

AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

dated as of January 1, 2014,

by and between

ACCESSONE MEDCARD, INC.

and

THE CHARLOTTE-MECKLENBURG HOSPITAL AUTHORITY,

and its Affiliates from time to time party hereto

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AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

THIS AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (as amended from time to time, this "Agreement") is made as of January 1, 2014, by and between **AccessOne MedCard, Inc.**, a North Carolina corporation ("AccessOne"), and **The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas HealthCare System**, a North Carolina hospital authority (the "Parent"), **Mercy Hospital, Inc.**, a North Carolina not for profit corporation and **Carolinas Physicians Network, Inc.**, a North Carolina not for profit corporation, and other affiliates of Parent from time to time party hereto. Each of the Parent, Mercy Hospital, Inc., Carolinas Physicians Network, Inc. and any other affiliates of the Parent that are hereafter made a party to this Agreement are referred to herein as a "Provider," and collectively, as the "Providers."

Background Statement

AccessOne and the Providers are parties to an existing Amended and Restated Receivables Purchase Agreement pursuant to which AccessOne purchases certain receivables and other "accounts" (as such term is defined in Article 9 of the Uniform Commercial Code adopted in the state of North Carolina (the "UCC")) originated by the Providers in connection with each Provider's sale and provision of health care services and supplies (collectively, together with all books and records of the Providers relating to such accounts and all collections and proceeds of such accounts, the "Receivables"). The parties wish to amend and restate the Agreement.

The Providers provide medical services through health-care facilities that do business under a variety of trade names, in addition to Carolinas Healthcare System, including CMC-Mercy, CMC-Pineville, Sanger Heart and Vascular Institute, Charlotte Medical Clinic and Mecklenburg Medical Group, and Receivables generated under such trade names may be sold to AccessOne under this Agreement.

Statement of Agreement

In consideration of their respective obligations to each other, the parties agree as follows:

ARTICLE I

PURCHASE OF RECEIVABLES

1.1 Purchase of Receivables. AccessOne agrees to purchase, and each Provider agrees to sell, Eligible Receivables (as defined in Section 1.2 below) by establishing accounts under revolving credit agreements (each, a "Revolving Credit Agreement") with individuals ("Obligors") to which charges for health care goods and services provided by such Provider may be posted. With respect to any particular Eligible Receivable, AccessOne will have purchased, and a Provider will have sold, such Eligible Receivable upon the posting of the amount of such Eligible Receivable to the revolving credit account established under an executed Revolving Credit Agreement (once purchased, such Eligible Receivables are collectively referred to as "Purchased Receivables").

891286v14A 16881 00013

1.2 **Eligibility for Purchase.** AccessOne will have no obligation to purchase any Receivable unless such Receivable meets the following eligibility criteria (such Receivables meeting such criteria, "**Eligible Receivables**"):

(a) The Receivable constitutes the legal, valid and binding obligation of the Obligor of such Receivable, enforceable against such Obligor in accordance with its terms and is not subject to any dispute, offset, counterclaim or defense whatsoever and as such represents a bona fide obligation to the applicable Provider.

(b) The Receivable constitutes an account as defined in the UCC for health care services or supplies actually provided by such Provider and accepted by such Obligor.

(c) The Obligor of the Receivable resides in the United States of America and is not a government, or a governmental subdivision or agency, or an insurer.

(d) The Obligor of the Receivable is not deceased or the subject of any voluntary or involuntary proceeding under any applicable state or federal bankruptcy, insolvency or other similar law.

(e) The Receivable is owned by such Provider free and clear of any lien or encumbrance and has no contractual or other legal restriction on its sale.

(f) AccessOne's security interest under the UCC in the Receivable shall be perfected and first in priority.

(g) The Receivable, and all services and goods sold by such Provider giving rise to the Receivable, complies with all laws, rules, licenses and regulations applicable thereto.

(h) The sale of the Receivable to AccessOne pursuant hereto, and the grant of the security interest in the Receivable pursuant to **Section 3.3**, do not violate, or give rise to a default under, any material contract, lease, indenture or other material agreement binding upon any Provider, and all consents necessary for such actions have been obtained.

(i) The Receivable is not in default at the time of purchase by AccessOne (and any prior default or delinquency shall be deemed irrevocably waived by the Providers automatically upon sale of the Receivable to AccessOne hereunder), and the Receivable is not the subject of any litigation or other proceeding or hearing before any court or governmental authority.

