

AMENDED AND RESTATED  
SHAREHOLDER AGREEMENT

THIS AMENDED AND RESTATED SHAREHOLDER AGREEMENT (this "Agreement") is made as of \_\_\_\_\_, 20\_\_ by and among, SoundPath Health, Inc., a Washington corporation ("Corporation"), Northwest Physicians Network of Washington, LLC, a Washington limited liability company ("NPN"), Physicians of Southwest Washington, L.L.C., a Washington limited liability company ("PSW"), and CollabHealth Plan Services, Inc., a Colorado corporation ("CollabHealth"), and all other persons who may hereafter become parties to this Agreement as shareholders of Corporation.

RECITALS:

A. Shareholders (defined below) own the following number of shares of class A voting stock of Corporation and CollabHealth owns the following number of shares of class R preferred non-voting stock of Corporation (collectively the "Shares"):

<u>Name of Shareholder</u>	<u>Number of Class A Voting Shares</u>	<u>Number of Class R Shares</u>
NPN	63,700	0
PSW	340,340	0
CollabHealth	505,960	1,000

B. The parties (i) believe that it is in the best interests of Corporation and Shareholders to provide for continuity and harmony in the management of Corporation and to make provisions for future dispositions of the Shares, (ii) have negotiated the essential terms and conditions of this Agreement, including the purchase price of the Shares (defined below), and (iii) desire to set forth in writing their respective agreements concerning the disposition of their Shares and other matters.

In consideration of the foregoing and the mutual promises made herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

In addition to the definitions found elsewhere in this Agreement, the following definitions shall apply in this Agreement:

1.1 "Administrative Services Agreement" means that certain Administrative Services Agreement dated as of the date hereof by and between the Corporation and CollabHealth dated October 18, 2012.

1.2 "Affiliate" means any Person that directly or indirectly controls, is controlled by, or is under common control with, the Person in question and any partner, member, shareholder, manager, officer or director of the Person in question or Person performing a similar function for the Person in question. As used in this definition, the term "control" means the possession,

directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

1.3 “**Affiliated Agreements**” means any and all agreements entered into by and between a Shareholder and the Corporation or any and all agreements entered into by and between any of the Shareholders, including without limitation, the Stock Purchase Agreement, the Administrative Services Agreement, that certain Asset Purchase Agreement dated as of October 18, 2012, by and among the Corporation, NPN, PSW and CollabHealth, that certain Contractor and Participant Medicare Advantage Agreement by and between the Corporation and NPN dated March 1, 2007, as amended, that certain Contractor and Participant Medicare Advantage Agreement by and between the Corporation and PSW dated March 1, 2007, as amended, that certain Non-Competition Agreement dated as of the date hereof by and between the Corporation and NPN, that certain Non-Competition Agreement dated as of the date hereof by and between the Corporation and PSW, and any and all Organizational Documents of the Corporation.

1.4 “**Asset Purchase Agreement**” means that certain Asset Purchase Agreement, by and among the Corporation, CollabHealth, NPN and PSW, dated October 18, 2012.

1.5 “**Business**” means a licensed Washington domestic health care service contractor that is a Medicare Advantage health insurance carrier.

1.6 “**Capital Contribution**” with respect to a Shareholder, means the total amount of cash and the net Fair Value of property contributed by such Shareholder (or its predecessor in interest) to the capital of the Corporation in exchange for Common Shares.

1.7 “**Change of Control**” means, with respect to a Person, (i) a transfer, directly or indirectly of all or substantially all of the assets of a Person (including, but not limited to a transfer in liquidation of such Person), (ii) a transaction or series of transactions, pursuant to which a third person or group acquires, directly or indirectly, the majority or more of the capital stock, membership interests, partnership interests, sponsorship interests, or equity interests in a Person, whether by sale, merger, business combination, exchange, share exchange, recapitalization or consolidation, or (iii) the entering into an arrangement with a third party whereby the management and control of a Person is transferred, assigned or otherwise relinquished to such third party.

1.8 “**Class R Shares**” means all the issued and outstanding Class R Preferred Stock of the Corporation, with all rights, preferences, privileges and restrictions as set forth in the Articles of Incorporation of the Corporation, as amended.

1.9 “**Code**” means the Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of future laws.

1.10 “**Common Shares**” means all of the issued and outstanding shares of Class A Common Stock of the Corporation from time to time.

1.11 "**Fair Market Value**" means the per Share fair market value as determined in accordance with the procedure set forth below. Within sixty (60) days of the event causing the necessity to determine Fair Market Value:

(a) The selling party and the other Shareholders shall agree upon and appoint a qualified independent appraiser knowledgeable in the Business and in the valuation of stock of closely held corporations who shall determine the fair market value of the Shares disregarding (i) any premium for controlling interest, or (ii) any discount for minority interest or lack of marketability; or

(b) In the event that the selling party and the other Shareholders cannot agree upon such appraiser, the selling party shall designate a qualified, independent appraiser meeting the criteria described above in this Section, and Corporation, upon the approval of the Majority of the Shareholders (without the selling party participating in such vote), shall designate a qualified independent appraiser meeting the criteria described above in this Section. Such appraisers shall determine the fair market value of the Shares disregarding (i) any premium for controlling interest, or (ii) any discount for minority interest or lack of marketability. In the event that such appraisers are unable to agree upon such fair market value, such appraisers shall select a third qualified independent appraiser meeting the criteria set forth above in this Section, who shall determine the fair market value of the Shares disregarding (i) any premium for controlling interest, or (ii) any discount for minority interest or lack of marketability.

