OSHA Hazard Communication, Infection Prevention – Review Storyboards and Handouts to complete Quiz*)

12:30 – 1:15 p.m.

HR Policies & Procedures

(Items covered include: HR Policies & Procedures, which may also be found on the Intranet. In particular, topics include Probationary Period; FTE; Mandatory Training – License & Other Requirements; Drug-Free/Tobacco-Free/Harassment-Free Workplace; Co-Worker Accountability; Corrective Action; Attendance Policies; Dress Code; Telephone & Computer Use Policies; Solicitation & Bulletin Board/Public Announcement Policies; PTO/ESB; Standard Holidays; Severance/Departure from Mercy; Co-Worker/Employee Assistance Program; Worker's Compensation)

1:15 – 1:30 p.m.

Break

1:30 – 3:20 p.m.

Mercy Signature Service

Safety & Quality

(Items covered include: Mercy Culture of Service, Safety & Quality, Touchpoint Map - Mercy Signature Service and Expected Behaviors of each Co-Worker; Mercy Experience – Attributes; Service Recovery - 5 Fundamentals of Service and HEART model)

3:20 – 3:30 p.m.

Closing (*Complete Program Evaluation, Green Time Sheet*)
(*Forms to manager: Green Time Sheet and Mandatories Quiz*)

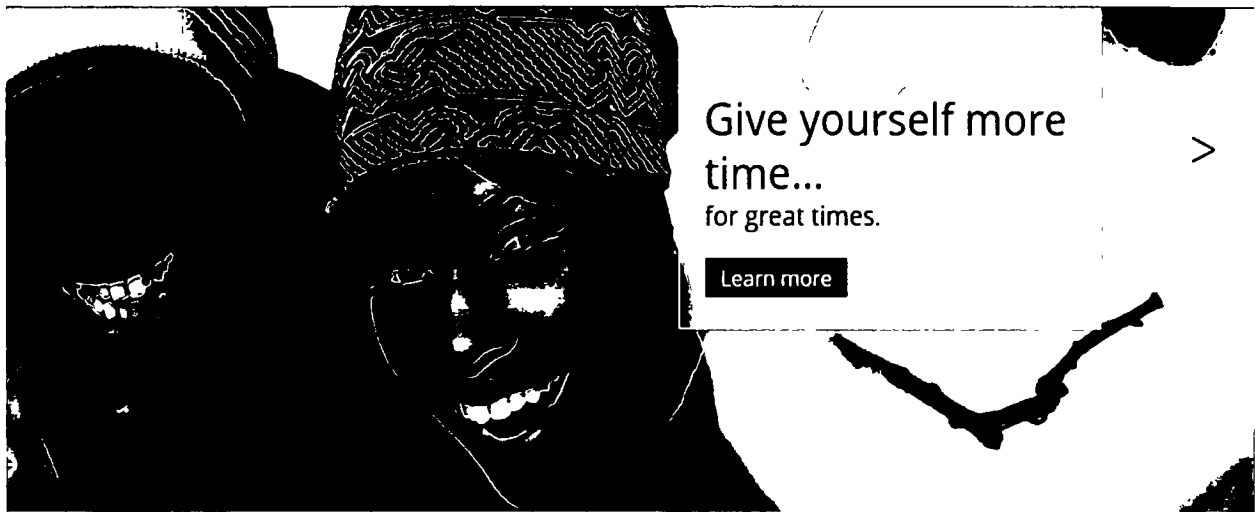
3:30 – 3:40 p.m.

Break for those remaining for Benefits Portion

3:45 – 4:30 p.m.

Benefits Overview and Enrollment

(*Completed Enrollment Forms may be sent via Inter-Office mail to Corp. Plaza – Mercy Ministry Office*)



Give yourself more
time...
for great times.

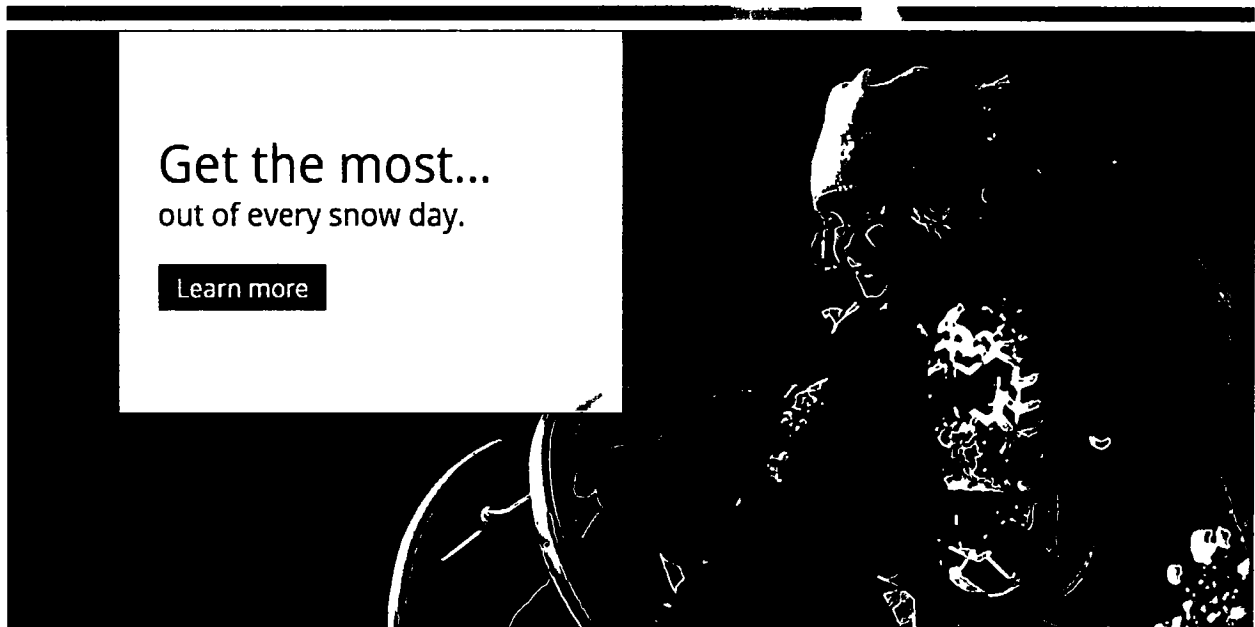
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Save



Get the most...
out of every snow day.

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 Near **Oklahoma City, Oklahoma** Within

(Approx. Miles)

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Mercy Convenient Care - Edmond Memorial Convenient Care Need immediate medical treatment for non-emergency conditions like fevers, sprains/strains, fractures, lacerations or eye irritation? Mercy Convenient Care is designed just for you. We're open u ..

8 miles

 1919 E. Memorial Road
Oklahoma City, OK 73131

(405) 749-7099

Hours of Operation:

 Monday-Saturday: 10 a.m. - 10
p.m.
Sunday: Noon - 10 p.m.

Your Selection [Clear All](#)

Location Type

 Urgent and Convenient Care
[remove](#)
Refine By Community

- ☐ Oklahoma City (3)
☐ Guthrie (1)

Refine By Location Type

- ☒ Urgent and Convenient Care

Mercy Convenient Care - Northwest Expressway

Mercy Convenient Care - Northwest Expressway Convenient Care Need immediate medical treatment for non-emergency conditions like fevers, sprains/strains, fractures, lacerations or eye irritation? Mercy Convenient Care is designed just for you. We're open u...

10.3 miles

 8325 NW Expressway
Oklahoma City, OK 73162

(405) 749-7099

Hours of Operation:

 Monday-Saturday: 10 a.m. - 10
p.m.
Sunday: Noon - 10 p.m.

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Find a Mercy Doctor in Oklahoma City

Mercy Clinic includes primary care doctors and specialists everywhere Mercy serves. See who's practicing near you.

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Mercy Clinic - Oklahoma City

Caring for You is a Team Effort

With a Mercy Clinic primary care doctor, you're connected to a whole team focused on your health. So your family medicine doctor, internist, pediatrician or OB-GYN can connect you to a cardiologist, surgeon, pediatric ENT or other specialist, anytime you need it.

Your team is linked by your electronic health record, so everyone caring for you understands your needs. Plus, you can stay connected with your team through MyMercy, anytime it's convenient for you.

Welcome to coordinated care. Welcome to Mercy Clinic.

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- [Understand Medical Specialties](#)
- [About Your Care Team](#)

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Mercy is helping patients with heart-related issues by participating in important clinical trials...

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St. Louis, MO

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St. Louis, MO

Senior Applications Developer
St. Louis, MO

Nurse Practitioner
St. Louis, MO

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Mercy Hospital Oklahoma City

Media Contact:
Rachel Wright
 405-936-5896 office
 918-430-5141 mobile
rachel.wright@mercy.net

Mercy Oklahoma City

Mercy Hospital Oklahoma City Quick Facts

[Quick Facts - Printer Friendly](#)

Hospital Campus

4300 West Memorial Road
 Oklahoma City, OK 73120
 405-755-1515

- Cancer Resource Center
- TrueBeam Radiotherapy
- GammaKnife
- General Surgery
- Robotic Surgery
- Interventional Radiology
- NeuroScience Institute
- Stroke Prevention Clinic
- Women's Center
- Breast MRI of Oklahoma
- BirthPlace
- Neonatal Intensive Care Unit
- Emergency Department
- Intensive Care Unit
- Palliative Care
- Hyperbaric Medicine/Wound Care
- Sleep Center
- Oklahoma Heart Hospital
- Mercy Clinic Behavioral Health
- Mercy Clinic Hand Surgery

By the Numbers (Fiscal Year 2012):

- Area Clinics: 43
- Licensed Beds: 380
- Hospital Co-workers: 2,510
- OKC-Area Co-workers: 4,187
- Total Operating Revenue: \$355 million
- Traditional Charity Care: \$6.5 million
- Community Benefit: \$4.2 million
- ER Visits: 50,016
- Babies Born: 3,008
- Surgeries: 13,862

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Media Contacts

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Mercy Heritage

- 1884: Five Sisters of Mercy first journey into Indian Territory and open St. Mary's Academy in present-day Konawa to educate Native American children
- 1892: Sisters aid victims in Krebs' mining explosion
- 1905: Mount Saint Mary Academy, an all-girls school, opens in Oklahoma City
- 1947: Purchases the 85-bed Oklahoma City General Hospital downtown.
- 1958: Opens Heart and Research Center and performs the state's first open heart surgery two years later
- 1974: Makes visionary move to a cow pasture in northwest Oklahoma City
- 2012: Mercy Health Center becomes Mercy Hospital Oklahoma City

Just the Facts

Technology

- Among 10 percent of health care organizations nationwide to have a comprehensive, integrated electronic health record that provides real-time, paperless access to patient information
- MyMercy, a free service, allows patients to connect online with their doctors, plus see medical information, view test results, renew prescriptions and schedule appointments using a personal computer or smartphone
- Mercy Hospital Oklahoma City's Interventional Radiology team was the first in Oklahoma to use the ev3 Pipeline Embolization Device to treat previously untreatable brain aneurysms
- Mercy Hospital Oklahoma City first in Oklahoma to earn Advanced Certification for Comprehensive Stroke Centers by The Joint Commission

Experience

- One of only 20 hospitals nationwide with a team of highly trained physicians on standby 24/7 for treatment of stroke
- More than 1,000 robotic surgeries performed for hysterectomies and prostate cancer, resulting in less pain, shorter hospital stays and quicker recovery for patients.

Research

- Leader in high-risk breast cancer assessment, breast imaging and research.
- Published journal articles on substance abuse in the emergency room, end-of-life studies and nursing environment studies.

Achievements

- Redesignated a Magnet hospital by American Nurses Credentialing Center – the gold standard in nursing care and first in state to ever be named Magnet
- Named *The Oklahoman* Readers' Choice
 - Best Medical Facility (2008-2012)
 - Best Health Care Employer (2012)
 - Best Place for Childbirth (2012)
- Named *MetroFamily* magazine Family Favorite
 - Best Place to Have a Baby (2013)
 - Best Emergency Department (2013)
 - Best Hospital (2013)
- Named National Research Corporation Best
 - Best Overall Quality (2012)
 - Best Image/Reputation (2012)
 - Best Doctors (2012)
 - Best Nurses (2012)
- Joint Commission Gold Seal of Approval in stroke care and prevention
- Named Certified Healthy Business, by Oklahoma State Department of Health, for a focus on employee wellness

About Mercy

Mercy is the sixth largest Catholic health care system in the U.S. and serves more than 3 million people annually. Mercy includes 32 hospitals, nearly 300 outpatient facilities, 38,000 co-workers and 1,900 integrated physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

About Mercy Clinic

Mercy Clinic is a physician-governed group of more than 1,900 medical providers across Arkansas, Kansas, Missouri and Oklahoma. In Oklahoma, Mercy Clinic is nearly 300 providers and 65 clinics statewide, from Sayre to Sulphur, Edmond to Ardmore and most communities in between.

With access to Mercy facilities, electronic health records, telemedicine and each other, Mercy Clinic providers can give their patients the best care available, regardless of the patient's location. Patients of Mercy Clinic providers can connect to their health records and health teams anywhere they can connect to the Internet. For more information, visit

Latest News

[view all news](#)**Bringing High-tech Virtual Health Care to Rural America**

USDA awards Mercy \$382,748 grant, benefitting school kids and communities in rural Midwest

**Mercy's Heart Experts Leading Way to Innovative Treatments**

Mercy is helping patients with heart-related issues by participating in important clinical trials...

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Nurse Manager Level IV
St. Louis, MO

Pharmacist
St. Louis, MO

Senior Applications Developer
St. Louis, MO

Nurse Practitioner
St. Louis, MO

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Mercy Hospital Oklahoma City

4300 W. Memorial Road
Oklahoma City, OK 73120
Phone: (405) 755-1515

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Hospital Outpatient Service Locations

Find Mercy Hospital Services Right Here in Oklahoma City

When you need a skilled doctor close to home, Mercy is here to help. We can also help when your care requires more than a standard doctor's visit. Mercy Hospital Oklahoma City provides high-level services at the following facilities, so you can get the care you need in your own community.

Mercy Imaging Services - Edmond Renaissance

1705 Renaissance Boulevard
Edmond, OK 73013
(405) 844-9675

Mercy Mercy Therapy Services - Yukon

520 S. Mustang
Yukon, OK 73099
(405) 936-5910

Mercy Clinic Orthopedic Surgery - Memorial Circle

4505 Memorial Circle
Oklahoma City, OK 73099
(405) 755-1880

Mercy Therapy Services - Quailbrook

4401 W. Memorial Road
Oklahoma City, OK 73134
(405) 752-3060

Mercy Gastroenterology - Edmond

105 S. Bryant Avenue
Edmond, OK 73034-6331
(405) 340-4937

Mercy Clinic OB/GYN Mercy - Edmond Kelly

820 W. 15th Street
Edmond, OK 73013
(405) 216-4004

Mercy Therapy Services - Edmond Eastern

14017 N. Eastern Avenue
Edmond, OK 73013
(405) 341-7356

Mercy Clinic Oncology and Hematology - Norman

701 E. Robinson
Edmond, OK 73013
(405) 341-7356

Mercy Clinic Oncology and Hematology - Enid

1220-A West Willow Road
Enid, OK 73703-2505
(405) 321-4644

Mercy Clinic Pain Management - Quailbrook

4345 W. Memorial Road, Suite 110
Oklahoma City, OK 73134
(405) 418-7000

About Us

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[Pastoral care office](#)
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[View baby photos](#)

Driving Directions

Address:
4300 W. Memorial Road
Oklahoma City, Oklahoma 73120

Hours of Operation:
Open daily 24 hours.

**Mercy Spine and Therapy Svs. -
Physicians' Medical Park**

13301 N. Meridian Avenue
Oklahoma City, OK 73120
(405) 752-3700

**Mercy Clinic Hand Surgery -
Hefner Pointe**

10914 Hefner Pointe Drive
Oklahoma City, OK 73120
(405) 748-6600

**Mercy Clinic Orthopedic Surgery
- Parkway Commons**

14100 Parkway Commons Drive
Oklahoma City, OK 73134
(405) 749-9820

**Mercy Clinic Pulmonology -
North Meridian**

13313 N. Meridian Avenue, Building D
Oklahoma City, OK 73120
(405) 755-4290

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[view all news](#)



Bringing High-tech Virtual Health Care to Rural America
USDA awards Mercy \$382,748 grant, benefitting school kids and communities in rural Midwest



Mercy's Heart Experts Leading Way to Innovative Treatments

Mercy is helping patients with heart-related issues by participating in important clinical trials...

Career Center

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Media Contact
Rachel Wright
405-936-5896 – office
918-430-5141 – mobile
rachel.wright@mercy.net

Mercy Hospital Watonga Hosts Community Health Fair

WATONGA, Okla. (Feb. 5, 2014) – Community members are invited to get a handle on their health at Mercy Hospital Watonga's Community Health Fair next Wednesday from 7:30 a.m. to noon at Watonga City Hall.

A complimentary breakfast of hot oatmeal and hot tea will be served and attendees can test their vision and glaucoma risk, their blood pressure and bone density. Experts will provide carotid ultrasounds, which are noninvasive and painless screening tests that look at the carotid arteries in the neck, revealing the flow of blood through them. This test can detect narrowing of the arteries, which is a risk factor for stroke.

Representatives from Home Health, Oklahoma Stop Smoking Campaign and OSU Rural Health will be available to answer questions and provide information on services like quitting tobacco, at-home health care assistance and more.

Wednesday, February 12
Watonga City Hall
7:30 a.m. to noon

Highlights include:

Prizes, prizes and more prizes!

Hot oatmeal bar and hot tea

Oklahoma Mobile Health Screen Unit:

- Visual acuity
- Glaucoma
- Blood pressure
- Bone density

Carotid ultrasounds

Home Health Oklahoma Stop Smoking Campaign

OSU Rural Health

Blood Pressure Education

Mercy is the sixth largest Catholic health care system in the U.S. and serves more than 3 million people annually. Mercy includes 33 acute care hospitals, four heart hospitals, two children's hospitals, two rehab hospitals and one orthopedic hospital, 300 outpatient facilities, 40,000 co-workers and more than 2,100 Mercy Clinic physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

###

Planting Seeds of Wellness

Benefit & Health Fair

Join us at the upcoming fair and learn about the many resources available to you and your family.