(j) The Receivable complies with such other eligibility criteria as AccessOne shall require in its reasonable credit judgment (but any such other eligibility criteria shall only apply to Receivables purchased after the Providers are given written notice of such additional eligibility criteria).

1.3 **Conditions of Purchases.** The obligation of AccessOne to close any purchase of Receivables is subject to the following conditions:

891286v14A 16881.00013


(a) On the date of any such purchase of Receivables, the representations and warranties of the Providers set forth in Article II shall be true and correct and the Providers shall be in compliance with all of the terms and provisions set forth herein to be observed or performed on its part.

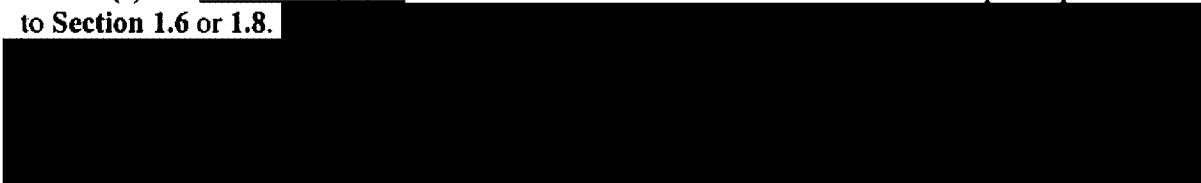
(b) If the Parent has a credit rating for its senior unsecured long-term debt securities, such credit rating must be at least a Standard & Poor's BBB-, a Moody's Baa3 or a Fitch's BBB-

(c) The Parent must maintain a Debt Service Coverage Ratio of not less than 1.2 to 1.0. "Debt Service Coverage Ratio" means the ratio of (i) net income from operations for the most recently ended four consecutive fiscal quarters, plus interest expense, depreciation, and amortization for such period, divided by (ii) the sum of the current portion of long term debt and capital lease obligations for the most recently ended four consecutive fiscal quarters, plus interest expense for such period, in each case calculated for the Parent and its consolidated subsidiaries in accordance with generally accepted accounting principles ("GAAP").


(d) The Parent must maintain Days of Cash on Hand of not less than 75 days at the end of each fiscal quarter. "Days of Cash on Hand" means (i) the sum of cash, unrestricted short term investments including Board Designated Funded Depreciation, and short term investments restricted for debt payment at the end of any fiscal quarter, divided by (ii) the quotient of (A) total operating expenses less depreciation and amortization, in each case, for the four consecutive fiscal quarters ending with such fiscal quarter, divided by (B) 365, in each case calculated for the Parent and its consolidated subsidiaries in accordance with GAAP.

1.4 Purchase Prices and Payment.


 Under the AccessOne program, an Obligor may pay the Purchased Receivable (i) by paying the minimum payment established under the Revolving Credit Agreement; (ii) by making equal, interest-free payments totaling the amount of the Receivable in accordance with such Revolving Credit Agreement; or (iii) pursuant to AccessOne's "Accessibility Program," in instances where the Obligor is unable to meet the minimum payment requirements of the Revolving Credit Agreement, with the consent of the Parent, the Obligor may pay a fixed monthly amount, without interest. The choices made by the Obligors determine the Servicing Fee and the net purchase prices to be paid for the Purchased Receivables and determine the manner of payment of the purchase prices, as explained in the following subsections of this Section 1.4.

(a) Unfunded Model. The Unfunded Model is in effect when it is required pursuant to Section 1.6 or 1.8. 


(b) **Predictable Funding Model.**



(i) *Interest-Free Payments.* If an Obligor elects to defer the financing charge for a Receivable by making equal, interest-free monthly payments as provided in **Exhibit A** hereto (the "Interest-Free Program"),



(ii) *Funded Receivables.*



891286v14A 16881.00013

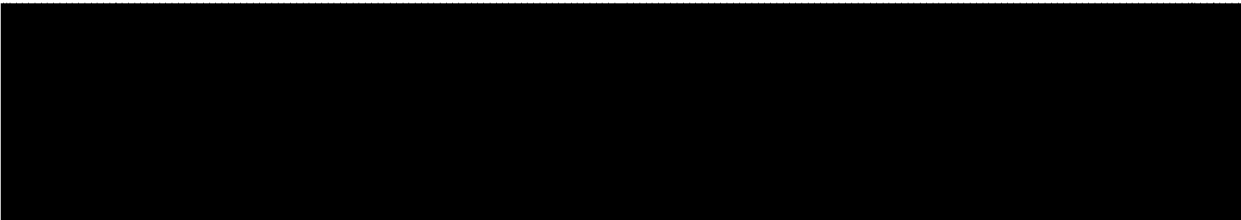
(iii) *Unfunded Receivables.*



(d) All payments due hereunder from AccessOne to a Provider shall be made to the Parent, on behalf of the Providers.