1.12 "**Fair Value**" of an asset or property means its fair market value.

1.13 "**Majority of Shareholders**" means a Shareholder or group of Shareholders holding an aggregate of more than 50% of the Common Shares held by all Shareholders.

1.14 "**Minority Shareholders**" shall mean NPN and PSW and any successors and assigns. "Minority Shareholder" shall not include CollabHealth, which may acquire NPN or PSW Common Shares through various put or call options set forth herein.

1.15 "**Organizational Documents**" means (a) the articles or certificate of incorporation and the bylaws of a corporation, (b) the partnership agreement and any statement of partnership of a general partnership, (c) the limited partnership agreement and the certificate of limited partnership of a limited partnership, (d) the operating or limited liability company agreement and the certificate of formation of a limited liability company, (e) any equivalent organizational document adopted or filed in connection with the creation, formation, or organization of a Person, and (f) any amendment to any of the foregoing.

1.16 "**Ownership Percentage**" with respect to a Shareholder as of any particular time, means the fraction, expressed as a percentage, having as its numerator the total amount of Common Shares owned by such Shareholder and having as its denominator the total amount of Common Shares owned by all Shareholders as of such time. The sum of the Ownership Percentage of all Shareholders shall at all times equal one hundred percent (100%).

1.17 "**Person**" means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or governmental body.

1.18 "**R Share Stock Agreement**" means that certain Class R Preferred Stock Purchase Agreement, by and among the Corporation, CollabHealth, NPN and PSW, dated October 18, 2012.

1.19 "**SAP**" means Statutory Accounting Principles, consistently applied, as prescribed or permitted by the Washington State Office of the Insurance Commissioner, for a health care service contractor.

1.20 "**Shareholders**" means, at any given time, all Persons who (i) own or become record or beneficial owners of the Shares and their respective successors, assigns and legal representatives; and (ii) are parties to this Agreement as shareholders. The word "**Shareholder**" may be used to refer to any of the foregoing in the singular.

1.21 "**Shares**" means all of the issued and outstanding Common Shares and Class R Shares.

1.22 "**Stock Purchase Agreement**" means that certain Stock Purchase Agreement, by and among the Corporation, CollabHealth, NPN and PSW, dated October 18, 2012.

1.23 "**Transaction Documents**" means collectively the Stock Purchase Agreement, the R Share Stock Agreement and the Asset Purchase Agreement.

1.24 "**Transferee**" means and includes any Person, including Corporation, acquiring any right, title or interest in the Shares after the date of this Agreement. The word "**Transferees**" may be used to refer to any of the foregoing in the plural.

1.25 "**Transfer**" or "**Transferred**" means any sale, exchange, assignment, transfer, pledge, bequeath, gift, mortgage, hypothecation, grant of security interest or other disposition or encumbrance of any kind, whether voluntary, involuntary or by operation of law, including, without limitation, the laws of bankruptcy, insolvency, divorce, marriage dissolution, intestacy, descent and distribution and succession.

## 2. **RESTRICTIONS ON STOCK**

2.1 **Scope of Agreement.** All of the outstanding Shares now owned or hereafter acquired by any Shareholder are, and shall be, subject to the terms of this Agreement. All stock certificates now or hereafter issued by Corporation to any Shareholder shall be endorsed with a legend substantially in the form of the following:

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED BY THE HOLDER FOR INVESTMENT PURPOSES. SAID SHARES MAY NOT BE SOLD OR TRANSFERRED UNLESS (A) THEY HAVE BEEN REGISTERED UNDER SAID ACT, OR (B) THE CORPORATOIN IS PRESENTED A

WRITTEN OPINION SATISFACTORY TO COUNSEL FOR THE CORPORATION OR A 'NO-ACTION' INTERPRETIVE LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE CIRCUMSTANCES OF SUCH SALE OR TRANSFER.

2.2 **Agreement Binding Upon Transferees.** All Transferees of any Shares shall take such Shares subject to all provisions, conditions and covenants of this Agreement. As a condition precedent to the Transfer of any such Shares on the records of Corporation, the Transferee shall agree (for and on behalf of or itself, or its legal representatives and successors and its transferees and assigns), in writing, to be bound by this Agreement and to be considered a Shareholder hereunder for all purposes.

2.3 **Restrictions on Transfer by Shareholders.**

(a) **Unauthorized Disposition.** Except as otherwise expressly permitted under this Agreement, a Shareholder has no power to Transfer and shall not Transfer all or any of the Common Shares now owned or hereafter acquired by such Shareholder (any Transfer in violation hereof is hereinafter called an "**Unauthorized Disposition**").

(b) **Permitted Transfers.** Notwithstanding the provisions of **subsection (a)** above and subject to the provisions of **Section 2.2** above, none of the following Transfers shall constitute an Unauthorized Disposition and all of the following Transfers shall be permitted:

(i) the Transfer of Common Shares by any Shareholder in a specific manner to which a Majority of the Shareholders have expressly consented in writing.

(ii) if requested by the Board of Directors of Corporation, a pledge of Common Shares to a creditor of Corporation to secure the obligations of Corporation.

(iii) the Transfer of Common Shares by any Shareholder in accordance with **Sections 3 and 4** of this Agreement.