Tuesday, October 29
8:30 a.m. to 3:30 p.m.
Mercy Hospital Conference
Center

The first 500 co-workers will receive a prize just for attending the fair. We also have lots of prizes to give away, including gift cards, gym memberships, FitBit and more! While you're at the fair, enjoy a chair massage and healthy snack!

Mercy†





Media Contact
 Rachel Wright
 405-936-5896 – office
 918-430-5141 – mobile
rachel.wright@mercy.net

Mercy Rural Hospitals Participate in National Pilot Program to Improve Care

OKLAHOMA (Nov. 20, 2013) – Mercy will participate in a national pilot project for small rural hospitals to improve care for patients who transfer from the emergency department. The project is supported by OFMQ, Oklahoma's Medicare Quality Improvement Organization, and the Oklahoma Office of Rural Health. Oklahoma was one of eight states selected to work on the recently launched pilot project funded by the Centers for Medicare & Medicaid Services.

While emergency care is important in all hospitals, it is particularly critical in rural hospitals where the distance from urban medical centers makes the effective triage, stabilization, and transfer of patients essential. For example, when a patient arrives at Mercy's emergency department needing time-sensitive care that includes transfer to a tertiary care center, Mercy's ability to quickly assess, arrange, and get the patient out the door with the necessary and appropriate information can be of life or death importance.

"Mercy has long been committed to improving access to quality care in rural Oklahoma," said Di Smalley, FACHE, regional president of Mercy in Oklahoma. "This is another program, in addition to our focus on physician recruitment, telemedicine and electronic medical records that will help rural Oklahomans get top notch care right at home."

Mercy Hospitals participating include:

Mercy Hospital Logan County
 Mercy Hospital Watonga
 Mercy Hospital El Reno
 Mercy Hospital Kingfisher
 Mercy Hospital Healdton
 Mercy Hospital Love County
 Mercy Hospital Tishomingo

Data indicating how well a rural hospital serves this important care transition role is not currently widely available. This new pilot project will provide and support for Mercy and other rural hospitals to collect information on emergency department transfer communication, and use the data to improve quality of care, safety, and outcomes for patients transferred from their Emergency Departments.

"We appreciate our partnership with Mercy," said Gayla Middlestead, OFMQ Quality Improvement Specialist. "This is a real opportunity to develop ways to make health care better. OFMQ commends Mercy for committing the resources to this important project," she said.

###

About OFMQ

Oklahoma Foundation for Medical Quality (OFMQ) is an Oklahoma City-based non-profit consulting organization dedicated to improving health care and improving lives. For more than 40 years, OFMQ has played an integral role in ensuring quality medical services for Oklahomans through health care review, quality improvement programs, health



Media Contact
Rachel Wright
405-936-5896 – office
918-430-5141 – mobile
rachel.wright@mercy.net

information technology consulting and public education. We contribute expertise and resources to support national quality improvement initiatives, including health care policy and payment decisions. Our major contracts are funded through the Centers for Medicare & Medicaid Services as part of Medicare's Quality Improvement Organization program and the Office of the National Coordinator for Health Information Technology, through the Health Information Technology Regional Extension Center program www.ofmq.com

About the Oklahoma Office of Rural Health

The Oklahoma Office of Rural Health (OORH) was established in 1991, as part of a federal mandate, to coordinate, plan and promote quality healthcare for underserved rural Oklahomans. The OORH works with rural communities to help ensure their healthcare infrastructure is economically viable and to broaden and improve the access and quality of healthcare services. The OORH offers a broad array of services that supports this effort through training physicians and other healthcare providers, stabilizing rural hospital finances, increasing access to quality healthcare and educating the public and policy makers about the importance and unique nature of rural health.

Mercy is the sixth largest Catholic health care system in the U.S. and serves more than 3 million people annually. Mercy includes 31 hospitals, 300 outpatient facilities, 39,000 co-workers and more than 2,000 integrated physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

###



Media Contact
 Rachel Wright
 405-936-5896 – office
 918-430-5141 – mobile
rachel.wright@mercy.net

Mercy Offers Health Tips for Tornado Clean-Up Volunteers

Doctors urge volunteers to wear masks, protective clothing and sturdy shoes

MOORE, Okla. (May 30, 2013) – Volunteers from all over the country flooded Moore this past week, hoping to contribute to the recovery of the May 21 EF5 tornado that left thousands of Moore residents homeless

Mercy Hospital Oklahoma City President Jim Gebhart and Chief of Staff Dustan Buckley, M.D., wanted to help, too.

"Because we're so far north, our hospital didn't receive any tornado victims to care for last week, but we knew there were other ways we could provide medical support in Moore," said Gebhart. "Dr. Buckley and I started working immediately so see how Mercy could chip in. Co-workers from all over were looking to us to find out how to help."

By Tuesday afternoon, Dr. Buckley and a group of physicians, nurses, administrators and volunteers from Mercy were boarding a bus to Moore, where they'd set up the first medical tent on site.

"The first full day we were there, we saw over 250 people," said Buckley. "To put that into perspective, the emergency department at our hospital sees on average 150 people per day. Our co-workers were doing that from a tent on the side of 4th Street."

Since that day, Mercy has received permission from FEMA and the Oklahoma State Department of Health to take "mobile units" into the neighborhoods. Free of charge, Mercy has distributed more than 1,500 tetanus shots, treated wounds and distributed emergency medicines like insulin, asthma medications and blood pressure medications to those who lost their medications in the tornado.

Buckley said the first few days the most common ailments she saw in the medical tent were puncture wounds, cuts and scrapes. She encouraged anyone handling debris to get a tetanus shot, just to be safe. In the last few days, she's seeing a lot more people dealing with respiratory issues.

"The volunteers are putting themselves in dangerous positions and we appreciate their willingness to help, but they need to take precautions to keep themselves safe, too," said Buckley. "We're seeing a lot of people with respiratory issues because there's no telling what they're inhaling out there."

The neighborhoods devastated by the tornado are extremely dangerous places to be. In addition to the potential chemicals, dust, and mold residents and volunteers breathe in during clean-up, they're exposing themselves to broken glass, sharp metal, splintered wood, rusty nails, etc. Buckley recommends taking these steps to reduce chances of getting injured or sick while volunteering:

- Wear a mask or bandana to cover nose and mouth to prevent ingesting debris particles



Media Contact
Rachel Wright
405-936-5896 – office
918-430-5141 – mobile
rachel.wright@mercy.net

- Wear boots or other protective shoes, rather than flip flops, thin-soled shoes or sandals
- Wear thick work gloves
- Get a tetanus shot
- Wear long sleeves and pants
- Wear sun block and a hat
- Drink plenty of water

“Mercy will provide care in Moore as long as we’re needed,” said Buckley. “There’s no shortage of Mercy co-workers who want to help, and we just want to help get our community back.”

For updates on Mercy’s locations and services available, follow @MercyOklahoma on Twitter and like “Mercy Oklahoma” on Facebook.

Mercy is the sixth largest Catholic health care system in the U S and serves more than 3 million people annually. Mercy includes 32 hospitals, 300 outpatient facilities, 39,000 co-workers and 1,900 integrated physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

###



May 18, 2011

NEWS RELEASE

Contact: Stacy Barton Phillips
405-627-4160
stacy.phillips@mercy.net

Mercy's Health-i-fi-ca-tion has Co-workers Jumping *A million jumping jacks in the name of National Employee Health and Fitness Day, May 18*

Oklahoma City, Okla. - Health i-fi-ca-tion – *verb* 1. The process of getting your health groove on.
2. The act of transforming oneself from an unhealthy being into a totally, physically fit specimen.

Healthification is designed to encourage well-balanced, healthier lifestyles through nutrition, physical activity, emotional and spiritual wellness, and smoking cessation.

The initiative, recently introduced by the Sisters of Mercy Health System, has reached a fever pitch with the approach of National Employee Health and Fitness Day May 18 and the release of a promotional rap video. Performed by rapper M.C. Spookytooth, the video features Mercy co-workers – from surgical techs to radiologists – performing jumping jacks in preparation for the Mercy Million

Watch the Mercy video by clicking here: <http://www.mercy.net/jumpingjacks>

"Everybody knows how to do jumping jacks," said Jaime Hargus, Mercy wellness coordinator. "We all learned them as kids. With the Mercy Million, we wanted to get people moving and to remind co-workers that exercise can be fun, especially when they get their friends in on the action."

The jumping jack challenge will feature 38,000 co-workers across the four-state region attempting to achieve one of the largest one-day fitness activities at work, all in an effort to get people moving

"There are serious consequences if we don't get a handle on some of our unhealthy habits," said Mercy President Jim Gebhart. "With support, Mercy co-workers can reduce their risk of disease, elevate their overall fitness level and ultimately improve the quality of their lives."

While some co-workers may perform their jumping jacks in private, others will jump in unison in Mercy cafeterias, parking lots, conference centers or lobbies. Co-workers at Oklahoma City's Mercy Health Center will congregate at Mercy's NeuroScience Institute – the eye-catching glass pyramid facility – at 10 a.m. on May 18

"With 65 percent of Americans overweight and childhood obesity tripling in the past 30 years, we must encourage our co-workers, our families and our friends to exercise," said Mercy's health and wellness vice president and medical director, Lance Luria, M.D., who has held health talk sessions across the four states Mercy serves, encouraging co-workers and community members to get healthy. "We can't afford to sit on our tush any longer and do nothing."

Mercy – Sisters of Mercy Health System – is the eighth largest Catholic health care system in the U S and serves more than 3 million people annually. Mercy includes 28 hospitals, more than 200 outpatient facilities, 36,000 co-workers and 1,300 integrated physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas. For more about Mercy, visit www.mercy.net

Community Round Table

Round Two

Oklahoma City Metro

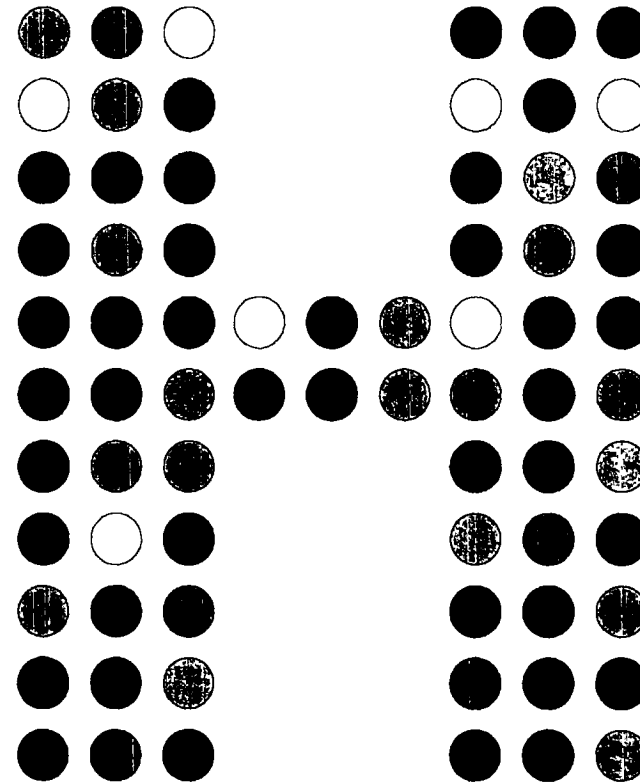
July 18, 2011

Tonight

- Dinner / Invocation
- Celebrating the Community Master Plan
 - What we learned
 - Our focus over the next decade
 - Facilities update
- Your Feedback
- Expectations
- Benediction

But first, physician heal thyself.





Healthification



Feed for Life



Breathe for Life



Move for Life



Balance for Life

Mercy Bicycle Club





Community Master Plan

Community Master Planning

You shared. We listened.

1
2
3
4
5
6
7

Expanded footprint

Underserved populations

More providers

Specialty care

Children

Telemedicine

Renewal



Community Master Planning

You shared. We listened.

1 Expanded footprint

2 Underserved populations

3 Integrated care

4 Specialty care

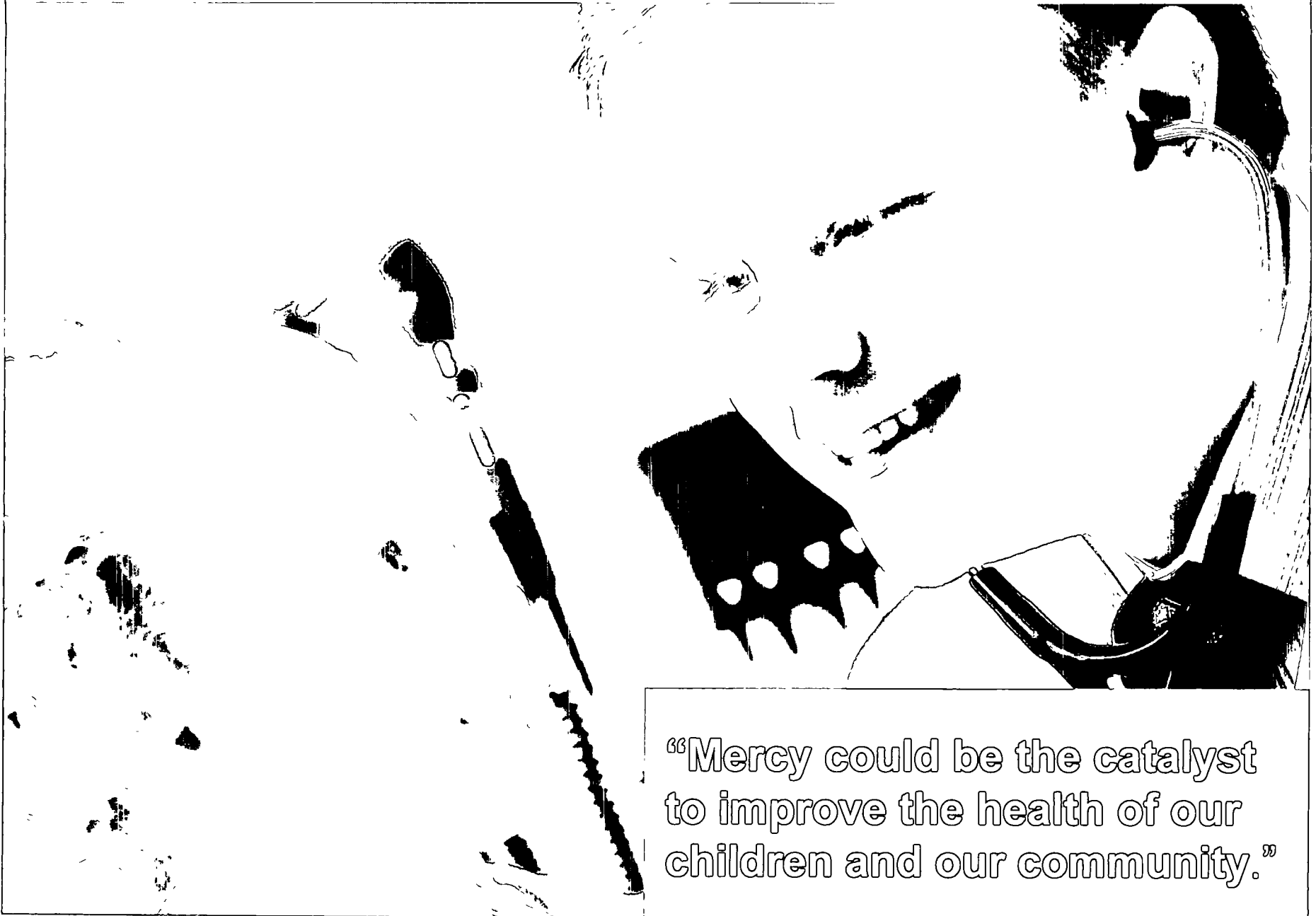
5 Children

6 Senior care

7 Research



Children



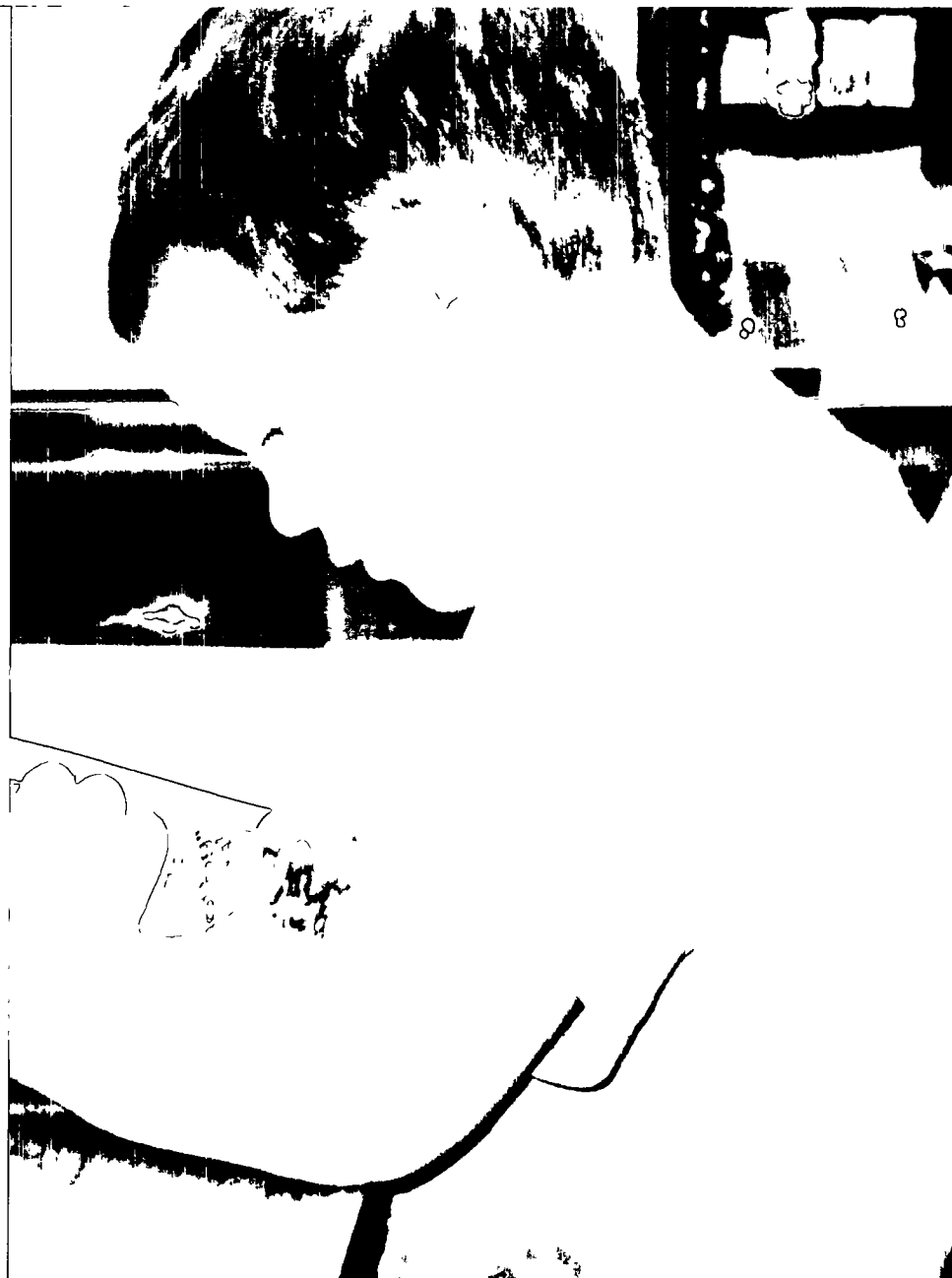
“Mercy could be the catalyst to improve the health of our children and our community.”