1.5 Repurchase of Accounts.

(a) The Providers shall repurchase from AccessOne the outstanding principal balance of a Purchased Receivable after receiving written notice from AccessOne that (i) the unpaid charges on the revolving credit account shall at any time fail to meet any of the eligibility criteria set forth in Section 1.2 hereof (other than any Eligibility Criteria imposed under Section 1.2(j) after the date of purchase of the Receivable), or (ii) the Obligor has failed for three consecutive months to make the minimum monthly payment due in accordance with the Revolving Credit Agreement (in each case, a “Default”). Upon such repurchase, the Receivable shall be deemed returned to the applicable Provider.



(c) If AccessOne has not paid a Funded Amount on a Purchased Receivable to be repurchased under Section 1.5(a), no payment to AccessOne shall be required and the Receivable shall automatically be deemed returned to the applicable Provider from AccessOne upon the Parent’s receipt of written notice of such Receivable’s Default.

(d) In addition, if any principal payment previously made to the Providers on a repurchased Receivable is subsequently recouped from AccessOne by an obligor or trustee in bankruptcy as a preferential payment, the Providers shall promptly reimburse such recouped amount to AccessOne.

(e) The obligation of the Providers to pay the amounts referred to in this Section 1.5 shall be joint and several, absolute and unconditional and not subject to any abatement, reduction, setoff, defense, counterclaim or recoupment due or alleged to be due to, or by reason of, any past, present or future claims that any Provider may have against AccessOne or any other

891286v14A 16881.00013

person or for any reason whatsoever. The Providers hereby acknowledge that all Obligor's are eligible to participate in the AccessOne MedCard program without regard to their creditworthiness, and the Providers further acknowledge that they are not relying on AccessOne to conduct any evaluations of any Obligor's creditworthiness as a condition to participation in the program.

1.6 Loss of Funding. If AccessOne's financing should become unavailable to fund all or any portion of the Funded Amount of Receivables, including if AccessOne's maximum financing is reached with respect to the Provider's Receivables, AccessOne shall notify the Providers and all Receivables shall be purchased, on and after the date of such notice, [REDACTED] until AccessOne is able to restore available funding. In such event, the Providers may immediately terminate the ongoing purchase of Receivables under this Agreement by giving written notice to AccessOne.

1.7 Providers' Financial Condition. If at any time the Providers fail to satisfy any of the criteria in clauses (b), (c) and (d) of Section 1.3 (a "Financial Covenant Default") the following shall occur:

(a) The purchase of Receivables on and after the date that the Financial Covenant Default first occurs (the "Default Date") shall be made [REDACTED] until the Providers cure all Financial Covenant Defaults.

(b) The Providers will cause to be issued within 30 days after the Default Date an irrevocable letter of credit (a "Letter of Credit") in favor of AccessOne, issued by a financial institution reasonably acceptable to AccessOne. The Letter of Credit may be drawn by AccessOne if any Provider fails to repurchase any Receivable under Section 1.5 in an amount equal to the Repurchase Price. The Letter of Credit shall be in form and substance reasonably satisfactory to AccessOne, and the Letter of Credit shall, without limitation, (i) allow for multiple, partial draws by AccessOne up to the Stated Amount (defined below), (ii) be drawable upon physical presentation by AccessOne of the Letter of Credit and completed sight draft, prior to the expiration date thereof, accompanied by a completed certificate signed by an authorized officer of AccessOne stating only that AccessOne is entitled to draw on the Letter of Credit in the amount of the sight draft, (iii) provide that (A) the issuing bank will provide AccessOne with written notification of at least 30 days prior to the expiration date of the Letter of Credit and (B) AccessOne may draw the entire Stated Amount on the expiration date of the Letter of Credit if the Providers have not renewed or extended the Letter of Credit or replaced the Letter of Credit with another letter of credit meeting the criteria set forth in this section prior to the date that is 30 days prior to the expiration date of the Letter of Credit, and (iv) be in a stated amount equal to 30% of the aggregate principal balance, calculated as of the Settlement Date preceding the Default Date, of all Receivables that were purchased from the Providers with a Funded Amount (the "Stated Amount").