The Transfers permitted under this **Section 2.3(b)** shall first be subject to those applicable options set forth in **Sections 3 and 4** below. A Shareholder shall not be permitted to make such Transfers described in this **Section 2.3(b)** without first complying with the requirements set forth **Sections 3 or 4** below.

(c) **Transfer Void.** All Unauthorized Dispositions shall be null and void and, upon receipt of notice by Corporation of such Unauthorized Disposition, Corporation shall have an exercisable option to purchase the Common Shares pursuant to the same terms and conditions as those applicable to Involuntary Transfers (hereinafter defined) as set forth in **Section 5** of this Agreement.

2.4 **Shareholder Purchase in Lieu of Corporation Purchase.** If at any time Corporation becomes obligated to purchase Common Shares or has an exercisable right to purchase Common Shares of a Shareholder, the other Shareholders shall have the right to be the actual purchasers of all or any part of such Common Shares in lieu of Corporation being the purchaser, which right of the other Shareholders shall be allocated among the other Shareholders in proportion to the relative number of Common Shares owned by the other Shareholders or in such proportion as may be agreed upon by a Majority of Shareholders. In order for the other Shareholders to be the purchasers of Common Shares otherwise to be purchased by Corporation, the other Shareholders (together with Corporation if applicable) must purchase all (and not less than all) of the Common Shares to be sold by the selling Shareholder and such purchase must be in accordance with the other applicable provisions of this Agreement.

3. **RIGHT OF FIRST REFUSAL; TAG ALONG-TAKE ALONG RIGHTS.**

If at any time a Shareholder ("**Selling Shareholder**") desires to Transfer all (but not less than all) of its Common Shares ("**Subject Shares**") to a third party pursuant to a bona fide offer to purchase for cash, or cash and notes, and such Transfer would constitute an Unauthorized Disposition, the following shall apply:

(a) The Selling Shareholder shall give to each other Shareholder (collectively "**Other Shareholders**") a written offer describing the Subject Shares, the name of the proposed purchaser, the price and payment terms and other terms and conditions offered by the proposed purchaser ("**Offer**").

(b) The Other Shareholders shall have thirty (30) days after the receipt of the Offer to accept the terms and conditions set forth in the Offer, as buyer, by giving written notice thereof to the Selling Shareholder. Subject to **subsection (c)** below, each Other Shareholder shall have the right to purchase a portion of the Subject Shares equal to (i) its then current Ownership Percentage, or (ii) such other portion as shall be agreed upon by all such Other Shareholders who desire to so purchase.

(c) If some or all of the Other Shareholders agree to purchase all (but not less than all) of the Subject Shares, then the Selling Shareholder and the Other Shareholders who are purchasing shall close the purchase upon the terms and conditions of the Offer within sixty (60) days after the Offer is made (or, if later, the closing date set forth in the Offer). If the purchase price set forth in the Offer includes any secured notes or third party guarantees, a pledge of the Subject Shares as collateral by the purchasing Other Shareholders shall be deemed equivalent to the collateral described in the Offer.

(d) If the Other Shareholders fail to agree to purchase all of the Subject Shares within the time period set out above, the Selling Shareholder shall have the right to consummate the sale or conveyance of all of the Subject Shares so long as (i) the purchaser is the proposed purchaser named in the Offer, (ii) the price, payment and other terms are at least as favorable to the Selling Shareholder as those set forth in the Offer, (iii) the closing occurs on or before the date set forth in the Offer (but no more than 120 days after the date of the Offer), and (iv) if any Other Shareholder makes any

applicable election described in **subsection (e)** below, the Shares of such Other Shareholder is also purchased by the proposed purchaser.

(e) If the Other Shareholders fail to agree to purchase all of the Subject Shares within the time period set out above and the Subject Shares(s) being sold under **subsection (d)** above constitute at least 51% of all of the outstanding Shares, then for a period of fifteen (15) days following the expiration of the Offer to the Other Shareholders (i) each Other Shareholder shall have the right to elect to participate in the sale as a seller of all of such Other Shareholder's Shares along with the sale by the Selling Shareholder(s) for the same consideration per applicable Share and upon the same terms and conditions relating to the Shares as the Selling Shareholder(s), and (ii) the Selling Shareholder(s) shall have the right to require all (but not less than all) of the Other Shareholders to participate in the sale as sellers of their Shares along with the sale by the Selling Shareholder(s) for the same consideration per applicable Share and upon the same terms and conditions relating to the Shares as the Selling Shareholder(s). Shareholder(s) exercising such right shall give written notice of exercise to Corporation and the other applicable Shareholders by the end of such 15-day period. At the closing, each participating Shareholder shall execute and deliver all documents as may be reasonably required to effectuate the transfer of the applicable Shares, free and clear of all liens, claims and encumbrances of any type, other than this Agreement, and each participating Shareholder shall execute such other instruments as may be reasonably required of all participating Shareholders.

(f) Any purchaser of the Subject Shares under **subsection (d) or (e)** above desiring to make a further sale or conveyance of any part of the Subject Shares shall be subject to this Section.