Children

HealthTeacher™

Oklahoma City Metro Area

- Amber-Pocasset
- Archdiocese
- Bethany
- Calumet
- Chickasha
- Crooked Oak
- Dale
- Deer Creek
- Dibble
- Edmond
- El Reno
- Guthrie
- Harrah
- Justice
- Maple
- Meeker
- Mid-Del
- Middleburg
- Millwood
- Moore
- Mustang
- Noble
- Norman
- North Rock Creek
- Oakdale
- Oklahoma City
- Pioneer
- Robin Hill
- Seminole
- Shawnee
- Tecumseh
- Tuttle
- Wewoka
- Yukon



Children



"We want our kids to be healthy."

Community Master Planning

You shared. We listened.

- 1 Expanded footprint
- 2 Underserved populations
- 3 **More providers**
- 4 Specialty care
- 5 Quality
- 6 Access
- 7 Renewal



More providers



"I like seeing the vision of Mercy, but we need a full-time radiologist in our town . . . now."

More providers



Meet Mercy Clinic

More providers

Better Access

- More providers
- More locations
- My Mercy

Oklahoma City

Primary Care

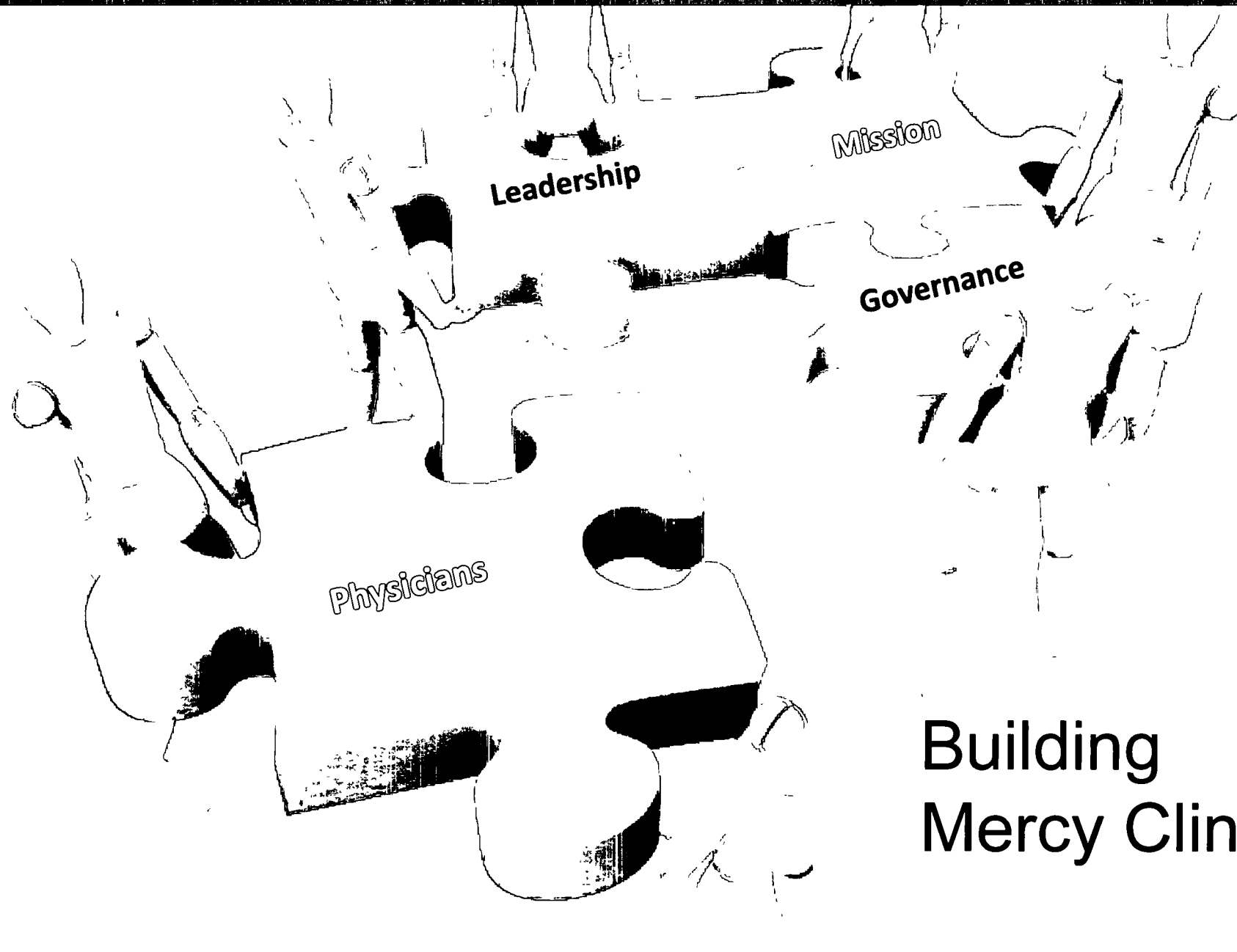
Family Practice	56
IM/PED	5
Internal Medicine	3
Pediatrics	6
Advanced Practice Providers	23
Total	93

Specialty Care

Endocrinology	1
General Surgery*	7
GI	5
Hospitalists	11
Neurology	6
Neurosurgery	0
OB/GYN*	3
Oncology	12
Orthopedics*	4
Hand Surgery	0
Pain/Physiatry	1
Pulmonary Critical Care	10
Rheumatology	2
Dermatology	0
Urology	2
Totals	64

Grand Total 157

More providers



Building
Mercy Clinic

Community Master Planning

You shared. We listened.

Expanded footprint

Uninsured populations

Workforce

Specialty care

Reforms



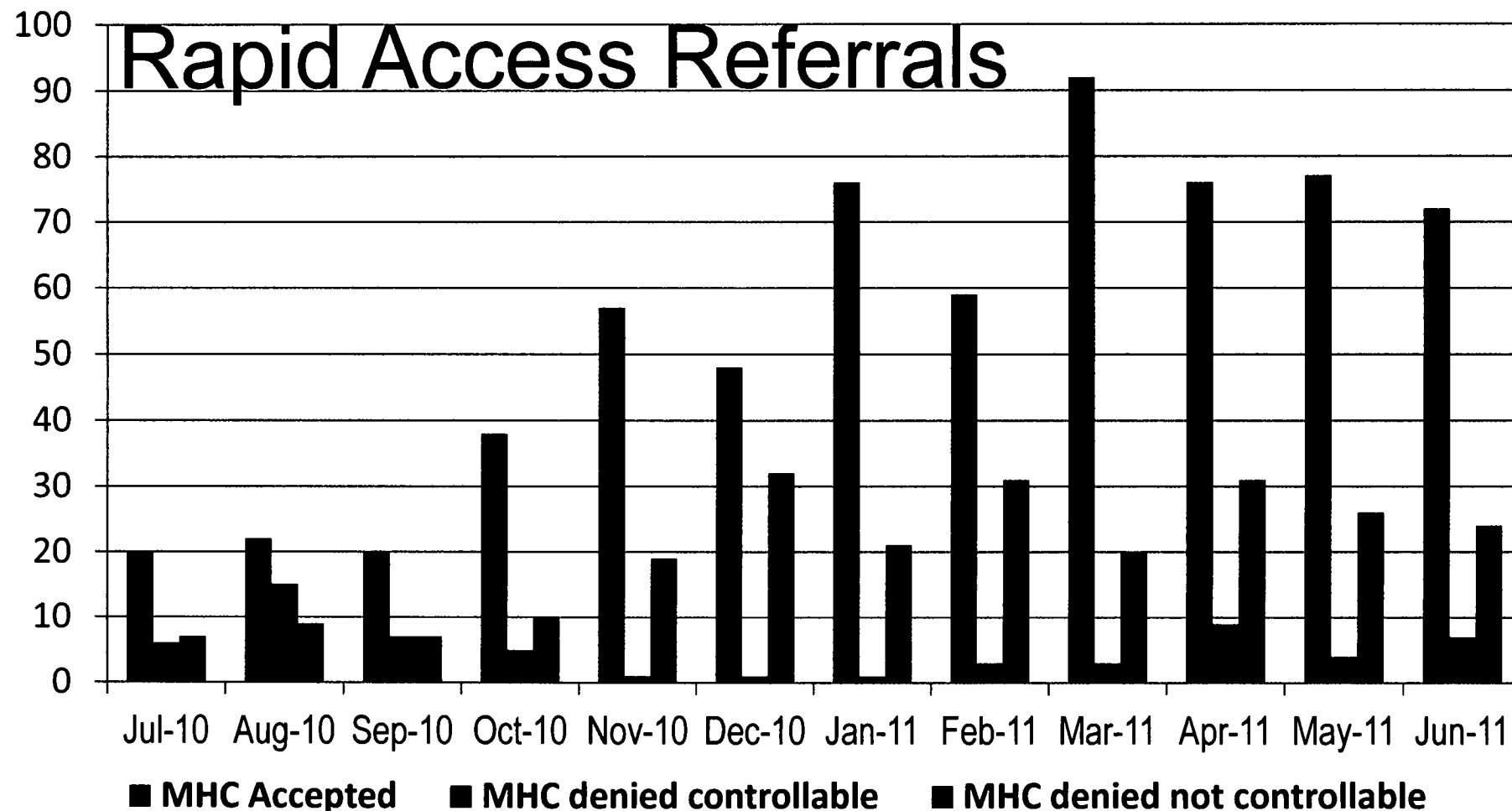
Specialty care

Oncology Expansion

- Largest team of medical oncologists in western Oklahoma
- Cancer services in four communities
- Integrated coordination of care



Specialty care



"We need to think big, and we need big help."

Community Master Planning

You shared. We listened.

- 1 Expanded footprint
- 2 Underserved populations
- 3 Care models
- 4 Specialty care
- 5
- 6 Telemedicine
- 7 Renewal



Telemedicine



MyMercy —
Technology in the hands of the community

Telemedicine

Telestroke



"Virtual medicine will be a leap of faith ... but it's the right thing to do."

Community Master Planning

You shared. We listened.

Expanded footprint

On the east side of the hospital

new medical building

Specialty care

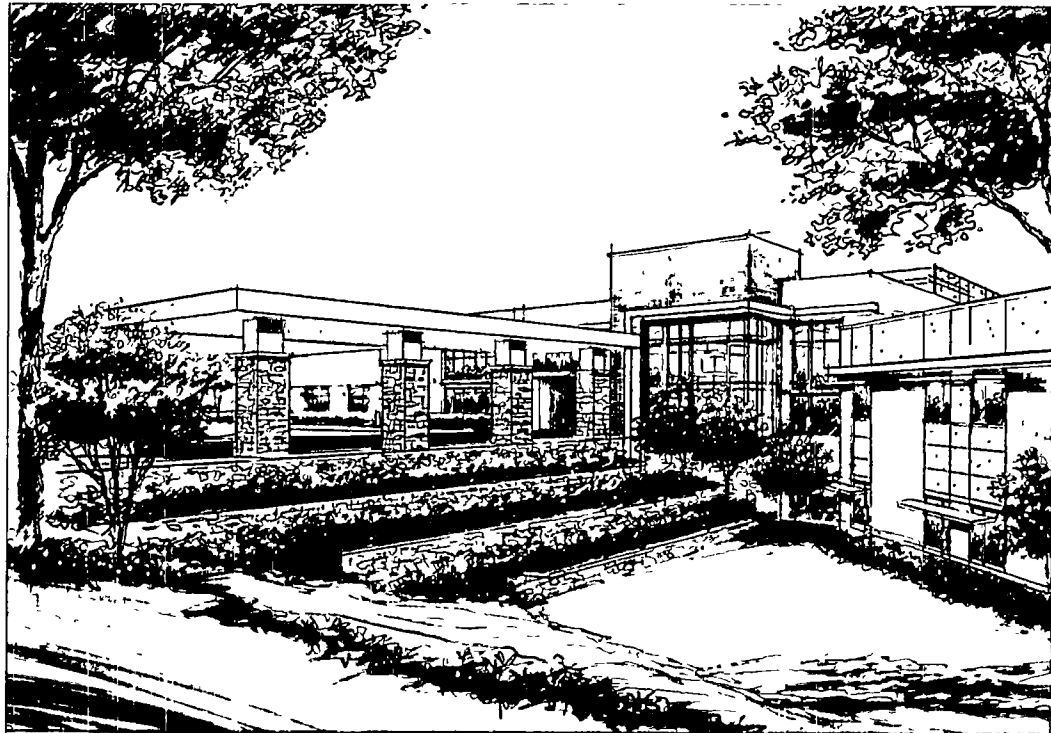
Renewal



Expanded footprint

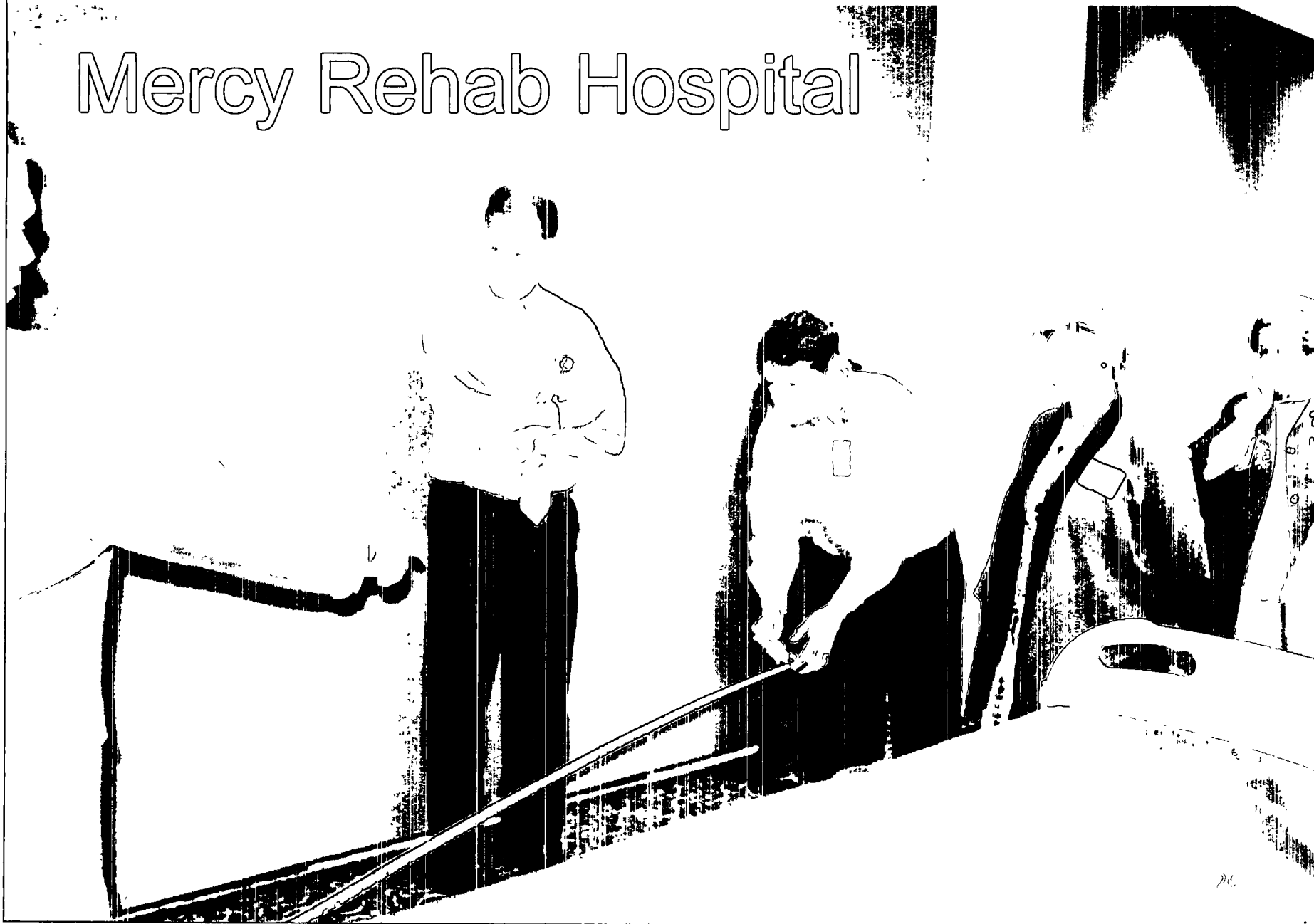
New sites of service to provide more convenient care

- Campus renovations and updates
- Retail clinics
- Physician offices
- New facilities



Expanded footprint

Mercy Rehab Hospital



Expanded footprint

Mercy Health & Wellness Edmond



Renewal

Emergency Department Expansion

- Campus expansions and renovations
- Improved care settings

Expanded footprint

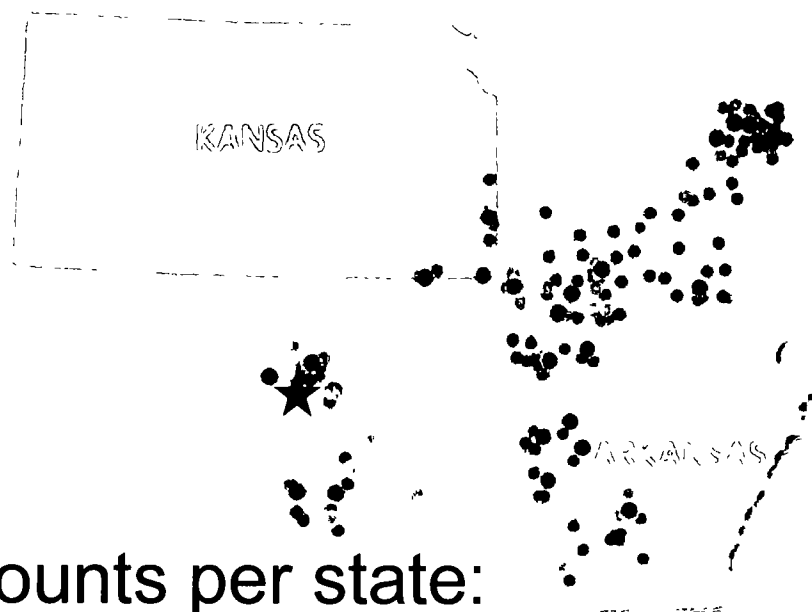
Facilities and the brand experience

- Thoughtful design
- Community experience advisors
- Easy
- Personal
- Comprehensive
- Professional
- Vibrant



Expanded footprint and Renewal

Mercy's investment across four-state area



Dollar amounts per state:

• Missouri	\$3,592 million	(includes MCS and CIC)
• Oklahoma	\$ 772 million	
• Arkansas	\$ 404 million	
• Kansas	\$ 39 million	
• Total	\$4,807 million	

Community Master Plan

Your Feedback

1. *What did you hear tonight that really excited you?*
2. *How can Mercy and our communities partner to reach these goals? Help us identify ways to better connect.*
3. *How can Mercy help promote ownership for personal health?*
4. *Since we last met, what health gaps exist in our communities?*

Community Master Plan

Mercy's *Commitment to Community*

**We are the people of Mercy Health Ministry.
Together, we are pioneering a new model of care.
We will relentlessly pursue our goal
to get health care right.
Everywhere and every way that Mercy serves,
we will deliver a transformative health experience.**



Dear Community Round Table Member,

I would like to personally thank you again for your participation in our first Community Round Table event in Oklahoma City. We have learned so much from you through our engaging dialogue and look forward to continuing our conversation about the future of healthcare in a variety of ways.