1.8 Administration and Servicing. The Purchased Receivables shall be administered and serviced by AccessOne (subject to the subcontracting of certain administrative and servicing functions, such as lockbox, printing and mailing). The following processes will be followed in administering and servicing this Agreement:

891286v14A 16881.00013

(a) Any payments received by a Provider from Obligors for charges applied to their AccessOne accounts shall be held in trust for AccessOne. AccessOne will be notified to allow proper crediting of the Obligors' accounts and the monies received by such Provider will be deducted from payments due to such Provider from AccessOne.

(b) The Providers will promptly notify AccessOne of (i) bankruptcy notices related to any Obligor and (ii) all notices to creditors from any personal representative under the estate of any deceased Obligor.

(c) The Providers and AccessOne shall be entitled to charge the other interest at the rate of 1% per calendar month, from the date due, on any unpaid amounts owed by the other party that are more than 30 days past due. The Providers and AccessOne shall also reimburse the other party for all costs (including reasonable attorney's fees) incurred by the demanding party in enforcing its obligations under this Agreement.

(d) AccessOne and the Providers shall establish a monthly settlement date (each such date a "Settlement Date"). The date on which all monthly payments owing under this Agreement shall be paid shall be on the sixth business day after each Settlement Date (such payment due date, the "Payment Date"). AccessOne shall provide to the Providers a summary report with respect to the monthly period prior to each Settlement Date (each a "Settlement Summary Report") with detailed backup reports. These reports shall identify the charges, credits, returns, initial payments and Funded Amounts, recoured payments, bad debt transfers, and other fees payable under this Agreement and due with respect to the monthly period prior to any Settlement Date. AccessOne shall be entitled to set off any amounts the Providers owe to AccessOne hereunder against any payments owing by AccessOne to the Providers hereunder, with a reciprocal provision for the Providers. Prior to the Payment Date, the Parent shall, by electronic mail or other written communication, acknowledge, confirm or otherwise affirm to AccessOne that the information in the Settlement Summary Report is correct, to the Parent's knowledge. On the Payment Date AccessOne shall transfer to the designated Providers' bank account, via electronic funds transfer, the amount due to the Providers as described on the Settlement Summary Report.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PROVIDERS

Each Provider represents, warrants and covenants to AccessOne as follows:

2.1 Corporate Status; Authorization. Each Provider is a duly incorporated or organized, validly existing, and in good standing under the laws of the jurisdiction indicated in the introductory paragraph of this Agreement. Each Provider has full power and authority to enter into this Agreement and to incur the obligations provided for herein, all of which have been fully authorized by all proper and necessary action. The parties executing this Agreement on behalf of each Provider are duly authorized to do so, and the execution, delivery and performance of this Agreement do not constitute a breach of any Provider's articles or certificate of incorporation or bylaws or other organizational documents, nor will they constitute an event

of default under any agreement to which any Provider is a party, nor will they violate any law or any order, rule or regulation applicable to any Provider or any of its properties. No Provider will change its legal name or jurisdiction of organization without the Providers giving thirty days' prior written notice to AccessOne.

2.2 Governmental Approvals. No authorization or approval or other action by, and no notice to or filing with, any governmental authority is required for the due execution, delivery and performance by each Provider of this Agreement, except for the filing of UCC financing statements.

2.3 Financial Statements.

(a) The financial statements of the Parent that have been furnished to AccessOne fairly present the financial condition and business of the Parent and its consolidated subsidiaries as shown therein as of the Parent's most recent fiscal year end, and since such date there has been no material adverse change in any such financial condition or business of any Provider. No information provided by a Provider to AccessOne was inaccurate or misleading in any material respect as of the date furnished to AccessOne.