#### 4. CALL AND PUT OPTIONS

##### 4.1 CollabHealth's Call Option.

(a) CollabHealth Call Events. CollabHealth shall have the option (the "**Call Option**") to purchase all of the Common Shares owned by the applicable Minority Shareholder upon the occurrence of any of the following (each a "**CollabHealth Call Event**"):

(i) the dissolution, termination, or bankruptcy or the attempted dissolution, termination or bankruptcy of a Minority Shareholder;

(ii) a Minority Shareholder materially breaches either this Agreement or materially breaches any Affiliated Agreement and, in either situation, such material breach is not cured within the applicable cure period set forth in this Agreement or in the applicable Affiliated Agreement, if any;

(iii) a Minority Shareholder becomes excluded from any federal or state healthcare program or is convicted of a felony;

(iv) a Minority Shareholder announces or CollabHealth learns that a Minority Shareholder will undergo a Change of Control;

(v) if during the period beginning on the date hereof and ending five (5) years thereafter, a Minority Shareholder's Ownership Percentage is less than seven percent (7%) ("**Minimum Ownership**"); and

(vi) failure of a Minority Shareholder to make an Additional Contribution, as set forth in **Section 7.1** (this Call Option by CollabHealth would be, if chosen, in lieu of dilution as set forth in **Section 7.2**).

(b) Exercise of Call Option. CollabHealth must exercise its Call Option, if at all, by delivering written notice to the applicable Minority Shareholder ("**Call Notice**") of its election to exercise the Call Option within ninety (90) days following the date CollabHealth obtained actual knowledge of the occurrence of the CollabHealth Call Event (the "**Call Option Period**"). Notwithstanding the foregoing, the Call Option Period shall be one hundred twenty (120) days following the date CollabHealth obtained actual knowledge of the occurrence of the CollabHealth Call Event set forth in **Section 4.1(a)(v)** above. If CollabHealth does not deliver a Call Notice within the Call Option Period, then such Call Option is deemed to be waived for that specific occurrence of the CollabHealth Call Event; provided, however, CollabHealth will continue to retain its right to exercise a Call Option for any subsequent CollabHealth Call Events that may occur thereafter. If the Call Notice is delivered within the Call Option Period, the applicable Minority Shareholder (for purposes of this Section only, the "**Selling Minority Member**") shall sell to CollabHealth (or its assigns), and CollabHealth (or its assigns) shall purchase from the Selling Minority Shareholder, all of the Common Shares owned by the Selling Minority Member, free and clear of liens, claims and encumbrances (other than this Agreement). If the Call Option is not timely exercised, all Common Shares owned by the Selling Minority Shareholder shall remain subject to this Agreement.

(c) Purchase Price for the CollabHealth Call Option. The determination of the purchase price for the Common Shares of the Selling Minority Shareholder sold under this **Section 4.1** shall be based upon the timing in which the CollabHealth Call Event occurred. If the CollabHealth Call Event occurred within five (5) years following the date hereof, then the purchase price will be \$17.94 per Common Share, which is equal to seventy-five percent (75%) of the per share purchase price paid to the Minority Shareholders for certain of the Common Shares on the date hereof pursuant to the Stock Purchase Agreement. If the CollabHealth Call Event occurs five (5) years after the date hereof, then the purchase price will equal eighty-five percent (85%) of the Fair Market Value of the Selling Minority Shareholder's Common Shares. Further, if the CollabHealth Call Event occurs due to a Minority Shareholder's breach of any indemnity obligations under any of the Transaction Documents or a breach of any duties under those certain Security Reserve Agreements to fund reserves, then CollabHealth shall receive a credit to be applied against the purchase price for the full amount of any such outstanding or unpaid obligations.

(d) Closing Upon Exercise of the CollabHealth Call Option. The closing of a purchase and sale upon the exercise of the Call Option shall take place no later than ninety (90) days following the delivery of the Call Notice to the Selling Minority Shareholder and following the approval, if any, of the Washington State Office of the Insurance Commissioner and the Centers for Medicare & Medicaid Services (for purposes of this Section, "**Closing**"). At Closing, the Selling Minority Shareholder shall execute and deliver to CollabHealth (or its assigns) such sale, assignment or transfer documents and agreements and other instruments as shall be reasonably required by Corporation and CollabHealth to effect the Transfer, as of Closing, of the Common Shares purchased from the Selling Minority Shareholder, free and clear of all liens, claims and encumbrances, other than this Agreement.

(e) Manner of Payment Upon Exercise of CollabHealth's Call Option. The Purchase Price (as set forth in **subsection (b)** above) shall be paid in cash or at Closing by CollabHealth (or its assigns) to the Selling Minority Shareholder.

#### 4.2 Minority Members' Option to Put Shares to CollabHealth.

(a) Put Events. Each Minority Shareholder shall have the option (collectively with the option set forth in **subsection (b)** below, the "**Put Option**") to require CollabHealth to purchase their Common Shares upon the occurrence of any of the following (each a "**Put Event**"):

(i) CollabHealth materially breaches either this Agreement or materially breaches any Affiliated Agreement and, in either situation, such material breach is not cured within the applicable cure period set forth in this Agreement or in the applicable Affiliated Agreement, if any;

(ii) the dissolution, termination, or bankruptcy or the attempted dissolution, termination, or bankruptcy of CollabHealth;

(iii) CollabHealth becomes excluded from any federal or state healthcare program; or

(iv) failure of CollabHealth to make an Additional Contribution, as set forth in **Section 7.1**.

(b) Additional Put. In addition to those Put Events set forth in **subsection (a)** above, each Minority Shareholder shall have an additional Put Option during the period beginning two (2) years after the date hereof and ending five (5) years after the date hereof ("**Additional Put Period**"), in which each Minority Shareholders may require CollabHealth to purchase all of its Common Shares (or its assigns), upon one hundred eight (180) days advance written notice provided to CollabHealth during the Additional Put Period ("**Additional Put Notice**").