Mercy hosted similar roundtable events in communities across the four-state area we serve. Regardless of the geographic location, consistent themes were communicated to us:

- As patients, you want convenient access to care including easier access to your physician's office, timeliness in your appointment with the doctor or nurse practitioner, and better office hours accommodating a variety of schedules
- As parents, you want to ensure the health of your children. The epidemic of childhood obesity in America weighs heavily on your minds. What are we doing to help correct this unfortunate trend?
- As caregivers, you need to know that care will be available for aging parents and loved ones
- As consumers, you are interested in understanding how new technology can improve your overall healthcare experience while still retaining that personal touch
- We also heard loud and clear your questions surrounding changes in healthcare and the future impact of those changes on your medical care

The voice of Mercy's customer always has been critical to our decision-making process. We will continue incorporating what we hear from you as we work on projects in the metro area.

- On July 7, we opened "The Clinic at Walmart Operated by Mercy." The partnership we now have with Walmart allows us to provide accessible, convenient, and high quality care to people who may not have a primary care physician
- We are in the early stages of launching "Mercy in Schools," an initiative to provide immediate care on-site at school. Not only will we be giving medical care to students, we'll be giving them helpful information on living healthy lifestyles

Your continued input is highly valued. If you have thoughts you would like to share about Mercy, please let me know.

(Click here to share your thoughts)

Thank you, again, for working with us to improve healthcare.

Jim R. Gebhart, FACHE
President
Mercy Health Center

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

September 11, 2013

Minutes

MEMBERS PRESENT: Dr. Mickey Crittenden, Dr. Jason Hart, Dr. Tarek Dernaika, Dr. Jess Armor, Dr. Laurie Orme, Dr. William Kakish

Ex-Officio Members: Dr. Cullen Thomas

OTHERS PRESENT: Pat Patton, Derek Mountford, Lynn Pinaroc, David Tew, Dr. James Dixon, Debbie Ptak

ABSENT: Dr. Brian Boggs

CALL TO ORDER: Dr. William Kakish called the meeting to order at 6:10 p.m.

APPROVAL OF MINUTES: *Motion was made and seconded to approve the minutes of the MPO Board of Directors meeting of July 31, 2013. Motion carried.*

Motion was made and seconded to approve the following policies:

- a. MPO Board Approved Maternity Leave Policy*
- b. MPO Board Approved Dr. [REDACTED] Outside Activities*
- c. MPO Board Approved Dr. [REDACTED] DO., Outside Activities (Tabled)*
- d. MPO Board Approved Chart Policy with Modification to Policy #5 and #6.*

ALLER-VISION ISSUE Aller-Vision Issue (Piloting at Signal Ridge) remove from next agenda.

CHART POLICY Discussion on policy modification. Derek Mountford will take care of this and bring it back to the MPO Operations Committee. Board Approves with Modification Changes.

HUMAN RESOURCES Dr. Mickey Crittenden shared his concerns about a situation regarding terminating an employee from his office. Dr. Crittenden considered this an HR issue. Wm. Pat Patton and David Tew will follow up on Dr. Crittenden concern and get back with him.

FINANCIAL REPORT: Wm. Pat Patton presented financial report for Mercy Clinic

- Pat Patton gave an update (Handouts were provided)

HEALTH CARE ALLIANCE Health Care Alliance – Oklahoma County – provides care to the poor. Dr. Thomas will email information to the MPO Board members.

- a. Physicians will get credit on RVU's for participation
- b. Action Plan for ex: Diabetics
- c. Parameters on how many patients

Mercy Physicians Board of Directors
Minutes July 31, 2013

- d. Questions: Should we play? Hold physicians to participation? Have a limit on patients? With some limitations, good to participate.

COMPENSATION UPDATE: Dr. Thomas gave the committee an update:

- a. Quality measures for specialties.
- b. Targets being worked on, with a December 1st 2013 deadline
- c. Financial piece is on-going
- d. Comp formula is adjusting for those going down
- e. Rewarding physicians who have done more
- f. Oncology piece being discussed on Infusion
- g. CME mentioned for approval – Dr. Cullen Thomas will send out

COMMITTEE UPDATES:

- 1. Quality/Safety Committee (No Updates at this time)
- 2. Finance/Compensation Committee- listed in Compensation item above
- 3. Culture Committee – Wine & Cheese Social at Coles Garden scheduled for September 15, 2013 at 2:30-4:30 pm. Christmas party save the date email will be sent out on October 1, 2013. Christmas party initiation will be mailed on November 1, 2013. Mercy Clinic Christmas Party date is December 14, 2013. Debbie to contact Brittany Mixon to make sure that the MHC Administration is invited to the Christmas Party. (Done)
- 4. Operations Committee – Maternity Leave Policy – discussion (Derek Mountford) bring item back to MPO Board for further discussion and update.

OTHER ITEMS CME – approved via email (Dr. Cullen Thomas will send out to all MPO Board Committee Members and it will also be sent out to all physicians)

Update on Executive Session from July 31, 2013.

Dr. [REDACTED]:

- a. Suspended
- b. Meeting on Friday and Dr. [REDACTED] will no longer be a part of Mercy.
- c. Mercy will pay 90 days

Next MPO BOARD MEETING November 27, 2013

ADJOURNMENT: The meeting adjourned at 8:05 p.m.



William Kakish, MD
Board Chair

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

November 28, 2012

Minutes

- MEMBERS PRESENT:** Dr. Mickey Crittenden, Dr. Jeff Sabine, Dr. Jason Hart, Dr. Brian Boggs
- Ex-Officio Members:** Dr. Cullen Thomas
- OTHERS PRESENT:** Pat Patton, Tammy Curtis, Debbie Ptak, Sommer Skinner, Derek Mountford, Lynn Pinaroc, David Tew, Dr. James Dixon, Tom Edelstein, Sheila Henson and Theresa Rieger.
- ABSENT:** Dr. Britt Morris; Eric Pianalto
- CALL TO ORDER:** Dr. Jeff Sabine called the meeting to order at 6:05 p.m.
- APPROVAL OF MINUTES:** *Motion was made and seconded to approve the minutes of the MPO Board of Directors meeting of September 26, 2012. Motion carried.*
- Motion was made and seconded to approve the following policies:*
- a. *MPO Board Approved \$200.00 Physician Contribution for the Mercy Clinic Christmas Party.*
 - b. *MPO Board Approved Dr. [REDACTED] and Dr. [REDACTED] Outside Activities.*
 - c. *MPO Board Approved Dr. Brian Link IMRT/Lithotripsy until Mercy has their own IMRT/Lithotripsy.*
- FORMATION:** Tom Edelstein shared success stories from employees who have attended the formation classes.
- Managers enjoyed attending the formation
 - Bonding experience
 - Employees are working better as a team
 - Tom Edelstein would like to encourage more physician participation
- FINANCIAL REPORT:** Lynn Pinaroc presented financial report for Mercy Clinic
- Lynn Pinaroc gave an update (Handouts were provided)
 - Collections are going well, collecting more than last year.
- COMPLIANCE REPORT:** Sheila Henson gave an update on the Compliance Report. (Handouts reviewed)
- DOWNWARD TREND IN PHYSICIAN SATISFACTION**
- Dr. Crittenden shared concerns from physicians being dissatisfied by communication that is not being made clear to them.
- Wm. Pat Patton agreed to bring better clarification on physician items at the next All Physicians Meeting.

**Mercy Physicians Board of Directors
Minutes September 26,, 2012**

COMPENSATION UPDATE: Dr. Thomas gave the Board an update since the last compensation meeting in Springfield. Dr. Thomas will keep the Board updated as the physician compensation meetings progress.

COMMITTEE UPDATES:

1. Quality/Safety Committee
 - A. Nothing to report at this time, November and December meetings were cancelled due to holiday and PTO schedules.
2. Finance/Compensation Committee- Nothing to report at this time
3. Culture Committee:
 - Dr. Melinda Call is the new Chairman for the Culture Committee.
 - Christmas Party discussed at last meeting
4. Operations Committee – Nothing to report at this time

Next MPO BOARD MEETING January 30, 2013

- New Board Members will be attending this meeting

ADJOURNMENT: The meeting adjourned at 8:20 p.m.

Jeffrey Sabine, M.D.
Board Chair

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

October 26, 2011

Minutes

- MEMBERS PRESENT: Dr. Mickey Crittenden, Dr. Jason Hart, Dr. Cullen Thomas,
Ex-Officio Members: Dr. Cullen Thomas
- OTHERS PRESENT: Eric Pianalto, David Tew, Tammy Curtis, Sheila Henson, Debbie Ptak, Sommer Skinner
- ABSENT: Dr. Sabine, Dr. Britt Morris, Dr. James Dixon
- CALL TO ORDER: Dr. Cullen Thomas called the meeting to order at 6:00 p.m.
- APPROVAL OF MINUTES: *Motion was made and seconded to approve the minutes of the MPO Board of Directors meeting of October 24, 2011. Motion carried.*
- Motion was made and seconded to approve Mercy Health Code of Conduct. Motion carried.*
- Motion was made to approve Physicians paying \$300.00 each towards the Christmas Party on December 9, 2011. Motion carried*
- FINANCIAL REPORT: Eric Pianalto presented financial report for Mercy Clinic
- No handouts
 - Eric gave an update
 1. Billing and collecting need to improve
- CONFLICT OF INTEREST POLICY: Sheila Henson reviewed the Conflict of Interest Policy
- Handout was given on Mercy Code of Conduct
 1. GI Practice – discussion
 2. RAC Activity
 3. Privacy Program Updates
 4. Internal Investigations
 5. Mercy Code of Conduct
 6. Conflict of Interest and Disclosure Policy – Need to follow up
- BOARD RESOLUTIONS: No Resolution was presented at this meeting.
- COMMITTEE UPDATES: Culture Committee
1. Requesting Board Approval for Budget for Culture Committee – Eric Pianalto to set the budget.
 2. Culture Committee requesting Board Approval for Physicians to pay \$300.00 each for Christmas party for December 9, 2011. **(Approved by Board)**

Mercy Physicians Board of Directors
Minutes March 9, 2011

Finance/Compensation Committee

- Next Finance meeting November 8, 2011 with Brad Vaudrey -report on present compensation.

Operations Committee

- Malpractice update
 1. Med Pro – accomplished
 2. \$245,000 dollar savings
 3. Everyone stayed the same or cheaper
 4. Local Representative for Med Pro is Michael Blaum
- Next all Physicians meeting January 5th, 2012

Quality/Safety Committee – Credentialing Form

1. USANA Products Approval
2. Selling Medications in an office

UPDATES:

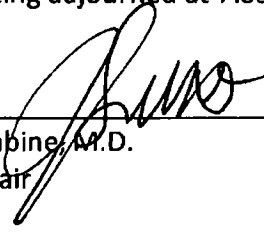
Next meeting January 25, 2011

ACTION ITEMS:

1. Dr. Cullen Thomas to bring more information on Performance Improvement Plan at the next Board Meeting.

ADJOURNMENT:

The meeting adjourned at 7:35 p.m.



Jeffrey Sabine, M.D.
Board Chair

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

December 15, 2010

Minutes

- MEMBERS PRESENT:** Dr. Mickey Crittenden, Dr. Jason Hart, Dr. Jeffrey Sabine,
Ex-Officio Members: Eric Pianalto, Di Smalley, David Tew, Dr. Cullen Thomas
- OTHERS PRESENT:** Dr. James Dixon, Tammy Curtis, Derek Mountford, Lisa VanNoy
- ABSENT:** Dr. Brian Boggs, Dr. Britt Morris
- CALL TO ORDER:** Dr. Sabine called the meeting to order at 6:05 p.m.
- INVOCATION:** Dr. Sabine gave the invocation.
- INTRODUCTION:** Dr. Thomas introduced Marilyn Geiger, President of Foundation for Mercy West. Marilyn recently joined Mercy to lead fundraising in Mercy West Region. She has many years in fundraising experience where she most recently served as Executive Director of Foundation for Norman Regional Hospital.
- APPROVAL OF MINUTES:** *Motion was made and seconded to approve the minutes of the MPO Board of Directors meeting of October 27, 2010. Motion carried.*
- APPROVAL OF BYLAWS:** Dr. Thomas advised the members that the recommended changes to the bylaws from the meeting held on October 27th could not be made. Legal department in St. Louis will not allow certain changes so that the bylaws are consistent across the three regions.
- Motion was made and seconded to approve the Bylaws of Mercy Physicians of Oklahoma, Inc. Motion carried.*
- FINANCIAL REPORT:** Eric Pianalto stated Mercy Physicians is currently 1M behind budget on both expenses and revenue. More expenses were incurred on the Specialty side than anticipated. Of the 1M that we are behind budget, 800K was incurred in July. Mercy is starting to see the benefits of coordinated care initiatives, with one example being that the first 3 months of 2010 Mercy Health Center's average census was 260. The census for October & November was 320.
- Dr. Thomas stated during the months of July & August Rapid Access turned away more patients than were admitted. During the month of September we had 10 admissions and December we had 60 admissions. We recently added Dr. Mark

Mercy Physicians Board of Directors
Minutes – December 15, 2010

Miles and Dr. Dathan Jay to admit transfers so this has allowed us to take more patients.

Eric stated they are currently concentrating on Business Development Services with the main focus on volume in critical areas of underperforming business at Mercy. Progress is being made through Business Development Summits that are being chaired by Jim Gebhart and Eric Pianalto.

COMMITTEES:

Dr. Thomas gave a presentation on Governance and reviewed the Committee Charters.

Eric stated they are in the process of developing a Managed Care Committee to represent all entities across the three regions. The role of the Managed Care Committee is to monitor trends and set the parameters.

Dr. Thomas stated he will serve on the Physician Compensation Task Force, a work stream developed by the Mercy Health Ministry Board. The information he gains from this task force should be helpful to the Finance/Compensation Committee.

There was discussion of the number of committee members needed for each committee and names were suggested for those committees. Ardmore representation will be needed on each committee.

Finance/Compensation Committee: Maximum of 12 members with two of these being board members. It was suggested to start with a smaller number of committee members, 2 Primary Care, 2 Specialty, and 2 Board Members. Dr. Thomas stated there needs to be 1 Oncologist on the Committee. Suggested members; Dr. Jeff Floyd, Dr. Christian Ellis, Dr. Ted Webb, Dr. Steven Burner, Dr. Elizabeth Wickersham, and Dr. Seyed Alamian.

Quality Committee: Two board members will need to serve on this committee. Suggested members; Dr. Shu-Ming Wang, Dr. Toby Velasquez, Dr. Jeffrey Rother, Dr. Jeanie Klabzuba, Dr. Beverly Talbert, Dr. Brian Link

Operations Committee: One board member will need to serve on this committee. Suggested members; Dr. Bill Bondurant, Dr. J. McCall Bundy, Dr. Debra Riggs, Dr. Elizabeth Wickersham, Dr. Mike Garrison.

Dr. Thomas asked the Board to consider a Culture Committee. The role of this committee is to develop a statement of principles and code of conduct, organize culture building activities, develop an educational program, and formalize a mentoring program. Dr. Jesse Campbell was suggested to serve on this committee.

Motion was made and seconded to approve the Culture Committee. Motion carried.