(b) The Providers shall provide to AccessOne as soon as available, and in any event (i) within 120 days after the end of each fiscal year, a complete copy of the financial statements of the Parent and its consolidated subsidiaries for such fiscal period prepared in accordance with GAAP consistently applied, which shall be certified by independent certified public accountants, and (ii) within 45 days after the end of the each fiscal quarter, a complete copy of the financial statements of the Parent and its consolidated subsidiaries for such fiscal quarter prepared in accordance with GAAP consistently applied, and (iii) in each case under clauses (i) and (ii) above, a certificate of an appropriate officer of the Parent in the form agreed by AccessOne and the Parent hereto setting forth in reasonable detail the calculations required to establish whether the Providers are in compliance with Section 1.3 on the date of such financial statements. The Providers authorize AccessOne to provide to any lender then financing the purchase of Receivables by AccessOne the financial information delivered by the Providers hereunder.

2.4 Insolvency Proceedings. No Provider is the subject of any voluntary or involuntary proceeding under any applicable state or federal bankruptcy, insolvency or other similar law.

2.5 Eligibility. Each Receivable sold to AccessOne hereunder shall meet each of the eligibility criteria set forth in Section 1.2.

2.6 Binding Obligation. This Agreement, when executed by all parties, and each of the other documents executed and delivered in connection herewith to which any Provider is a party, will constitute the legal, valid and binding obligation of such Provider enforceable against such Provider in accordance with the terms hereof and thereof. This Agreement, together with each instrument of assignment delivered by each Provider to AccessOne and the filing of UCC financing statements relating to the Purchased Receivables, constitutes a valid sale, transfer and

assignment of the Purchased Receivables to AccessOne, enforceable against creditors of and purchasers from any Provider.

2.7 Compliance with Laws, etc. Each Provider has obtained all material licenses, permits, franchises, and other governmental authorizations necessary for the ownership of its properties and the conduct of its business. Each Provider will comply in all material respects with all applicable current and future laws, ordinances, rules, regulations, orders and decrees of any governmental authority having jurisdiction over such Provider (including without limitation those related to the provision of health care services and sale of health care products and the use and protection of credit scores and other related consumer information). No Provider will cause or permit to occur any event that results in, or is reasonably likely to result in, the imposition of a lien on any Purchased Receivable pursuant to the Internal Revenue Code of 1986 or the Employee Retirement Income Security Act of 1974, as each has been or may be amended.

2.8 Litigation. There are no actions, suits, proceedings or investigations pending or threatened against any Provider before any court or arbitrator or before or by any governmental authority which challenges the transactions under this Agreement or the sale of the Receivables hereunder.

2.9 Accounting. Each Provider will account for all sales of Receivables and other transactions under this Agreement in its books and records as true sales of the Receivables.

ARTICLE III

MISCELLANEOUS

3.1 Term and Termination.

(a) The ongoing sale and purchase of Receivables under **Section 1.1** shall be subject to termination by any party (i) effective immediately upon the delivery of written notice to the other party of the material breach of this Agreement by such other party, or (ii) at any time without cause provided notice of termination is given to the other party at least thirty (30) days prior to the effective date of termination.

(b) This Agreement shall terminate when all parties' obligations under this Agreement, including the repurchase obligations of the Providers under **Section 1.5**, shall have been fulfilled, but the parties' obligations under **Section 3.2** shall survive such termination.

3.2 Indemnity.

(a) Each Provider agrees, on a joint and several basis, to indemnify and hold harmless AccessOne and its officers, directors, employees, agents, representatives and assignees from and against any and all claims, losses, damages (including consequential damages), liabilities, costs and expenses (including reasonable attorneys' fees) incurred by or asserted against AccessOne arising out of or in connection with (i) any actual or alleged negligence, malpractice or mistreatment of an Obligor whose Receivable has been purchased by AccessOne, (ii) any failure of any Purchased Receivable to comply with the eligibility criteria set forth in **Section 1.2**, (iii)

891286v14A 16881.00013

any failure to deliver, or cause to be delivered, the Letter of Credit required by AccessOne under **Section 1.7**, or (iv) any other breach of any of the Providers' other representations, warranties, covenants or obligations in this Agreement (including without limitation the obligations of the Providers to pay the Repurchase Price under **Section 1.5** and to pay interest under **Section 1.8(c)**).