(c) Exercise of Put Option. With respect to the Put Options set forth in **Section 4.2(a)**, a Minority Shareholder must exercise its Put Option, if at all, by delivering written notice to CollabHealth ("**Put Notice**") of its election to exercise the

Put Option within ninety (90) days following the date a Minority Shareholder obtained actual knowledge of the occurrence of the Put Event (the "**Put Option Period**"). If a Minority Shareholder does not deliver a Put Notice within the Put Option Period with respect to a Put Option set forth in **Section 4.2(a)**, then such Put Option is deemed to be waived for that specific occurrence of the Put Event; provided, however, each Minority Shareholder will continue to retain its right to exercise a Put Option for any Put Events that may occur thereafter. If the Put Notice is delivered within the Put Option Period, CollabHealth shall purchase from the Minority Shareholder that delivered the Put Notice (for purposes of this Section only, the "**Selling Minority Member**"), all of the Common Shares owned by the Selling Minority Member, free and clear of liens, claims and encumbrances (other than this Agreement). If the Put Option is not timely exercised, all Common Shares owned by the Selling Minority Shareholder shall remain subject to this Agreement.

(d) Purchase Price for Put Option.

(i) The per share purchase price for the Put Options set forth in **Section 4.2(a)** above shall be the greater of: (i) one hundred fifteen percent (115%) of the Fair Market Value of the Selling Minority Shareholder's Common Shares, or (ii) \$27.51 per Common Share, which is equal to one hundred fifteen percent (115%) of the per share purchase price paid to the Minority Shareholders for certain of the Common Shares on the date hereof pursuant to the Stock Purchase Agreement.

(ii) The per share purchase price for the Put Option set forth in **Section 4.2(b)** above shall be \$19.14 per Common Share, which is equal to eighty percent (80%) of the per share purchase price paid to the Minority Shareholders for certain of the Common Shares on the date hereof pursuant to the Stock Purchase Agreement

(e) Closing Upon Exercise of Minority Shareholders' Option. The closing of a purchase and sale upon the exercise of a Put Option set forth in **Section 4.2(a)** shall take place no later than ninety (90) days following the delivery of the Put Notice, or, with respect to a Put Option set forth in **Section 4.2(b)**, the closing shall take place no later than one hundred eighty (180) days following the delivery of the Additional Put Notice and following the approval, if any, of the Washington State Office of the Insurance Commissioner and the Centers for Medicare & Medicaid Services (for purposes of this Section only, each are considered a "**Closing**"). At Closing, the Selling Minority Shareholder shall execute and deliver to CollabHealth (or its assigns) such sale, assignment or transfer documents and agreements and other instruments as shall be reasonably required by Corporation and CollabHealth to effect the Transfer, as of Closing, of the Common Shares purchased from the Selling Minority Shareholder, free and clear of all liens, claims and encumbrances, other than this Agreement.

(f) Manner of Payment Upon Exercise of Minority Shareholders' Option. The applicable purchase price set forth in **subsection (d)** above shall be paid in cash at Closing by CollabHealth (or its assign) to the Selling Minority Shareholder.

## 5. INVOLUNTARY TRANSFERS

5.1 **Option on Involuntary Transfer.** Despite the Transfer restrictions set forth in this Agreement, if the Shares of a Shareholder are Transferred involuntarily by operation of law to any Person (for purposes of this Section, "**Transferee**") other than to the Corporation or one or more other Shareholders ("**Involuntary Transfer**"), the Corporation shall have an option to purchase all (but not less than all) of the Shares so Transferred. Corporation must exercise the option, if at all, within ninety (90) days after the Corporation's receipt of actual notice of the Involuntary Transfer by delivering notice of its election to exercise the option to the Transferee within such ninety (90) day time period. If the option is exercised, the Transferee shall sell to Corporation (or its assigns), and Corporation (or its assigns) shall purchase from the Transferee, all of the Shares so Transferred, free and clear of liens, claims and encumbrances, other than this Agreement. If the option is not timely exercised, all Shares owned by the Transferee shall remain subject to this Agreement as required by **Section 2** hereof.

5.2 **Purchase Price Upon Involuntary Transfer.** The purchase price for a purchase of Shares upon the exercise of the option by Corporation (or its assigns) upon an Involuntary Transfer, as set forth in **Section 5.1**, shall be 75% of the Fair Market Value as of the date of the Transfer multiplied by the number of Shares being Transferred hereunder.

5.3 **Closing Upon Involuntary Transfer.** The closing of such purchase and sale on Involuntary Transfer shall take place at the office of Corporation at a date designated by the Board of Directors of Corporation, within ten (10) days after the expiration of the option time period granted in **Section 5.1** and following the approval, if any, of the Washington State Office of the Insurance Commissioner and the Centers for Medicare & Medicaid Services (for purposes of this Section, "**Closing**"). At Closing, the selling Shareholder shall execute and deliver to Corporation (or its assigns) such deeds, stock powers, bills of sale, assignments and other instruments as shall be reasonably required by Corporation to effect the Transfer, as of Closing, of the Shares purchased from the selling Shareholder, free and clear of all liens, claims and encumbrances, other than this Agreement.