Mercy Physicians Board of Directors
Minutes – December 15, 2010

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HITECH:

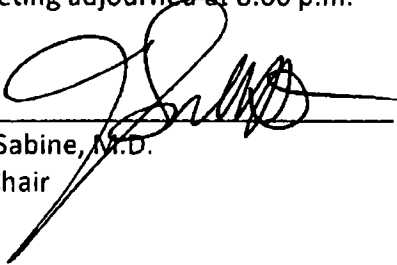
The Health Information Technology for Economic and Clinical Health Act (HITECH) was enacted as part of the American Recovery and Reinvestment Act (ARRA) in 2009. Under the HITECH Act, eligible professionals (physicians) and hospitals can receive financial incentives based on timely adoption of EHRs and meeting the criteria for "meaningful use" of certified EHR technology.

MYMERCY:

Dr. Thomas reported we are at 50% of the goal of 100 sign ups per physician. Eric applauded the physicians for their hard work in trying to meet this goal.

ADJOURNMENT:

The meeting adjourned at 8:00 p.m.



Jeffrey Sabine, M.D.
Board Chair

ASSIGNMENT

THIS ASSIGNMENT is made and entered into this effective as of this 1st day of January, 2011, by and between Mercy Health Network, Inc. an Oklahoma corporation, ("Assignor"), and Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Assignee")

WITNESSETH, that for valuable consideration in hand paid by the Assignee to the Assignor, the receipt of which is hereby acknowledged, the Assignor hereby assigns and transfers to the Assignee all of its rights, title and interests in and to the following described Physician Employment Agreements and any and all related Amendments to such Physician Employment Agreements and related ancillary agreements as follows.

PHYSICIAN NAME	PHYSICIAN EMPLOYMENT AGREEMENT DATED	AMENDMENT TO PHYSICIAN EMPLOYMENT AGREEMENT, IF ANY, DATED	ANCILLARY AGREEMENTS
Allen, Erin DO -	2/8/10	4/1/10	n/a
Anderson, Michael MD	1/18/10	n/a	n/a
Banowitz, John M MD	2/1/09	2/1/09	n/a
Barr, Stephen M. MD	11/1/09	n/a	n/a
Baych, Lisa MD	3/10/10	n/a	Loan Agreement & Promissory Note dated 3/10/10
Boggs, Brian MD	12/9/09 effective 1/1/10	n/a	
Bondurant, William L. MD	8/19/08 effective 1/1/09	1/1/09	
Buendia, Joseph C. DO	12/24/09 effective 2/22/10	1/22/10	n/a
Bundy, J McCall MD	7/1/00	2/15/09	n/a
Burner, Steven MD	8/1/00	n/a	
Cail, Melinda MD	1/1/06	n/a	n/a
Cail, James III - DO	7/9/10	n/a	n/a
Caldwell, Cuyler MD	12/22/09	n/a	Loan Agreement & Promissory Note dated 12/22/09
Campbell, Jesse MD	11/6/06	n/a	
Corley, Stanley MD	8/1/00	n/a	n/a
Crittenden, Mickey MD	7/1/00	n/a	n/a
Davis, Frank MD	10/1/08	10/1/08	

Dennis, Gregory J DO	7/1/09	7/1/10	Medical Director Agreement Addendum to Physician Employment Agreement dated 7/1/10
Dennis, Lydia J DO	7/1/09	n/a	n/a
Dewberry, Glenn MD	8/1/00	n/a	n/a
Dickinson, Gary MD	7/7/08	n/a	n/a
Douglas, Chad MD	10/7/09	10/21/09	Loan Agreement & Promissory Note dated 10/7/09
Dowell, Matt DO	1/1/10	n/a	n/a
Edgmon, Kimberly MD	7/25/05	n/a	n/a
Ellis, Christian DO	12/24/09 effective 2/22/10	1/22/10	n/a
Evans, Craig MD	10/1/08	10/1/08	n/a
Floyd, Jeffrey MD	12/1/02	n/a	n/a
Fraley, Andrea MD	8/6/10 effective 10/1/10	n/a	n/a
Frey, Bret MD	9/3/10 effective 9/15/10	n/a	n/a
Garrison, Patrick MD	7/7/08	n/a	n/a
Grizzle, John MD	7/1/01	n/a	n/a
Hale, William J II MD	5/12/10	n/a	n/a
Hart, Jason MD	8/1/06	8/1/07	n/a
Hayhurst, Dru MD	7/1/07	n/a	n/a
Hoover, Geoffrey W MD	8/10/10 effective 10/1/10	n/a	n/a
Hopkins, David DO	9/1/09	n/a	Loan Agreement & Promissory Note dated 9/1/09
Hopkins, Lauren DO	1/27/10	n/a	Loan Agreement & Promissory Note dated 9/1/09
Hopkins, Stephen A MD	7/15/09	First Amendment dated 7/16/09 & Second Amendment dated 7/15/10	n/a
Hulse, Mark Allen MD	1/1/09	First Amendment dated 6/1/09; Second Amendment dated 1/1/10 & Third Amendment dated 7/1/10	Addendum to Physician Employment Agreement dated 1/1/09
Hulson, Terrill MD	10/1/08	n/a	n/a

Ingram, Russell MD	6/30/10	12/10/10	Loan Agreement & Promissory Note dated 6/30/10
Jamison, Joseph A. MD	1/1/09	11/20/08	n/a
King, Joseph MD	7/8/10	n/a	n/a
King, Steven D DO	8/4/10	n/a	n/a
Klabzuba (Smith), Jeanie DO	8/1/06	n/a	n/a
Knox, J Mark DO	8/1/00	n/a	n/a
Lawrence, Gary M MD	1/1/09	n/a	n/a
Link, Brian MD	6/11/10	n/a	n/a
Magness, Steven MD	3/22/10	n/a	n/a
Mankin, Alice MD	7/30/10	n/a	Loan Agreement & Promissory Note dated 7/30/10
McCollom, Brendon DO	7/1/08	n/a	n/a
Naidu, Sachidanandan MD	8/1/09	First Amendment dated 7/13/09, Second Amendment dated 8/1/09; & Third Amendment dated 8/1/10	n/a
Nehme, Omar MD	7/13/10	n/a	n/a
Olay, Michael MD	1/1/09	11/20/08	n/a
Olay, Sabrina MD	1/1/09	11/20/08	n/a
Pham, Thuan MD	10/1/09	n/a	n/a
Pinaroc, Nestor MD	8/1/01	n/a	n/a
Pok, Visal MD	7/1/09	7/1/10	n/a
Rahhal, Donald MD	12/15/09	n/a	n/a
Riggs, Debra MD	7/1/00	n/a	n/a
Rodriguez, Orson P MD	3/7/10	n/a	n/a
Sabine, Jeffrey MD	7/1/00	n/a	n/a
Schlinke, Shawn MD	5/2/05	n/a	n/a
Schlinke, Stephen MD	12/22/09 effective 1/4/10	n/a	n/a
Schrader, Stuart DO	9/1/06	n/a	n/a
Seguin, John MD	7/16/01	n/a	n/a

Shipley, Winston D MD	2/1/09	2/1/09	n/a
Simmons, Merl MD	7/1/00	n/a	n/a
Sipes, Billy MD	7/1/00	n/a	n/a
Smuley, Constance MD	8/1/00	n/a	n/a
Stephens, George "Kelly" MD	6/29/00	n/a	n/a
Stout, Darrell MD	8/1/06	n/a	n/a
Studebaker, M. Kent MD	7/1/00	n/a	n/a
Talbert, Beverly MD	10/1/09	n/a	n/a
Tincher, Steven MD	10/23/09	n/a	Loan Agreement & Promissory Note dated 10/23/09
Tribbey, Michael A MD	2/1/09	2/1/09	n/a
Tupper, Joel MD	9/1/10	n/a	n/a
Vernier, Stephen MD	3/1/01	12/31/08	n/a
Vernon, Bettina MD	11/1/06	n/a	n/a
Wang, Shu-Ming MD	6/1/08	First Amendment dated 6/1/09; Second Amendment dated 9/1/09 and Third Amendment dated 1/1/10	n/a
Wasemiller, Wayne L MD	2/1/09	2/1/09	n/a
Webb, Ted MD	8/1/00	n/a	n/a
Wickersham, Elizabeth A MD	3/1/09	First Amendment and Second Amendment dated 3/1/10 and Third Amendment dated 9/1/10	n/a
Wyatt, Willie MD	1/1/00	n/a	n/a

These agreements are collectively referred herein as the "Agreements "

The Assignor warrants and represents that the Agreements are in full force and effect and are fully assignable and if any consent is required under the Agreements, such consent has been given by the appropriate party. The Assignee hereby assumes and agrees to perform all obligations of the Assignor under the Agreements and guarantees to hold the Assignor harmless from any claim or demand made thereunder.

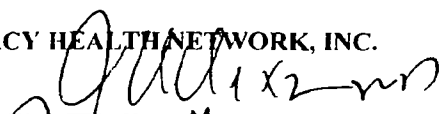
IN WITNESS WHEREOF, the Assignor has executed this Assignment on the day and year first above written.

ASSIGNOR

MERCY HEALTH NETWORK, INC.

By:

Title:


David M. Miller

ASSIGNEE.

MERCY PHYSICIANS OF OKLAHOMA, INC.

By:

Title:


CEO

ASSIGNMENT

THIS ASSIGNMENT is made and entered into this effective as of this 1st day of January, 2011, by and between Mercy Health Center, Inc., an Oklahoma not for profit corporation, and Mercy Health Network, Inc., an Oklahoma corporation (collectively the "Assignor"), and Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Assignee")

WITNESSETH, that for valuable consideration in hand paid by the Assignee to the Assignor, the receipt of which is hereby acknowledged, the Assignor hereby assigns and transfers to the Assignee all of its rights, title and interests in and to the following described Physician Employment Agreements and any and all related Amendments to such Physician Employment Agreements and related ancillary agreements as follows.

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Baker, Steven DO	6/1/10	n/a	n/a
Delafield, Frederick M D.	6/1/10	n/a	n/a
Goodwin, James M D.	6/1/10	n/a	n/a
Lipne, Jon M D	6/1/10	n/a	n/a
Mikawa, Kevin M D.	9/1/10	n/a	Addendum dated 9/1/10
Rader, David M D	6/1/10	n/a	n/a
Raparthi, Agnel M.D.	11/28/10	n/a	Loan Agreement & Promissory Note dated 11/28/10
Santos, Richard M D	11/10/10	12/10/10	Loan Agreement & Promissory Note dated 11/10/10
Wilkinson, John MD	6/1/10	n/a	n/a

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IN WITNESS WHEREOF, the Assignor has executed this Assignment on the day and year first above written.

ASSIGNOR:

MERCY HEALTH CENTER, INC.

By: Paul A. Foster
Title: CFO

MERCY HEALTH NETWORK, INC.

By: [Signature]
Title: MD

ASSIGNEE:

MERCY PHYSICIANS OF OKLAHOMA, INC.

By: [Signature]
Title: CFO

ASSIGNMENT

THIS ASSIGNMENT is made and entered into this effective as of this 1st day of January, 2011, by and between Mercy Health Network of the Southern Region, Inc., an Oklahoma corporation, ("Assignor"), and Mercy Physicians of Oklahoma, Inc., an Oklahoma not for profit corporation ("Assignee")

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Carpenter, Scott D O.	7/1/10	n/a	n/a
Dorroh, Frederick A. MD	7/1/10	n/a	n/a
Ellis, Bobby J MD	3/31/10	n/a	n/a
Foos, Marcus MD	9/1/08	n/a	n/a
Habj-Bik, Ynal MD	10/28/10	n/a	n/a
Kirby, Summer M D.	1/8/10	n/a	Loan Agreement & Promissory Note dated 1/8/10
Landis, Derek M.D.	4/1/10	n/a	n/a
Manevitz, Rebecca M D	4/13/10	Amendment dated 4/13/10	Addendum dated 6/28/10
Morris, Douglas Britton D O	12/7/09	n/a	n/a
Parker, Mary M.D.	7/1/10	n/a	n/a
Parker, William M D	7/1/10	n/a	n/a
Parsons, Bill D O.	5/24/10	n/a	Addendum dated 6/30/10
Reed, Kevin II M D.	6/24/10	n/a	Addendum dated 6/25/10
Rose, David D M.D.	3/31/10	n/a	Addendum dated 3/31/10
Sunga, Ruben L. M D.	5/10/10	n/a	n/a
Velasquez, Tonbio C Jr M D	4/1/10	n/a	n/a
Zhang, Wei MD	3/31/10	Amendment dated 3/31/10	Addendum dated 6/25/10

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ASSIGNOR.

**MERCY HEALTH NETWORK OF THE
SOUTHERN REGION, INC.**

By Paul A. Foster
Title CEO

ASSIGNEE.

MERCY PHYSICIANS OF OKLAHOMA, INC.

By [Signature]
Title CEO

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

December 15, 2010

Minutes

- MEMBERS PRESENT:** Dr. Mickey Crittenden, Dr. Jason Hart, Dr. Jeffrey Sabine,
Ex-Officio Members: Eric Pianalto, Di Smalley, David Tew, Dr. Cullen Thomas
- OTHERS PRESENT:** Dr. James Dixon, Tammy Curtis, Derek Mountford, Lisa VanNoy
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Mercy Physicians Board of Directors
Minutes – December 15, 2010

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Mercy Physicians Board of Directors
Minutes – December 15, 2010

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HITECH:

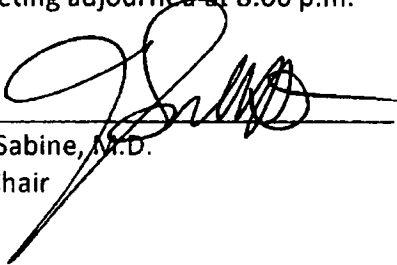
The Health Information Technology for Economic and Clinical Health Act (HITECH) was enacted as part of the American Recovery and Reinvestment Act (ARRA) in 2009. Under the HITECH Act, eligible professionals (physicians) and hospitals can receive financial incentives based on timely adoption of EHRs and meeting the criteria for "meaningful use" of certified EHR technology.

MYMERCY:

Dr. Thomas reported we are at 50% of the goal of 100 sign ups per physician. Eric applauded the physicians for their hard work in trying to meet this goal.

ADJOURNMENT:

The meeting adjourned at 8:00 p.m.



Jeffrey Sabine, M.D.
Board Chair

MERCY PHYSICIANS OF OKLAHOMA

BOARD OF DIRECTORS

January 26, 2011

Minutes

MEMBERS PRESENT: Dr. Mickey Crittenden, Dr. Jason Hart, Dr. Jeffrey Sabine,
Ex-Officio Members: Eric Pianalto, David Tew, Dr. Cullen Thomas

OTHERS PRESENT: Dr. James Dixon, Tammy Curtis, Derek Mountford, Lisa VanNoy

ABSENT: Dr. Brian Boggs, Dr. Britt Morris, Di Smalley

CALL TO ORDER: Dr. Sabine called the meeting to order at 6:05 p.m.

INVOCATION: Dr. Sabine gave the invocation.

APPROVAL OF MINUTES: *Motion was made and seconded to approve the minutes of the MPO Board of Directors meeting of December 15, 2010. Motion carried.*

ELECTION OF SECRETARY: A decision was made to not elect a secretary. Dr. Sabine will continue to sign the meeting minutes.

FINANCIAL REPORT: Eric Pianalto stated Mercy Physicians continues to be 1M behind budget on both expenses and revenue. Oncology is 40 days behind in billing. We will continue to see charges increase as Pulmonary physicians started on January 1st and Gastroenterology physicians started on February 1st.

Oncology is still not on Epic due to the Epic teams are short staffed. We are pushing for dedicated go-live dates.

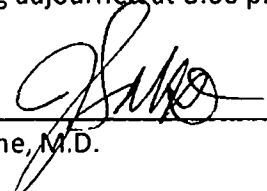
Recruitment for an Executive Director of Finance is still underway.

The transition to place all physicians under Mercy Physicians took place on January 1st. It was discovered that TrailBlazer has not processed Mercy Physicians provider number and it will be March 1st before they can process it. As a result of this we will have problems in our collections. TrailBlazer is 5-6 months behind in processing. Dr. Thomas suggested we contact James Lankford to report this to Medicare.

COMMITTEES: It was decided to have 8-10 committee members with 1 board member on each committee. The goal is to have each committee meet prior to March 1st. Dr. Thomas stated we have physicians that no longer work at the hospital and there is a need to develop credentialing standards but we have to have an approving body. Credentialing criteria examples will be provided to the Quality Committee.

Mercy Physicians Board of Directors
Minutes – January 26, 2011

- MYMERCY: Dr. Dixon reported MyMercy continues to grow.
- LEADERSHIP EDUCATION: David Tew reported on the Strengths Based Leadership meeting that was held on January 6th for physicians and clinic managers. He presented a chart of the top items of interest and thinks it would be helpful to tailor the training to the needs of the group. These items of interest will be taken to the Culture Committee.
- It was suggested to have Physician mentoring on Epic. Dr. Dixon will see if there is an interest.
- INTEGRATION REPORT: Dr. Thomas gave an update on physician integration.
- David Tew gave an update on the I-35 project. Ground breaking will be held on February 23rd at 1:30 pm. The final platt and site plan will be submitted on March 4th with plans to take it to the Planning Committee on April 19th for final approval.
- ALL PHYSICIAN MEETINGS: It was decided to have quarterly all physician meetings with one of these being the physicians Christmas party. Administration will give some dates to the Culture Committee.
- AMGA PROVIDER SURVEY: The AMGA survey will be sent to physicians on February 7th. Mid-levels will not be included in the survey.
- DR. TAWK – SLEEP LAB: Dr. Thomas stated Dr. Tawk and Dr. Durnica are being recruited as hospital Intensivists and both are interested in coming to Mercy. Dr. Thomas informed the board of Dr. Tawk's outside activities which include reading sleep studies at 3-4 facilities which include Integrus and he receives honorariums for speaking.
- A motion was made and seconded to allow Dr. Tawk to read sleep studies at other facilities with a 6 month sundown clause for his work at Integrus. Motion carried.*
- PHYSICIAN MILEAGE: Dr. Thomas has been receiving expense reports for physician mileage and he recommended we have a policy in place. Eric will ask the other Regions if they have a policy and bring it back to the next board meeting.
- ADJOURNMENT: The meeting adjourned at 8:00 p.m.