5.4 **Manner of Payment Upon Involuntary Transfer.** The purchase price shall be paid in cash or its equivalent at Closing by Corporation (or its assigns) to the Transferee.

## 6. OTHER AGREEMENTS

6.1 **Election of Directors.** Shareholders agree that the number of directors of Corporation at all times shall be a total of nine (9). Based on the ownership of the Common Shares as of the date hereof, CollabHealth will have the right to appoint five (5) directors of the Corporation and the Minority Shareholders will collectively appoint four (4) directors of the Corporation (the "**Minority Seats**"). The Minority Seats shall be allocated among the Minority Shareholders based on their proportional ownership of the Common Shares of the Corporation; provided, however, that as long as a Minority Shareholder continues to own at least the Minimum Ownership, such Minority Shareholder shall have the right to appoint at least one (1) Minority Seat. If, at any time, CollabHealth acquires additional ownership in the Corporation, CollabHealth shall be entitled to appoint the number of directors of the Corporation as set forth below:

CollabHealth's Percentage of Common Shares Owned	51% - 66.6%	66.7%-77.7%	77.8% - 86%	86.1%- 93%	93.1% and above
Number of Directors	5	6	7	8	9

As CollabHealth becomes entitled to appoint additional directors, as set forth above, the number of Minority Seats shall correspondingly decrease so that the number of directors of the Corporation continues to total nine (9).

6.2 **Amendment of Articles or Bylaws.** Shareholders, in their capacities as Shareholders, shall amend the Articles of Incorporation and Bylaws of Corporation and take such other actions as may be necessary or appropriate from time to time to implement and carry out the terms of this Agreement.

6.3 **CollabHealth's Agreement.** During such time as the Corporation holds a current and valid license in the State of Washington for the Business and during such time as NPN or PSW owns Common Shares, CollabHealth will not apply for a Medicare Advantage Agreement with Centers for Medicare & Medicaid Services in the State of Washington to conduct the Business.

6.4 **Tax Exempt Status.** The Corporation agrees and the Shareholders shall direct the Corporation's Board of Directors not to take action or fail to take action for any matters that may jeopardize or adversely affect the tax-exempt status or the ability to issue tax-exempt bonds of the Affiliates of CollabHealth.

6.5 **Catholic Identity.** Corporation and the Minority Shareholders recognize it is essential to the core values of CollabHealth and its Affiliates, that the Corporation operates the Business in a manner consistent with Catholic values and principles, which the Corporation and Minority Shareholders acknowledge requires the Corporation to be held accountable for such Catholic identity. The Corporation agrees to establish and maintain the following fundamentals to hold the Corporation and its Business accountable for their Catholic identity:

(a) **Organizational Structure.** The Shareholders shall ensure that the Corporation's Board of Directors shall have the authority and responsibility for maintaining Catholic identity by assuring the operationalization of the Ethical and Religious Directives for Catholic Health Services, as promulgated by the United States Conference of Catholic Bishops (the "ERDs"), and for maintaining oversight of community benefits and spiritual care programs.

(b) **Catholic Identity Operationalized.** The Shareholders shall ensure that the Corporation's Board of Directors complies with AHCN's Catholic Identity Standards ("Catholic Standards"), a copy of which is attached hereto as **Exhibit A** (which may be amended from time to time).

6.6 **Inspection of Properties and Records.** Upon a Shareholder's reasonable request made in good faith and without intent to disrupt the operations of the Corporation, the Corporation agrees to allow, and to cause each of its subsidiaries (if any) to allow, each Shareholder and such Shareholder's representatives, subject to appropriate agreements as to confidentiality (a) to visit and inspect any of the properties of the Corporation or any of its subsidiaries, (b) to examine all their books of account, records, reports and other papers and to make copies and extracts therefrom, (c) to discuss its affairs, finances and accounts with its officers and employees, and (d) to discuss the financial condition of the Corporation and its subsidiaries (if any) with their independent accountants upon reasonable notice to the Corporation of its intention to do so and so long as the Corporation shall be given the reasonable opportunity to participate in such discussions (and by this provision the Corporation authorizes such accountants to have such discussions with such Shareholders and their representatives); provided, however, that nothing contained herein shall limit or abrogate the rights of a Shareholder to inspect certain books and records of the Corporation as specified by RCW 23B.16.020. All such visits, examinations and discussions set forth in the preceding sentence shall be at such reasonable times and as often as may be reasonably requested. The external costs of such inspection shall be reasonably borne by the Shareholder requesting the inspection and shall not take precedence over, or disrupt, the normal operations of the Corporation. Should such inspections become a significant distraction, the Corporation may, at its sole discretion, hire external advisers to assist in such inspections and the costs of such external assistance shall be fully borne by the Shareholder requesting such information.

## 7. **CAPITAL CONTRIBUTIONS**

### 7.1 **Additional Capital Contributions.**

(a) The Shareholders recognize that the Corporation may require additional capital from time to time in order to accomplish the purpose and business for which it is formed to meet regulatory requirements. The Shareholders collectively as a group will be required to make one or more additional Capital Contributions to the Corporation from time to time (i) in such amounts as may be required from time to time by the Washington State Office of the Insurance Commissioner for the Corporation to maintain adequate capital to satisfy applicable law; (ii) in such amounts as determined by the Board of Directors of the Corporation in good faith to satisfy any and all risk based capital requirements applicable to the Corporation; and (iii) for two (2) years following the date hereof, in such amounts as determined under these **subsections (i), (ii) and (iii)** by a majority vote of the Board of Directors of the Corporation in good faith to offset any net operating losses of the Corporation. Upon any such determination, the Board of Directors of the Corporation will, by written notice, call for any such additional contributions to be made by the Shareholders to the capital of the Corporation. In addition, by a vote of more than Sixty-Seven percent (67%) of the Board of Directors, the Shareholders will be required to make additional Capital Contributions for such other financial and operational needs of the Corporation as the Board of Directors may, in good faith, determine are appropriate. Within sixty (60) days following the issuance of such a capital call, each Shareholder must contribute, in cash, to the capital of the Corporation an amount (the "**Additional Contribution**") equal to such Shareholder's Ownership

Percentage multiplied by the aggregate amount of the capital contributions to be made by all Shareholders.

## 7.2 Defaulting Shareholders.

(a) If any Shareholder fails or refuses for any reason to make in a timely manner any part or all of an Additional Contribution as required by **Section 7.1** (the "**Unpaid Additional Contribution**"), such Shareholder will be in default hereunder and will be deemed to be a "**Defaulting Shareholder**" and the Unpaid Additional Contribution or other unpaid amount will constitute an obligation of such Defaulting Shareholder to the Corporation and the following will apply to the Shares of a Defaulting Shareholder who, at the time of the election, remains in default to the Corporation for more than thirty (30) days:

(i) On a prospective basis, the Ownership Percentages of the Defaulting Shareholder will be reduced to a new percentage equal to a fraction the numerator of which is equal to the total Capital Contributions made by the Defaulting Shareholder to the Corporation as of the date of the adjustment and the denominator is equal to the total Capital Contributions made by all Shareholders to the Corporation as of the date of the adjustment.

(ii) On a prospective basis, the total Ownership Percentages of the other Shareholders will be increased, in proportion to their relative Ownership Percentages at the time, by the amount of reduction to the Ownership Percentage of the Defaulting Shareholder.

## 8. TERMINATION

8.1 Events of Termination. This Agreement shall terminate and all rights, restrictions and obligations hereunder shall become null and void and be released on the occurrence of any one of the following events:

(a) The bankruptcy or dissolution and commencement of liquidation of Corporation.

(b) A single Shareholder becomes the owner of all of the Shares.

(c) The execution of a written instrument by all of the Shareholders then owning Shares subject to this Agreement which expressly terminates this Agreement.

8.2 Effect of Termination. The termination of this Agreement for any reason shall not affect any right or remedy existing hereunder prior to the effective date of its termination. Upon termination of this Agreement, each Shareholder shall surrender to Corporation all certificates representing the Shares then owned by such Shareholder, and Corporation thereupon shall cancel such certificates and reissue new certificates for an equal number of Shares with an appropriately modified legend endorsed thereon.

## 9. MISCELLANEOUS

9.1 **Remedy for Failure of Seller to Convey Shares.** In the event that a Shareholder shall be required to sell its Shares pursuant to any provision hereof, and in the further event that such Shareholder is unable to, or for any reason does not, deliver the certificate or certificates evidencing such Shares to the Person who is (or desires) to purchase such Shares, in accordance with the applicable provisions of this Agreement (for purposes of this Section, "**Purchaser**"), the Purchaser of such Shares may deposit the purchase price for such Shares (by good check, promissory note or both, as the case may be under the applicable provisions of this Agreement) with any bank doing business within fifty (50) miles of Corporation's principal office, or with Corporation's certified public accountants, as agent or trustee, or in escrow, for such Shareholder, to be held by such bank or accountant until withdrawn by such Shareholder. Upon such deposit by the Purchaser upon written notice regarding the deposit to Shareholder who was required to sell, and upon Purchaser executing a counterpart of this Shareholders' Agreement, the Shares of such Shareholder to be sold pursuant to the applicable provisions of this Agreement shall at such time be deemed to have been sold, assigned, transferred and conveyed to such Purchaser. Thereafter, the selling Shareholder shall have no further rights thereto and Corporation shall record such transfer in its Shares transfer book.

9.2 **Notices.** All option exercises, notices, requests or other communications hereunder shall be given in writing and delivered in person or by delivery service or sent by registered or certified mail, return receipt requested, postage prepaid; and such notices shall be addressed: (i) if to Corporation, to the principal office of Corporation; and (ii) if to a Shareholder, to the address of such Shareholder as reflected in the stock records of Corporation, unless notice of a change of address is furnished to all parties in the manner provided in this section. Any notice which is required to be made within a stated period of time shall be considered timely if delivered or mailed before midnight of the last day of such period.

9.3 **Invalid or Unenforceable Provisions.** In the event that any particular provision of this Agreement shall be held to be invalid or unenforceable, the remaining provisions of this Agreement shall nevertheless continue to be valid and enforceable. In the event that any provision relating to restrictions on Transfer shall be declared by a court of competent jurisdiction to exceed the maximum restriction such court deems enforceable, said restriction shall be deemed to become and thereafter shall be the maximum restriction which such court deems enforceable.

9.4 **Benefit and Burden.** This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their heirs, legal and personal representatives, successors and permitted assigns. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of Corporation (other than Shareholders).

9.5 **Gender.** The use of any gender herein shall be deemed to be or include the other genders and the use of the singular herein shall be deemed to be or include the plural (or vice versa), wherever appropriate.