Jeffrey Sabine, M.D.
Board Chair

OKLAHOMA

Key challenges/issues to consider:

- Phase I of the Oklahoma Master Planning nearing completion. Process will be completed on March 11 for review by Mercy Senior Leadership.
- Physician integration growth is continuing.
- Mercy Health Center receives Nursing Magnet re-designation.
- Oklahoma Heart Hospital-South opens.
- Ardmore medical staff changes have affected volumes.
- Preparations are underway for EPIC inpatient and opening of the new Ardmore Tower.

Action required of board: Information Only

Topic details:

Phase I of the Oklahoma Master Planning nearing completion

The Oklahoma Master Planning is nearing completion with recommendations that support growing the Oklahoma Region to \$1 billion in revenue by 2015 being developed for Mercy Senior leadership review and approval. The strategies incorporate growth of physician integration, service line development, moving ahead with approval of the I-35 project, campus renewal and future acquisitions.

Physician integration growth is continuing

In addition to 9 primary care providers, 3 mid-levels and 13 specialty physicians who have joined Mercy Physicians in Oklahoma or soon will be, we are in active discussions with another 3 primary care and 29 specialists. By mid-2010, this will bring the total number of integrated physicians in Mercy Physicians of Oklahoma to over 105. We have been blessed to receive good support from Mercy to develop the needed infrastructure to support this continued growth.

Eric Pianalto has been appointed as Mercy Clinic COO for Oklahoma. Eric has a long track record of success within Mercy and brings to this position great experience and energy. With support of the Board of Directors, the group is in the process of building a multi-specialty group practice and has begun the selection process for Clinic president.

Mercy Memorial in Ardmore has completed their integration plan, initially focused on stabilizing the existing compensation plan to a model that rewards productivity. Next, they will address their existing practices improving operations and terminating sub par providers. Lastly, we plan on growing our PCP group in Ardmore to 30 physicians in the next 3 to 5 years.

Mercy Health Center receives Nursing Magnet re-designation

Mercy Health Center became one of only a few nationally to receive Nursing Magnet re-designation in January.

Oklahoma Heart Hospital-South opens

January 18 marked the opening of the OHH-South on the new south Oklahoma City campus. OHH-S also successfully completed its JCAHO accreditation survey and is now actively serving the community with this expanded capacity.

Mercy Health System of Oklahoma

Table 3-3		
Local Hospitals: 2	Physicians Employed: 78	PBM: CVS Caremark
Local Hospital Beds: 407	Physicians Affiliated: 874	GPO: Consortia
» Two local acute-care hospitals.		
» Mercy Health Center, Oklahoma City, 308 beds		
» Oklahoma Heart Hospital (partnership with physicians), Oklahoma City, 99 beds		
» Mercy Health Network, a group of 58 physicians, nurse practitioners and physician assistants with 11 primary-care clinics		
» Mercy Neuroscience Institute, largest group of neuroscience specialists in the Southwest		
» Mercy Women's Center, located at Mercy Health Center		
» Joint venture partner for Oklahoma Heart Hospital South Campus (opened January 2010), Oklahoma City, 46 beds		
» Mercy Memorial Health Center, full-service tertiary hospital located outside the market in Ardmore		

Description

The nonprofit Mercy Health System of Oklahoma has two hospitals on one campus in Oklahoma City. Mercy Health Center, a comprehensive acute-care hospital, and the Oklahoma Heart Hospital, a specialty facility. The system is owned by St. Louis-based Sisters of Mercy Health System, which is the eighth-largest Catholic health-care system in the United States with 26 hospitals in Arkansas, Kansas, Missouri and Oklahoma.

The local hospitals account for 14 percent of inpatient discharges and 11 percent of total acute-care beds, according to the most recent federal Medicare hospital statistics. The average occupancy rate is 74 percent and the average length of stay is 3.7 days. Medicare and Medicaid account for an average 44 percent and 8 percent, respectively, of acute-care discharges.

Mercy Health Center is located in northwest Oklahoma City, and includes Mercy Women's Center, Mercy Neuroscience Institute and physician offices.

The Oklahoma Heart Hospital is a joint venture of Mercy Health System and the Oklahoma Cardiovascular Associates; the physicians have a 49 percent stake and Mercy has a 51 percent stake. The Oklahoma Heart Hospital opened in 2002 as the nation's first all-digital hospital for total heart care and underwent a \$98 million expansion in 2006 due to high demand for cardiac services.

Mercy Health Center posted net income of \$22.0 million and net patient revenue of \$264.8 million for the fiscal year ended June 30, 2008, according to CMS hospital reporting. The Oklahoma Heart Hospital reported net income of \$10.1 million and net patient revenue of \$143.6 million for calendar year 2008.

News and Analysis

Mercy Health System of Oklahoma has had a busy year opening clinics and diagnostic centers in Oklahoma City and Edmond. It also opened the Oklahoma Heart Hospital South Campus through a collaborative effort with other systems, and grew the number of its aligned physicians by more than 50 percent.

Mercy Health officials will announce the system's big news in the summer of 2010 for the 25 acres it owns in Edmond. CEO Di Smalley said the project will be a major campus, but will not include an inpatient hospital. The system purchased the land in 2007 near a growing area where INTEGRIS Health is building its full-service hospital.

New specialty hospital: Mercy Health System, along with Oklahoma Cardiovascular Associates and two other hospital systems, opened the Oklahoma Heart Hospital South Campus in January 2010. Mercy Health officials and physicians saw a need for more cardiac services in the largely underserved southern part of the city where Norman Regional Health System and Midwest Regional Medical Center operate, and worked in

HealthFirst/Saints Medical Group

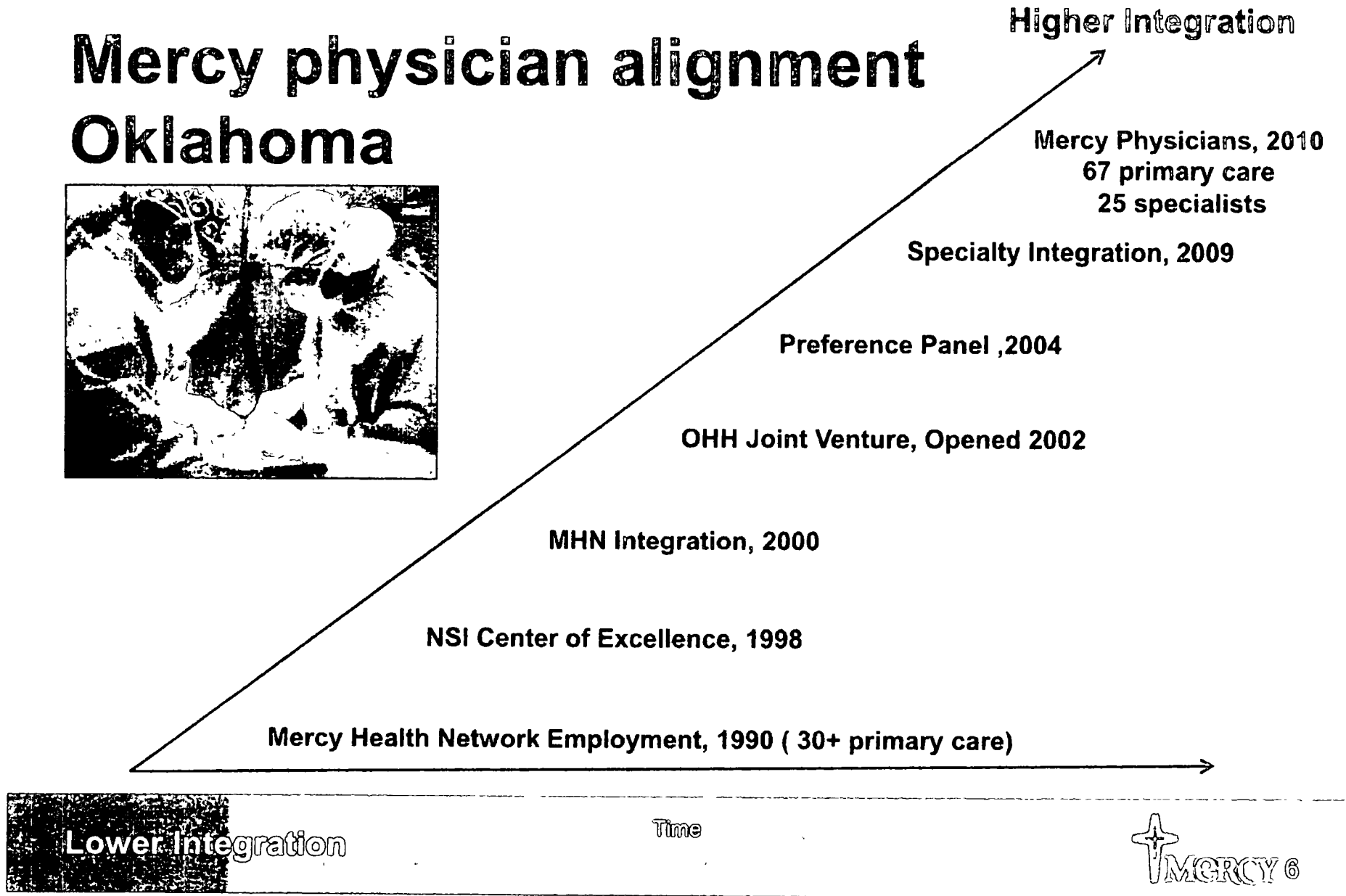
Table 4-3	
Type: MSO	Internal Guidelines: N/A
Total Physicians: 53	Medical Management: N/A
Primary-Care Physicians: 30	Clinical IS: N/A

HealthFirst/Saints Medical Group is part of the SSM Health Care of Oklahoma network, which cares for patients in 30 office locations in the Oklahoma City area. The medical group offers primary-care physicians and specialists, as well as employer-based health clinics. The group includes eight specialties that include cardiology, thoracic surgery and neurology. HealthFirst Physician Management Services Inc. provides management and billing services to physician members

Additional Physician Organizations

- » **Mercy Health Network** is a group of 58 physicians, nurse practitioners and physician assistants affiliated with Mercy Health System of Oklahoma, serving patients at 11 clinics. Its clinics transitioned to electronic health records in 2009. In July 2009, the group opened an 8,100-square-foot clinic, which also houses Mercy's sleep-disorders center as well as administrative staff.
- » **Oklahoma Cardiovascular Associates** is the state's largest group of cardiovascular specialists, with 40 physicians in nearly 40 clinics across the state. The group started in 1998 with the merger of three cardiology groups. It is part owner of the Oklahoma Heart Hospital and the new Oklahoma Heart Hospital South Campus.
- » **Surgical Specialists of Oklahoma** is a group of 34 surgeons in five surgical specialties who see patients at 27 locations. It is one of the largest multispecialty surgical groups in Oklahoma, with specialties in cardiothoracic surgery, general surgery, spine and neurological surgery, orthopedic surgery and urology. As a medical practice management group, SSO also manages a surgery center, physical therapy center and the Urology Centers of Oklahoma.
- » **Oklahoma Sports Science and Orthopedics** is a multispecialty practice with 31 physicians and 14 locations throughout the Oklahoma City area. Specialties include orthopedics, hand/hip surgery, neurology, bariatric surgery, gynecology and family medicine.
- » **McBride Clinic** includes 25 physicians practicing at four locations in Oklahoma City, Norman, and Edmond, and several rural clinics, many physicians serve as team physicians. In 2005, the group opened McBride Orthopedic Hospital, which offers orthopedic surgical services, physical and occupational therapy and a Level IV emergency room. It opened an occupational medicine clinic in Edmond in August 2009 that provides employers with pre-employment physicals, audiometric and environmental exposure testing, drug screenings, flu shots and pulmonary function testing.
- » **Oklahoma City Clinic** is a network of 20 physicians representing eight specialties, with clinics in Oklahoma City, Edmond and Midwest City. The clinics include both primary-care physicians and specialists, the downtown location has a laboratory and X-ray services.
- » **Oklahoma City Gynecology & Obstetrics** has 14 obstetricians/gynecologists with offices on the second floor of Lakeside Women's Hospital.
- » **Orthopedic Institute** of Oklahoma is a group of nine physicians with a comprehensive orthopedic-care clinic, hospital and surgery center in Oklahoma City and Yukon.

Mercy physician alignment Oklahoma



PHYSICIAN INTEGRATION

Physician Recruitment

The number of integrated physicians now exceeds 115 with a total of 79 primary care specialists and 32 other specialists now integrated. Many of the specialties are nearing completion from our original strategy, and we are encouraged by the progress in obstetrics and orthopedic surgery.

Oklahoma Heart Hospital

The Heart Hospital has successfully integrated with all of OCA and most of the physician investors of OHH South from both Midwest City and Norman. The total number of integrated physicians with OHH is 62. The model used by OHH is consistent with the approach used by Mercy.

Increasing Access

The first Mercy Clinic at Walmart opened in early July and the second opened in early August. In addition, Mercy physicians continue to work with schools in Yukon and Edmond. Our relationship with the University of Central Oklahoma (UCO) has been honored with an Innovation Award by the National Association of College and University Business Officers, a prestigious award within university circles. The award recognizes the partnership between UCO and Mercy that provided students and staff with health services, which UCO says saved them \$660,000 annually.

Creation of our Multi-Specialty Clinic

In August, the physicians elected the first Board of Directors of the clinic who will meet in early September to elect the board chair. That, along with the selection of most of the physician and professional leadership management team indicates the clinic is beginning to function as such. Further, billing and finance are fully supported through consolidated resources of Mercy.

OKLAHOMA CITY

cooperation with those two systems to open the new facility. The hospital received its Medicare certification on March 30, 2010, and Mercy officials say it is already exceeding volume expectations. Oklahoma Heart Hospital was at full capacity six years after it opened, and a \$55 million expansion that added 21 inpatient beds, 10 ER beds and three new catheterization labs was completed in 2009. Similar to the original Oklahoma Heart facility, the new South facility is completely paperless and all digital.

Expansion projects: Mercy Health System has opened five new clinics and centers in the past year. The system's 11th clinic in the Oklahoma City area, Mercy Health Quailbrook, opened in July 2009 for the Mercy Health Network physicians. The Mercy Edmond Imaging and Mercy Health Edmond Signal Ridge clinics also opened in 2009. In addition, the clinics expanded hours from being open at night and on weekends to full day hours.

In a partnership with the state's third-largest university, the University of Central Oklahoma in Edmond, Mercy manages the student clinic, called Mercy Clinic. The clinic opened in November 2009, and offers students access to an integrated electronic health record.

Oklahoma Heart Hospital partnered with Oklahoma City-based Graymark Health Care, the second-largest sleep-diagnostic company in the nation, to open a sleep center, OHH/Nocturna of Edmond. The four-bed sleep facility opened in October 2009. Graymark has five other sleep centers in Oklahoma, but this is the first that caters to cardiovascular patients. OHH sends 500 to 1,000 patients a year to be tested for sleep apnea since sleep disorders are linked to heart issues.

In early 2010, Mercy Health Center opened Mercy BirthPlace (its renovated NICU), expanding from 28 beds to 42 beds. Construction is under way for an additional 14 inpatient beds, 10 emergency-room beds and six operating rooms. The system expansion is slated for complete by fall 2010.

Outside the Oklahoma City market, Mercy is also opening a new patient tower at its Ardmore hospital and building a new freestanding cancer center in cooperation with the local community.

Physician relationships: Mercy Health officials say that an important strategy for the system will be to increase the number of aligned physicians in the next several years. In the past year, it boosted the number by more than 50 percent, recently signing new arrangements with 10 specialists.

Information technology initiatives: Mercy will expand its Epic electronic medical records system to all system hospitals in June 2010 when the new Ardmore tower opens, making the system fully integrated with EMR. The system is already in operation at all of Mercy's 11 clinics.

Parent organization Sisters of Mercy Health System rolled out its bar-coding technology to its Oklahoma City hospitals. The technology requires drugs to be scanned to ensure the medicine matches the patient's medical record. Sisters of Mercy invested \$35 million in the technology in 2003, and estimates it has avoided 150,000 medication errors since it started the coding. Mercy is also rolling out the Smart Pump system, which calculates medicine dosage based on a patient's height, weight, age and condition.

Management agreements: Mercy Health signed management agreements with two community hospitals, Parkview Hospital in El Reno (located in the Oklahoma City market) and Valley View Regional Hospital in Ada.

Staff changes: Jim Gebhart was named president of Mercy Health Center in July 2009. Previously, he served as senior executive vice president and chief operating officer for Hillcrest Health System in Waco, Texas.

Awards: Mercy Health Center is recognized as a Magnet facility by the American Nurses Credentialing Center.

Parent company earnings: Sisters of Mercy Health System posted operating income of \$54.9 million for the fiscal year ended June 30, 2008, down 19 percent from \$67.7 million in 2007, and total operating revenue of \$3.75 billion in 2008, up 3 percent from \$3.65 billion the prior year.

- Coordinate care around the patient so that the care delivered is the right care, at the right time, all of the time
- Steward resources so that more people will be able to receive health care
- Provide preventive and wellness care in addition to traditional acute care intervention

To this end, Mercy is working with select practices to achieve Medical Home accreditation and developing a model template that will increase patient access, improve quality, utilize team care and decrease costs.

Physician Integration

We remain committed to partnering with physicians to best serve our local communities and continue to work toward a model of integration to align physicians closely with Mercy. Rather than just employ physicians, Mercy advocates for an approach in our physician clinics that is "physician-led and professionally-managed." Our hospitals and physician clinics have been structured to be equal sister corporations under a common corporate parent, so that they are co-dependent on each other for success.

Mercy has fully integrated our physicians in Springfield, Missouri and Northwest Arkansas. In the past two years we have completed our integrated model in Hot Springs, Arkansas, and are nearing completion in Oklahoma. In St. Louis, Missouri, we have organized our integrated physicians into a multispecialty clinic and will complete the integration of the clinic over the next two years. We are just beginning integration in Joplin, Missouri, and Fort Smith, Arkansas.

This expansion has not resulted in duplicative infrastructure. Mercy has consolidated our clinic infrastructure through reorganization utilizing a consolidated finance, human resources, recruiting and revenue team. The physician and operational leaders of our Mercy clinics now meet regularly to implement Mercy initiatives and further best practice sharing across all our Mercy clinics.

Sale of Mercy Health Plans

Fifteen years ago, Mercy created Mercy Health Plans (MHP), a managed care provider, in response to the desire of companies and individuals for better coordination between health care providers and insurers. Mercy also believed that as a Catholic faith-based insurer, MHP would offer an alternative to the health insurance industry. Over the years, MHP developed into a successful provider-based health insurance company.

But in the last few years it became clear that the complexity of the health insurance marketplace and the uncertainty of health care reform were seriously challenging MHP's ability to thrive. After serious prayer and consideration, Mercy leadership decided MHP would be best served, and the ministry's resources better stewarded, if we were able to connect MHP with a well-established, larger health insurance organization. To that end, Mercy sold MHP to Coventry Health Care in October 2010. Coventry is a national managed health care company based in Bethesda, Maryland.

PERFORMANCE IMPROVEMENT

Mercy Memorial – Ardmore and Mercy Hospital – Oklahoma City both have initiated performance improvement plans. The plans include 12 initiatives focused on cost structure reduction, revenue enhancement and quality/service improvement. For Ardmore the initiatives will result in approximately \$7 million of financial improvement and for Oklahoma City an estimated \$13.6 million. The initiatives are:

- Achieve best-in-class productivity
- Achieve 85/15 core nurse staffing measures
- Reduce other controllable labor variance
- Purchased services reduction
- Revenue initiatives
- ROi supply cost reduction initiatives
- Eliminate after-hours radiology services subsidy
- Reduce medical director stipends and call pay
- Increase ICU capacity
- Ensure 100% revenue capture post epic
- Focus on rapid access (rural) referrals
- Ensure capture of end to end PCP to hospital referrals

This work began in September and will be implemented in a variety of phases during the next 1-3 months. The realization of these initiatives will enable both hospitals to meet their FY '11 net operating income budgets.

PHYSICIAN INTEGRATION

Physician integration efforts are continuing to develop nicely with the most notable accomplishment being the integration of an 11 physician medical oncology group, providing cancer care in the communities of Enid, Norman, Ada, Ardmore, and Oklahoma City. This significantly increases demand for several hospital-based services. Mercy Physicians have elected a Board which has had two organizational meetings and the bylaws for this group have been finalized for approval.

ICD-10

The Federal government has mandated the health care industry switch from the current ICD-9 coding system to ICD-10, by October, 2013. This coding system is the way we classify and record symptoms, diseases, diagnoses and procedures. Currently, ICD-9 consists of approximately 24,000 codes. This number will increase to more than 140,000 codes with the transition to ICD-10. The scope of impact is significant and includes CMS (Medicare), state Medicaid programs, all health plans, all providers of care, and virtually all technology solutions, including data exchange partners. While we began addressing this change more than a year ago, we have now created a Mercy ICD 10 Implementation Steering Committee.

The committee, co-chaired by Sheri Beekman, Dr. Glenn Mitchell and Will Showalter, will be developing and implementing Mercy-wide ICD 10 transition plans. The switch to ICD 10, which drives reimbursement, has a significant financial component. It is imperative that we handle the transition with extreme care and precision, to assure that Mercy does not experience a disruption in cash flow, or a loss in revenue. Physicians and their approach to documentation are key to achieving the level of ICD 10 specificity that will not only ensure we are appropriately reimbursed for all of the services provided, but also improve patient care and quality.

Managed Care – Recent Negotiation Success**Arkansas**

- Effective 10/1/10, Hot Springs is now a participant in the NovaSys Choice network. With the purchase of HealthPark and the combined Mercy leverage, NovaSys approached the negotiation more reasonably than they have in the past. The agreement provides for a 3% rate increase for Fort Smith and Northwest Arkansas, on combined business of \$4.4 million. Additionally, Mercy and NovaSys agreed to move physician reimbursement to a consistent schedule, resulting in a specialty reimbursement increase for Mercy physicians in Rogers and Hot Springs.
- QualChoice issued a notice of termination to Hot Springs, along with a request for re-negotiated (lower) rates. Mercy leveraged its participation in QualChoice, in both Fort Smith and Northwest Arkansas which resulted in QualChoice coming back to the table. Effective January 1, 2011, Mercy agreed to forego the contractually allowed CPI increase in Hot Springs since QualChoice was at the top of the market in terms of reimbursement rates. In return, Mercy negotiated a 5% increase for Fort Smith and Northwest Arkansas. Additionally, QualChoice and Mercy agreed to explore innovative payment opportunities, such as gain share, for the 2012 agreement.

Oklahoma

- Work has been substantially completed to add the recently integrated oncologists and their NPs to the Mercy Physician of Oklahoma (MPO) managed care agreements with a November 1 effective date. Contracting amendments were required by most managed care plans to include provisions to cover payment for chemotherapy and infusion drugs.

Springfield

- Effective October 15, Mercy Springfield signed an Agreement with United Health Care to add our physicians and hospital in Lebanon and include our outpatient facility in Rolla. The contract is based on a percent of billed charges reimbursement

PHYSICIAN INTEGRATION

On January 1, 2011, all physician operations in Oklahoma became part of a single governance and infrastructure model under Mercy Clinic.

A five-physician gastroenterology practice, along with a two-room endoscopy center, was integrated. This transaction will allow Mercy to recruit additional physicians to the community and expand the service line.

The integration of five pulmonologists has allowed Mercy Hospital of OKC to have in-house critical care physicians for the first time.

With the addition of 11 medical oncologists, service line planning and development are under way to improve the customer experience, create efficiency in operations and coordinate the care across all Mercy entities in the state. The new cancer center in Ardmore is scheduled to open in March, and this group will be providing cancer care in Ardmore, Ada, Enid, Norman, and Oklahoma City.

Leadership development for current and future physician leaders has begun in Oklahoma. Two sessions have been held and both were well attended. In addition, our Mercy Clinic - Springfield partners have been making their leadership training sessions available to key members of Oklahoma's physician leadership team.

MISSION

Key topics and issues to consider:

- Mercy Clinic Formation Initiative

Action required of board: Information only

Topic details:

Mercy Clinic Formation

Mercy Formation is an ongoing process that contributes to the development of knowledge, skills and behaviors consistent with our Catholic/Christian and Mercy identity, and which fosters growth in, and commitment to, the mission, values and charism of Mercy. Formation is concerned with "what we know," "what we do" and "who we are."

Clinic Board Formation

Initial formation in the Clinic Board orientation will consist of a two hour session (which can be offered in segments over multiple meetings) that would introduce the physicians to:

- Sponsorship structure and its relationship to the clinic board
- The governance responsibility of the physicians to participate in the ministry of sponsorship
- The meaning of ministry and its application to the clinic practice
- Mercy heritage, mission, values and charism as these apply to clinic practice

Following the initial orientation session(s), ongoing formation can be periodically included at the clinic board meetings. This already occurs in all our hospital board meetings, and will be offered quarterly in conjunction with key agenda topics to enrich the discussions and best engage the board members. This practice has already begun with the clinic boards in Oklahoma City and Hot Springs.

Clinic Formation (Pilots)

Formation pilots have been initiated in 41 clinics throughout Mercy. These monthly sessions consist of 30 to 60 minute discussions led by the local mission leader, and invite the physicians and staff to reflect on how they (could) integrate the Mercy heritage, mission, values, charism and brand culture into their practice of care. Specific learnings sought in the pilots will serve as a guide for the plan to effectively implement formation into all of our Mercy clinics within the next two years.

The initial pilot occurred in the first half of FY 2011 and involved:

- 3 clinics in St. Louis - 70 physicians, medical students and clinic staff
- 2 clinics in Northwest Arkansas - 31 physicians and clinic staff
- 2 clinics in Oklahoma City - 30 physicians and clinic staff.

Participants gave positive feedback and many constructive ideas to make the formation experience engaging, enriching, and applicable to their daily experiences in caregiving and worklife.

- **Security / Privacy Team**

Risk assessment surveys are complete for St. Louis, Washington and Springfield hospitals. We have completed the summary results for St. Louis. Additional meetings will occur in February to review the detail and determine if Mercy has gaps in security. The risk assessment survey process involves MTS (security and compliance), Compliance (security, compliance, HIPAA) and Business Risk Services to review results and provide gap analysis, remediation plans and executive summary to Mercy leadership. MTS is setting up the risk assessment surveys so they are launched in February for our hospitals in Rogers, Fort Smith, Fort Scott, Independence, Hot Springs, Oklahoma and Ardmore. Ambulatory physician survey considerations are currently under review and surveys are scheduled to be launched in mid-February for each physician location.

Mercy Meaningful Use Goals and Incentives

Mercy has set part of the Patient Experience Physician Incentive goals based on the meeting/exceeding of Meaningful Use objectives. Mercy Physician "stretch" or maximum incentives will be paid annually over the next five years at \$11,000 per integrated physician per year. Minimum achievement is based on the fiscal 2012 HITECH/Meaningful Use criteria measured by individual physician or hospital.

"Target" is based on the originally proposed HITECH criteria, which is expected to be the minimal governmental thresholds for 2013, measured by individual physician or hospital. "Stretch" is based on the combined achievement of target by at least 80% of the qualifying ambulatory physicians in a clinic (such as the Springfield clinic) and the achievement of target by the hospitals served by that clinic. To date only one facility is currently meeting all available minimum Meaningful Use metrics (Northwest Arkansas). No facility or physician is meeting target or stretch goals at this time. However, the work teams remain confident that the changes necessary to meet the HITECH measures are primarily the completion of steps in Epic versus significant changes in how physicians and hospitals provide care.

WEST COMMUNITIES

Mercy Clinic

Over the past two years the number of integrated providers caring for patients in Oklahoma has grown from 85 to 232.

Significant focus has been placed on the recruitment of physicians for Ardmore. Between April and September 2011, 12 new physicians have been recruited to that community in specialties including emergency medicine, hospitalists, primary care, general surgery, OB/GYN, cardiology and medical oncology.

Across the communities, attention has been given to building a shared culture. Evidence of this work can be seen in the collaborative care model where changes in referral patterns from non-integrated to Mercy Clinic physicians are being seen. Mercy will be able to report measureable patient outcomes in the future, and provide a shared Mercy Experience for patients.

As a result of this focus on culture, physician satisfaction rates are climbing. Within Mercy, the West ranks the highest at the 74th percentile nationally.

Board Orientation and Expanded Focus

On August 10, an orientation was held for all new board members. Every community was represented, with 45 board members in attendance. Along with presentations, a handbook was provided for future reference.

The first expanded agenda for the new Mercy West Communities board meeting was held on that same day. Due to the dramatic growth of the West region, new responsibilities and oversight functions were established for the board. They received and accepted reports from all communities in the West as well as the Mercy Clinic Board and the Oklahoma Heart Hospital.

Community Roundtables

The second annual community roundtables were held in Ada, El Reno, Healdton, Marietta and Oklahoma City. Ardmore is scheduled later this month. In every community, those attending have been highly complimentary of Mercy's action on their input from last year as well as the outcomes achieved. The focus on health education for children, increasing rural market access to specialists in Oklahoma City and the telemedicine pilot for stroke care in Oklahoma were particularly exciting to those who attended. Additional feedback gathered about current gaps in health care will be used in further community planning.

Post Acute Care

Understanding, coordinating and providing patients with post acute care services is a significant opportunity and strategy for assuring Mercy's future success. In March, the post acute areas of Mercy held its first ever system wide meeting. This event was held in Tulsa and attended by leaders in home health, hospice, durable medical equipment (DME), skilled nursing and long term acute care. Subsequently, regularly scheduled calls targeting standardization, financial issues, quality issues and operational challenges have been conducted with this leadership group. A second leadership meeting was held in August for continued post acute organization and team building. Immediate priorities focus on the Epic automation in home health and the fast track implementation in the DME area with

childhood vaccination rates among low-income children, and provided a mobile mammography bus for impoverished women in rural areas.

KANSAS

- **Fort Scott and Independence:** The focus in both Kansas communities has been on diabetes education for our patients without a primary care provider.

MISSOURI

- **Springfield:** Current collaborations in the community focus on creating and expanding access to primary care, medications, dental care, chronic disease management and prevention strategies for individuals with little or no current access, and health and wellness of women and children. Our medication access program provides access to prescription medication for patients with limited economic resources.
- **St. Louis:** Mercy is focusing on access to care, tobacco use, mental health/substance abuse, injury prevention and health literacy. We partner with others to help support homeless shelters, food pantries, and churches to provide on-site health services and connect the economically underserved with community resources.
- **Washington:** Our clinic for the poor and uninsured serves the marginalized in five rural counties south and west of metropolitan St. Louis. The clinic recently provided a mobile van equipped with the latest advances in telemedicine and is actively moving toward implementation of dental services for the poor and marginalized
- **Joplin:** Mercy offers diabetes management services in five area clinics to the uninsured and underinsured population. We help fund the community clinic which offers primary medical services to the uninsured without charge to the participants and provide follow-up treatment services for those patients (also at no charge) who require inpatient or ambulatory therapies.

OKLAHOMA

- **Ardmore:** Mercy participates with other community organizations to help address chronic diseases and homelessness in the community. Recently we opened the "House of Mercy," which provides lodging for families of patients who are more than 30 miles from home.
- **Oklahoma City:** Mercy continues to expand our collaboration with the Health Alliance for the Uninsured, a collaborative of physicians, hospitals, free clinics and community partners who share the goal of increasing access to health care and medications for the uninsured through collaboration and coordination of existing and new resources. Also, the Good Shepherd School at Mercy opened to provide specialized education for children with autistic disorders. This Catholic school is a collaboration between the Archdiocese of Oklahoma City, Mercy and the University of Central Oklahoma.

MERCY WEST

Mercy Clinic

Over the past two years, the number of integrated providers in Oklahoma has grown from 63 to 270. Mercy Clinic now serves 22 communities, representing about 30% of the state's population.

Ada	Enid	Mustang	Tecumseh
Ardmore	Guthrie	Nichols Hills	The Village
Bethany	Healdton	Noble	Tishomingo
Crescent	Kingfisher	Norman	Warr Acres
Edmond	Marietta	Oklahoma City	Yukon
El Reno	Midwest City		

By mid-September, Mercy Clinic Pulmonology Medicine grew to 10 physicians, delivering a unique, team-based approach to hospital care. This model provides continuous, critical care coverage 24 hours a day, seven days a week in the hospital ICU. In addition, the group also provides dedicated coverage in their clinic and has the ability to triage patients, often eliminating the need for an ER visit.

ARDMORE

Ardmore Hospital, Chamber Partnership

The International Economic Development Council (IEDC) named the Ardmore Development Authority and the Chamber Foundation as one of three winners of the "Innovation Awards for Partnership Projects" for work in the development of the Ardmore Cancer Center. The Council annually recognizes the world's best economic development programs and partnerships and the year's most influential leaders. Other winners this year included Austin, Texas and Orlando, Florida.

"Serving more than 4,500 members, IEDC represents the largest network of economic development professionals in the world.

Physician Recruitment

Mercy Memorial has been successful in recruiting 12 new physicians to Ardmore in the last nine months. Specialties include radiation oncology, OB/GYN, general surgery, emergency medicine, cardiology, hospital medicine and family medicine. Mercy Memorial Health Center has seen a positive impact as a result of the physician additions, with discharges exceeding prior year to date by nine percent.

OKLAHOMA CITY

Oncology Consolidation

Oklahoma City's oncology strategy continues to evolve with three key initiatives:

- The consolidation of seven of Mercy's 14 newly integrated oncologists into one Oklahoma City location is nearing completion.
- A new oncology infusion center opened on September 1.
- A Trubeam linear accelerator, the fifth to be installed in the country, will be operational in January. The new technology dramatically reduces the number of

MERCY WEST COMMUNITIES

Our **third annual A2A Race**, benefitting the Mercy Cancer Center, will be held on April 1. Since its inception, the A2A has netted over \$200,000 in proceeds for cancer center equipment. Registration for volunteers and race participants is at www.a2amarathon.com. This year's anticipated entries are approaching 2,000, compared to 1,600 last year. This marathon, half-marathon and 5K race is a positive community event for Mercy in southern Oklahoma and is complimented by the Ardmore Chamber of Commerce Health Expo during the same week-end.

Mercy Health Center – Oklahoma City

Due to a tremendous amount of cooperative effort with newly integrated physicians, the process of care measures for **Value Based Purchasing were at 100%** in December. In addition, patient satisfaction is steadily improving, influenced in large part by a new leadership rounding. Press Ganey inpatient scores ended the last quarter at an all time high.

Mercy treated our first cancer patient with the **TrueBeam radiation therapy** in January 2012. Prior to the integration of oncology physicians, Mercy averaged 25 patients under beam per day. After integration, the number rose to 50 a day, and with TrueBeam, our stretch goal is to have 100 patients a day. Mercy is among the first in the world to have this technology.

Construction of the **new inpatient rehabilitation hospital** is on schedule to open this fall, with the **I-35 facility** in Edmond on schedule to open summer 2013. The **Emergency Department renovation** was completed along with the integration of a group of emergency medicine physicians. Early results have shown significant improvements in left without being seen measures from 1.83% to 0.33% and wait times from 51 to 33 minutes.

Rural Communities – Logan County

On last December 6, a **blessing ceremony** was held at Mercy Hospital Logan County. The blessing was well attended by the community and included the local parish priest and two Sisters of the Benedictine who operated the facility from 1948–1964. This 25-bed critical access hospital, including four clinics, nine integrated primary care physicians and five advanced providers, became part of Mercy on October 1, 2011. This important transaction extends Mercy's care into one of the fastest growing areas in central Oklahoma.

Mercy Clinic Strategic Integration

Mercy Clinic West has **grown by more than 300%** over the past two years to nearly 200 fulltime physicians and 60 advanced practioners. The pace of integration will slow over the second half of FY12 and into FY13, becoming very strategic to specific physician specialties. Physicians and management continue to create a positive contribution in the community for better patient outcomes, patient safety/satisfaction, and financial stability in the near and long term. Mercy Clinic has actively engaged in **Formation activities** through a ministry wide pilot and has 15 physician and 10 administrative representatives participating in the Ministry wide physician compensation design sessions.