9.6 **Amendments; Waiver.** No amendment, modification or termination of this Agreement shall be valid unless the same is in writing and signed by Corporation and by all of the Shareholders then owning Shares subject to this Agreement; provided, however, no such amendment, modification or termination may adversely affect the rights of any former

Shareholder to receive any amounts payable to him or her hereunder. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the person against whom the waiver is sought to be enforced. The failure of any party at any time to insist upon strict performance of any condition, promise, agreement or understanding set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same or any other condition, promise, agreement or understanding at a future time.

9.7 **Entire Agreement.** This Agreement sets forth all of the promises, agreements, conditions, understandings, warranties and representations among the parties hereto with respect to the Shares and any other matters set forth herein, and there are no other promises, agreements, conditions, understandings, warranties or representations, (oral or written, express or implied) among them with respect to such shares or such other matters.

9.8 **Previous Agreements Superseded.** All previous agreements among Corporation and any of Shareholders relating to the subject matters hereof are hereby superseded by this Agreement and of no further force and effect.

9.9 **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Washington.

9.10 **Dispute Resolution.**

(a) If a dispute arises between the parties relating to this Agreement that cannot be resolved informally, each party involved in such dispute (each, a "**Disputing Party**" and, collectively, the "**Disputing Parties**") agrees to comply with the procedures set forth in this **Section 9.10 ("Dispute Resolution Procedures")**. The Dispute Resolution Procedures will be invoked by a party, before such party pursues any other available remedy, by such party giving written notice to the other party or parties, as applicable. Following receipt of such notice, the Disputing Parties shall, for a period of thirty (30) days after the dispute first arises, attempt in good faith to negotiate a resolution of the dispute (the "**Initial Negotiation**"). The Initial Negotiation will include no less than two (2) in-person meetings among authorized representatives of the Disputing Parties, whom shall have authority from the respective Boards of Directors of the Disputing Parties to settle the matter. If the dispute is not resolved during the Initial Negotiation, the Disputing Parties shall, for an additional period of thirty (30) days after the end of the Initial Negotiation period, continue to attempt in good faith to negotiate a resolution of the dispute (the "**Extended Negotiation**"). The Extended Negotiation will include no less than two (2) in-person meetings between the President and Chief Executive Officer of the Disputing Parties, all of whom shall have authority from the respective Boards of Directors of the Disputing Parties to settle the matter.

(b) The Disputing Parties will appoint a mediator mutually acceptable to the Disputing Parties to participate in the Extended Negotiation, seeking assistance in such regard from the American Arbitration Association's AAA Mediation Services if they are unable to agree upon such appointment within ten (10) days after the dispute first arises. The place of the Initial Negotiation and any Extended Negotiation shall be in Seattle, Washington, or such other place as may be mutually agreed to by the Disputing Parties. The mediator may meet or communicate with the Disputing Parties together or with each of them separately. If the Extended Negotiation is not successful in resolving the dispute within the thirty (30) day Extended Negotiation period, the mediator shall declare an impasse between the Disputing Parties by notifying each Disputing Party promptly after the expiration of such thirty (30) day period. Each Disputing Party shall pay its own attorneys' and expert witness fees and costs associated therewith, and the costs of the mediator shall be split equally among the Disputing Parties. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Disputing Parties or their representatives, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any legal proceeding involving the Disputing Parties.

(c) If the parties cannot reach agreement pursuant to **Sections 9.10(a) and (b)**, then the parties may proceed with such remedies as they may be entitled and deem appropriate in accordance with this Agreement. The parties agree that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. EACH PARTY HEREBY WAIVES THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE AGREEMENTS CONTEMPLATED HEREBY OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, COUNTERCLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

9.11 **Remedies for Breach.** The Shares subject to this Agreement are unique chattels and each party to this Agreement shall have the remedies which are available to him for the violation of any of the terms of this Agreement, including, but not limited to, the equitable remedies for specific performance and injunctive relief.

9.12 **Headings.** The headings, subheadings and other captions in this Agreement are for convenience and reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

9.13 **Counterparts.** This Agreement and any amendments hereto may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one agreement that is binding upon all the parties hereto, notwithstanding that all parties are not signatories to the same counterpart.

9.14 **Capital Impairment.** If the repurchase by Corporation of its Shares from a Shareholder required to sell its Shares under this Agreement ("**Departing Shareholder**") is prohibited by law, either because its capital is impaired or such purchase would impair its capital, Corporation shall reduce its capital and increase its surplus to the fullest extent legally permissible to enable it to purchase the greatest portion of such Shares as is legally permissible. If despite these efforts Corporation is prevented from lawfully repurchasing all or part of its Shares from a Departing Shareholder, then Shareholders other than the Departing Shareholder, in proportion to their relative holdings of Shares, shall purchase all of the Shares which Corporation is legally prevented from purchasing at the same price and other terms set forth herein for Corporation's obligation.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, Corporation has caused this Shareholders Agreement to be executed by its duly authorized officers and each Shareholder has executed this Agreement, all as of the date hereof.

**CORPORATION:**  
SOUNDPATH HEALTH, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SHAREHOLDERS:**  
COLLABHEALTH PLAN SERVICES, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PHYSICIANS OF SOUTHWEST  
WASHINGTON, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

NORTHWEST PHYSICIANS NETWORK OF  
WASHINGTON, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A

CATHOLIC STANDARDS

See attached. To be delivered on or before Closing.