MERCY WEST COMMUNITIES

ARDMORE

Two Certifications from The Joint Commission

Ardmore's Joint Replacement Center was awarded The Joint Commission's seal of approval for both its hip and knee programs. The disease-specific survey evaluated our center for compliance with standards of care specific to the needs of patients and families, including infection prevention and control, leadership and medication management. Mercy Hospital Ardmore is one of only two hospitals in Oklahoma and the second in the Mercy to achieve this certification.

OKLAHOMA CITY

Readers Choice Award Winner Times Three!

For the fifth year in a row, Mercy Hospital Oklahoma City has been named Best Medical Facility in *The Oklahoman's* 19th annual Readers' Choice Awards. In addition to being named Best Medical Facility, Mercy earned the number one spot for Best Health Care Employer and Best Hospital for Childbirth.

Rehabilitation Hospital Opens in October

Mercy Rehabilitation Hospital is scheduled to have its first patient October 16, partnering with Centerre Healthcare Corporation. The freestanding 50-bed hospital will provide inpatient rehabilitation services for patients with strokes, brain or spinal-cord injuries, amputations, complex orthopedic injuries and other conditions. The new facility and its enhanced features will allow Mercy to significantly expand its current rehab services in both capacity and capability. The construction is running on schedule and under the budget.

Edmond I-35 Opens Summer 2013

The building will unite traditional health care providers such as primary care, cardiology, orthopedics and OB/GYN with a fitness center that will be available to the public and used for physical therapy and overall health improvement. The focus is on preventive care that encourages lifelong wellness, rather than only recovery from illness or injury.

RURAL COMMUNITIES

Watonga Hospital Joins Mercy

On July 1, Mercy welcomed Mercy Hospital Watonga to our growing number of critical access hospitals in Oklahoma. This is a lease agreement with the City of Watonga. The 25-bed critical access hospital is located just over an hour northwest of the Mercy Hospital Oklahoma City.

Sayre Memorial Hospital Enters Management Agreement with Mercy

On May 7, Mercy began an interim management agreement with Sayre Memorial Hospital. Sayre, Oklahoma is located two hours west of Oklahoma City. This agreement was reached so Mercy could work with local leadership to continue access to health care for the Sayre and surrounding communities.

Mercy Clinic

Mercy Clinic Witnesses Volume, Financial and Physician Growth

Mercy Clinic West Communities ended the year with an increase of more than 500,000 visits from the preceding year, helping boost volumes not only in the clinic but in our inpatient

and outpatient hospital services lines as well. Physician recruitment has resulted in the addition of 11 new physicians during the months of July and August. In Oklahoma City, physicians representing emergency medicine, gastroenterology, oncology, family medicine and obstetrics/gynecology have joined Mercy Clinic. In Ardmore, emergency medicine doctors and hospitalists have joined the Clinic.

Ministry Compensation Principles

The Compensation Plan will:

1. **Support Mercy's Mission.**
2. **Drive fiscal health/security** for physicians and financial sustainability for Mercy in a commensurate fashion.
3. **Provide market competitive compensation** to attract and retain high quality physicians by appropriately converting physician work to compensation both in terms of economics and fairness.
4. **Provide clear understanding of the mechanics**, how the plan works.
5. **Ensure equity** in determining market across specialties.
6. **Incentivize transformational change** that physicians can impact, including the implementation of new models of care, and improvements in patient safety, quality and satisfaction.
7. **Incentivize appropriate utilization** of resources and management of controllable costs.
8. **Be sustainable** through rapidly changing markets by allowing for periodic changes/adjustments.
9. **Promote a common culture** across Mercy encouraging teamwork, collegiality and collaboration.
10. **Allow for flexibility** in practice (e.g. part time and retiring physicians, physicians in leadership roles).
11. **Comply with all laws and regulations** including properly incentivizing physicians in full compliance with regulatory constraints.

Implementation and Timeline

- July 1, 2013 Pilot Implementation.
 - All of Mercy Clinic Oklahoma, 450 physicians.
 - Adult Primary Care Springfield Communities and Joplin.
 - Cardiology in St. Louis.
- July 1, 2014 Implementation for all Mercy Clinic Physicians.
- A transition plan will provide income protection while physicians adjust their performance in the new plan.
 - Limited in amount.
 - Limited in duration.
- Creation of Governance oversight by a Mercy Board Committee for philosophy, strategy, regulatory compliance and administration.

MERCY CLINIC

Performance Improving, Adding New Compensation Model

Mercy Clinic West ended the first quarter of the fiscal year under budget by approximately \$1 million. Volumes continued to remain stronger than last year. New physicians arriving in July and August are ramping up practices, with the new oncologist exceeding initial volume projections for referrals and visits. In July 2013, West Community primary care physicians will be among the first to begin using the new compensation model, pending approval by the Mercy Health Ministry Board.

Mercy Clinic-West and Oklahoma Heart Hospital Project

Mercy Clinic West is working on a cooperative agreement with Oklahoma Heart Hospital to place primary care physicians in a number of the communities where the heart hospital has a presence. The effort targets communities where there is a need to strengthen access to primary care services and to stabilize access to the services provided by the heart hospital.

The Oklahoma City cancer services market is highly competitive with Mercy's primary competitors having built new facilities in the last three to five years. Existing services are extremely fragmented making coordination of care difficult and the patient experience less than ideal. In addition, the current space for medical oncology is at capacity with no room for growth.

RURAL COMMUNITIES

Valley View Regional Hospital Approves Letter of Intent

On February 12, the Valley View Regional Hospital Board of Directors selected Mercy as their preferred partner and voted to enter into a letter of intent with Mercy. The letter of intent, when executed, provides a 90-day window for a definitive lease agreement to be finalized.

MERCY CLINIC

Mercy Clinic Organizational Changes

Mercy Clinic president of primary care, Dr. Jim Dixon, will be taking on the development of our Care Management programs in conjunction with ministry leadership. He will also be focusing on our rural physician department and physician leadership across the west communities.

Dr. Jesse Campbell is the new department chair for primary care. Dr. Campbell previously was part of the Center for Innovative Care in St. Louis, and now has taken on a key leadership role for the West Communities. Derek Mountford will become the new department vice president joining Dr. Campbell as his administrative partner.

Mercy West Emergency Medicine Forum

Mercy Clinic emergency medicine physicians led the first Mercy emergency medicine Forum for co-workers and physicians across the state in January. Approximately 80 participants participated in lectures and brainstorming sessions designed to coordinate and enhance the provision of emergency services in Mercy facilities at all of our locations.

respiratory therapy, and sleep lab since 2006. Brian also managed the Mercy Signature Service rollout and Epic implementation project at the hospital in Mountain View.

ADA

Valley View Regional Hospital Approves Letter of Intent

On July 1, Mercy will assume responsibility for Valley View Regional Hospital through a definitive lease agreement. Mical Davis has been assigned as project manager, with Cindy Carmichael leading the transition work in Oklahoma. The hospital employs 750 co-workers and is licensed for 156 beds. Acquisition of the hospital will extend Mercy's service area into southeastern.

MERCY CLINIC

Mercy Clinic Introduces New Compensation Plan

Work is underway to introduce a new Mercy-wide compensation plan for Oklahoma's Mercy Clinic physicians. Individual meetings are underway with doctors across the state to introduce a plan that will meet the changing needs of health care reimbursement, bundling and managing to Medicare. In addition, the plan is designed to allow physicians to actively participate in leadership opportunities in the ministry.

OKLAHOMA CITY

Mercy Edmond I-35 Ongoing Recovery

Tornado damage to Mercy Edmond I-35 (the multispecialty facility, surgery center and fitness center under construction in Edmond) was much more extensive than originally estimated. The 206,000 square foot building was on track to open July 8, but after thoroughly assessing damage caused when a tornado directly struck it May 19, the opening is delayed until summer 2014. Damages include structural, roof, heating and air handling equipment, windows, entrances and exterior facades, as well as interior walls, ceilings and floors.

Because the tornado struck just weeks before the facility opening, many providers and staff had made plans to shift practices or begin working at Mercy Edmond I-35. Those providers have been relocated and will lean on the dozens of existing Mercy facilities in the Edmond area to serve patients.

Mercy Hospital Oklahoma City Readers Choice Awards

In July, Mercy Hospital Oklahoma City earned three Readers Choice Awards: Best Medical Facility, Best Health Care Employer and Best Hospital for Child Birth. The awards are presented by The Oklahoman, the state's largest newspaper. The recognition marks the sixth year in a row the hospital has made the list.

Cancer Center Planning

Mercy Hospital Oklahoma City will break ground on a new cancer center this fall. Located south of the ER and connected to the main hospital, the building will house all of Mercy's cancer services. The Cancer Resource Center, radiation oncology, chemotherapy and oncology specialists, currently scattered across the campus, will soon be housed in one location. In addition, a portion of the building will be devoted to the Mercy Women's Center, offering mammography services as well as other diagnostic services. Planning for the building has included the involvement of operational leaders, physicians and patients.

MERCY CLINIC

Mercy Clinic Introduces New Pain Management Providers

A new Mercy Clinic Pain Management office is set to open this summer, serving the Oklahoma City metro area. With services to include medical management, behavioral health, and interventional pain treatment, the pain management clinic brings a new dimension of care to the community. Recent physician additions to the clinic include Doug Beacham, DO, and Shawn Ellis, DO. Both physicians completed residencies in anesthesiology followed by a one-year fellowship in pain management.

Physician Formation: Formation for physicians only is currently being explored. A pilot for physician-only Advanced Formation is being conducted in Springfield. In Oklahoma City, physician-only formation is being held utilizing video conferencing technology to gather physicians from multiple locations for one session at a specified time.

Metrics: A Ministry Dashboard is being utilized to assess formation throughout Mercy. The dashboard includes participation tracking for New Leader Formation , Advanced Formation, and Clinic Formation programs. The dashboard also includes Board Formation occurrences and content analytics. Mercy is continuing to identify and refine key measurable outcomes of formation. In addition to key metrics that are reflective of a deep Christian/Catholic/Mercy culture, a multifaceted approach is being explored to best understand the ministry impact of formation. A cross-functional team of leaders in Finance, HR, MTS, and Performance Acceleration are exploring the correlation between formation, retention, financial measures, co-worker engagement, and patient satisfaction scores. An analysis of these indicators should provide Mercy with insight into key drivers for ministry initiatives.

recently launched campaign has resulted in 100% leadership support, with donations over \$400,000 from 37 leaders. Still in the silent phase, the campaign is well seeded as the work begins in support of a new medical building that will contain all of Mercy's cancer services. In addition, a portion of the building will be devoted to the Mercy Women's Center, offering mammography and other diagnostic services.

Only Hospital to Offer Single Site Hysterectomy

Mercy Hospital Oklahoma City is the only hospital in the state of Oklahoma to offer single-site robotic hysterectomies, a procedure resulting in virtually no scarring and faster recovery times.

El Reno Hosts Round Table Meeting

Mercy El Reno hosted one of three Community Round Tables in the West Region this fall, joining Ada and Ardmore in the community listening events. For the third year, community members gathered with Mercy leaders and co-workers to hear accomplishments, take a look into the future of healthcare entitled "Headwinds of Change", and provide important feedback about best ways for Mercy to serve the communities.

Mercy Hospital Kingfisher Signs Lease Agreement

Kingfisher Regional Hospital and Mercy signed a lease agreement on November 1 and named Brian Denton administrator for the hospital. Since entering a management agreement in April 2011, Mercy and Kingfisher Regional Hospital leadership have worked to make changes in services and operations that stabilized the financial viability of the hospital. Under a lease agreement, co-workers of Kingfisher Regional will become Mercy co-workers and the hospital will be named Mercy Hospital Kingfisher.

Sleep Center Earns Accreditation

Mercy Hospital Logan County was accredited by the American Academy of Sleep Medicine (AASM). The board-certified sleep specialists have the training and experience to help patients feel their best. AASM accreditation is the gold standard by which the medical community and the public can evaluate sleep medicine services. The Standards for Accreditation ensure that sleep medicine providers display and maintain proficiency in areas such as testing procedures and policies, patient safety and follow-up, and physician and staff training.

MERCY CLINIC**Mercy Clinic Introduces New Services and Providers**

Mercy Clinic's new Dermatology practice started seeing patients recently, ramping up business nicely. Pent-up demand for these services is allowing our physicians, Dr. Stacie Rougas and Dr. Alison Fischer, to begin building their practices quickly. They will soon move into a newly remodeled office, offering a full range of dermatology and laser services.

Dr. Billy Stewart, General and Sports Orthopedics, is also rapidly building his practice schedule only two full months into practice. The Orthopedic group is growing and currently assessing opportunities to established outreach clinics in El Reno and Kingfisher.

Mercy Clinic is excited to have acquired an Endocrinology group who began providing services in October as Mercy doctors. The two physicians and two advance practitioner group will temporarily provide services in Mercy offices on the Deaconess campus, moving in January to their new offices at Mercy Clinic Quailbrook across from the main hospital campus in Oklahoma City. The Clinic is already recruiting another physician for this group to meet demand in the market with a fourth physician to be recruited for fiscal year 2015.



PHYSICIAN COMPENSATION UPDATE
MERCY BOARD OF DIRECTORS
DECEMBER 2013

Mercy implemented our compensation pilots beginning July 1, 2013 in Oklahoma City for the entire clinic and in Springfield for adult primary care. A total of 284 doctors.

IN SUMMARY:

We set the transformational incentive (5%) based on the adoption of the plan by the pilot physicians. Measurement includes participation in education, individual planning sessions and 95% of the physicians signing the required new employment contracts. All effected physicians have met the requirements for this incentive.

In most cases we have seen the increases in productivity desired. In Oklahoma City this has been demonstrated mostly in an increase in productivity of Level 1 physicians of 28%. Over the first two quarters Oklahoma City has seen 27 physicians increase their productivity levels and 16 have seen reductions. Similar results have been experienced in Springfield with 47 increases and 28 decreases. In Springfield we have also seen an increase in APCs of approximately 10%.

The most common concern among the participating doctors is whether Level 6 (the top level) provides enough reward for the effort required. Generally they sentiment is suggest they will reduce their production to Level 5 for a lifestyle increase as they don't believe Level 6 offers enough reward, or that it offers it quickly enough as one transitions from the Level 5 step. We have not yet seen this action taken. The compensation work team will consider this concern prior to roll out in FY 15.

The financial performance incentive is also having the desired effect. Doctors are focused on their office expenses and the efficient utilization of Mercy facilities. Year to date results create concern as to the attainability of the incentive, but we are experiencing the focus desired.

We are also working on the additional elements for the FY 15 roll out, including how to measure population work, hospitalists, emergency physicians, etc.

Currently:

- Population design is focused on rewarding the activities necessary for success under the current CMS ACO models considering the risk adjusted population served. We are currently discussing the general design with the ACT(ACO Community Team) leadership teams in each community for their thoughts.
- Emergency physician productivity models are under development with our newly formed ER specialty council
- Hospitalist compensation is focused on shifts worked with an appropriate productivity bonus.

**MEDICARE**

November 6, 2009

Mercy Physicians Of Oklahoma
 Gary Fondren
 4401 West Memorial Rd Suite 141
 Oklahoma City, Ok 731341791

RE: Document Control #: OK2009282010

Dear Provider:

TrailBlazer Health Enterprises® is pleased to inform that the Medicare enrollment application for the below Provider Transaction Access Number (PTAN) has been approved. Listed below is the information reflected in your Medicare enrollment record, including your National Provider Identifier (NPI).

In accordance with CMS policy 100-08, Chapter 10, Section 4.13 – all correspondence related to a pending application, including the confirmation letter will be sent to the contact person listed in section 13 of the CMS-855 application.

Medicare claims can be submitted electronically. The EDI department can be contacted at (866) 749-4302. The NPI is required on all Medicare claim submissions. The PTAN is also activated for use and is required for all inquiries via telephone and in writing. The PTAN is required when retrieving data from our Interactive Voice Response (IVR) system concerning claims status, beneficiary eligibility, check status or other supplier related transactions. Please keep your PTAN secure. The PTAN is not considered a Medicare legacy identifier, and is not to be reported to the National Plan and Provider Enumeration System (NPPES) as an "other" provider identification number.

Tax ID Number	270473057
Group PTAN	OKB5770
Individual PTAN	
NPI	1386874550
Participation Status	PAR
Specialty	70 General Physician Group, Multiple Specialty
Effective Date	October 1, 2009
Group Name	Mercy Physicians Of Oklahoma
Individual Name	

Please verify the accuracy of the above enrollment information. If you disagree with any of the information above, please utilize the reconsideration process. Reconsideration is an independent review conducted by a hearing officer who was not involved in the initial determination. A reconsideration request must be received in writing within 60 calendar days of the postmark date of this letter. Clearly state the issues, findings, facts and/or reasons for disagreement. Any additional information that may influence the decision should accompany the reconsideration request. The reconsideration request must be signed and dated by the physician, non-physician practitioner or any responsible authorized official who was included on the original CMS 855 application. Failure to timely request reconsideration is deemed a waiver of all rights to further administrative review. The request for reconsideration should be sent to:

TrailBlazer Health Enterprises, LLC
 Provider Enrollment

P O. Box 650544 • Dallas, TX 75265-0544

Executive Center III • 8330 LBJ Freeway • Dallas, TX 75243-1213



OFFICE OF THE SECRETARY OF STATE



**CERTIFICATE OF GOOD STANDING
DOMESTIC NOT FOR PROFIT CORPORATION**

I, THE UNDERSIGNED, Secretary of State of the State of Oklahoma, do hereby certify that I am, by the laws of said state, the custodian of the records of the state of Oklahoma relating to the right of certain business entities to transact business in this state and am the proper officer to execute this certificate.

I FURTHER CERTIFY that MERCY CLINIC OKLAHOMA COMMUNITIES, INC. whose registered agent is THE CORPORATION COMPANY, with its registered office at 1833 S MORGAN RD OKLAHOMA CITY 73128 USA Oklahoma is a Domestic Not For Profit Corporation duly organized and existing under and by virtue of the laws of the state of Oklahoma and is in good standing according to the records of this office. This certificate is not to be construed as an endorsement, recommendation or notice of approval of the entity's financial condition or business activities and practices. Such information is not available from this office.



IN TESTIMONY WHEREOF, I hereunto set my hand and affixed the Great Seal of the State of Oklahoma, done at the City of Oklahoma City, this 21st day of February, 2014.

Secretary Of State