(b) AccessOne agrees to indemnify and hold harmless the Providers and their officers, commissioners, directors, employees, agents, representatives and assignees from and against any and all claims, losses, damages (including consequential damages), liabilities, costs and expenses (including reasonable attorneys' fees) incurred by or asserted against any Provider arising out of or connected with (i) any collection efforts undertaken by AccessOne with respect to the Receivables or (ii) any breach of any of AccessOne's representations, warranties, covenants or obligations in this Agreement.

3.3 Security Agreement. Although the parties hereto intend that the sales of Purchased Receivables hereunder constitute true sales of Receivables by the Providers to AccessOne, the parties acknowledge that a court applying Article 9 of the UCC may treat the sale of Receivables to AccessOne as a grant by the Providers of a security interest to AccessOne in such Receivables. In such regard and, in any event, to secure the prompt and complete payment, performance and observance of all obligations of the Providers hereunder (including without limitation the obligations of the Providers to pay the Repurchase Price under **Section 1.5**, interest under **Section 1.8(c)** and indemnification obligations under **Section 3.2**), and to induce AccessOne to enter into this Agreement and perform the obligations required to be performed by it hereunder in accordance with the terms and conditions hereof, each Provider hereby assigns and grants to AccessOne a first priority security interest in all of such Provider's right, title and interest in, to and under the following: (a) the Purchased Receivables (and any replacements and substitutions thereof) and all collections thereon, (b) all contracts, instruments or other agreements creating, evidencing or otherwise relating to such Purchased Receivables, (c) all liens, guaranties, supporting obligations, letter of credit rights and other arrangements of whatever character from time to time supporting or securing payment of such Purchased Receivables, (d) all books and records relating to the Purchased Receivables or the services provided or goods sold by such Provider giving rise to such Purchased Receivables, and (e) all proceeds and amounts received or receivable arising from the foregoing.

3.4 Further Assurances.

(a) Each Provider agrees that, as to any Receivable sold, it will upon demand execute and deliver to AccessOne such instruments and documents, provide such information and take all further actions as may be reasonably required to enable AccessOne to establish its title to such Receivable or otherwise to perfect, protect or more fully evidence such purchase, to collect the Receivable, to exercise or enforce its rights under or in connection with this Agreement or to otherwise carry out the intent of this Agreement; provided, however, that notwithstanding any other provision in this Agreement, no party hereto shall be required to provide information the delivery of which would violate any law or regulation.

(b) Without limiting the generality of the foregoing, each Provider hereby authorizes AccessOne (i) to endorse such Provider's name on checks and other instruments representing collections and enforcing such Purchased Receivables and the related contracts; and (ii) to protect or perfect its interest in the Purchased Receivables or to negotiate or otherwise realize the benefit of payment as to any Purchased Receivable, including, without limitation, the power to execute in the name of such Provider and file such UCC financing statements, continuation statements, amendments or assignments as it deems necessary.

3.5 Notices. Notices and other communications to the parties shall, unless otherwise provided, be in writing addressed or delivered to the party at the address indicated on the signature page of this Agreement or such other address as is communicated in writing to the other party in accordance with this Section. Notice by electronic mail shall also be permitted. Each such notice shall be effective as of the date of its receipt.

3.6 Assignment. No Provider will assign, pledge or otherwise transfer any of the Providers' rights under this Agreement without the prior written consent of AccessOne. AccessOne may assign, sell, pledge or otherwise transfer its rights under this Agreement and any proceeds drawn under the Letter of Credit without restriction to any party, including without limitation to any of AccessOne's financing sources.

3.7 Counterparts. This Agreement may be executed in several counterparts, each of which will constitute an original, but all of which, when taken together, shall constitute but one and the same instrument. Execution of this Agreement by facsimile signature shall be deemed to be, and shall have the same effect as, execution by original signature.

3.8 Governing Law. This Agreement shall be construed under and subject to the law of North Carolina.

3.9 HIPAA.

(a) Security and Confidentiality of Protected Health Information. If AccessOne receives any individually identifiable health information, as defined in 45 C.F.R. § 164.501, as updated and amended from time to time, from a Provider ("Protected Health Information" or "PHI"), creates or receives any PHI on behalf of a Provider, or otherwise has access to any PHI in the possession of a Provider, then AccessOne shall maintain the security and confidentiality of such PHI in the manner as required of the Providers by applicable laws and regulations, including without limitation the Health Insurance Portability and Accountability Act of 1996, and the regulations promulgated thereunder (collectively, "HIPAA"). AccessOne and the Providers hereby agree to the following:

(b) Permitted Uses and Disclosures of PHI. Except as otherwise specifically provided herein, AccessOne may make any and all uses of PHI necessary to perform its obligations under this Agreement. AccessOne agrees to use or disclose PHI only: (i) as expressly permitted under this Agreement; or (ii) as required by law. AccessOne acknowledges and agrees that any use or disclosure of PHI by AccessOne not expressly permitted under this Agreement is prohibited and shall constitute a material breach of this Agreement. Except as

otherwise provided herein, AccessOne may use PHI in its possession for its proper management and administration and to fulfill the legal responsibilities of AccessOne, provided that such uses are permitted under state and federal confidentiality laws. Except as otherwise provided herein, AccessOne may disclose PHI in its possession to a third party for the purpose of AccessOne's proper management and administration or to fulfill the legal responsibilities of AccessOne, provided that AccessOne represents to the Providers, in writing, that (1) the disclosures are required by law in accordance with 45 C.F.R. § 164.501; or (2) AccessOne has received from such third party written assurances regarding such third party's confidential handling of such PHI as required under 45 C.F.R. § 164.504(e)(4).

(c) **Responsibilities with Respect to PHI.** Except as otherwise permitted in this Agreement, AccessOne shall not disclose PHI to any third party unless such disclosure is approved in advance by the Providers in writing; provided, however, that any such disclosure of PHI shall be made only upon the written agreement of the recipient of such PHI to be bound by the provisions of this Section for the express benefit of AccessOne and the Providers. AccessOne further agrees not to disclose PHI to any member of AccessOne's workforce unless AccessOne has advised such person of AccessOne's obligations under this Section, and of the consequences for such person and for AccessOne of violating the provisions of this Section. AccessOne shall take appropriate disciplinary action against any member of its workforce who uses or discloses PHI in contravention of this Agreement. With respect to any use or disclosure of PHI permitted under this Agreement, AccessOne agrees to disclose to its subcontractors, agents or other third parties, and to request from the Providers, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder.

(d) **Safeguards.** AccessOne shall use appropriate safeguards to prevent use or disclosure of PHI in any manner other than as specifically permitted by this Agreement. AccessOne shall provide the Providers with such information concerning such safeguards as the Providers may from time to time request, and shall, upon reasonable request, give the Providers: (i) access to AccessOne's facilities used for the maintenance or processing of PHI; and (ii) access to and the ability to copy its books, records, practices, policies and procedures concerning the use and disclosure of PHI, for the purpose of determining AccessOne's compliance with this Agreement.

(e) **Accounting of Disclosures.** AccessOne shall maintain a record of all disclosures of PHI made for any purpose other than for the specific purposes of this Agreement, and shall include in such record the date of the disclosure, the name and address of the recipient of the PHI, a brief description of the PHI disclosed, and the purpose of the disclosure. AccessOne shall make such record available to the Providers on request.

(f) **Reporting.** AccessOne shall report to the Providers in writing any use or disclosure of PHI that is not permitted or required under this Agreement of which AccessOne becomes aware within three (3) days of AccessOne discovery of such unauthorized use and/or disclosure. AccessOne shall establish procedures for mitigating, to the greatest extent possible, any deleterious effects from any improper use and/or disclosure of PHI that AccessOne reports to the Providers.

(g) Disclosure to United States Department of Health and Human Services. If a Provider is required by law to obtain information regarding AccessOne's use, protection or disclosure of PHI from AccessOne, then AccessOne shall make its internal practices, books and records relating to the use and disclosure of health information received from such Provider (or created or received by AccessOne on behalf of such Provider) available to such Provider and to the Secretary of the United States Department of Health and Human Services, for purposes of determining such Provider's compliance with HIPAA.

(h) Access by Individuals. Within ten (10) days of a Provider's request, AccessOne shall permit any individual whose PHI is maintained by AccessOne to have access to and to copy his or her PHI, in the format requested, unless such PHI is not readily producible in such format, in which case such PHI shall be produced in hard copy format.

(i) Correction of PHI. AccessOne shall amend PHI maintained by AccessOne in such manner as a Provider may from time to time request.

(j) Breach; Termination. Without limiting any other rights or remedies of the parties under this Agreement, if a Provider determines that AccessOne has breached any of its obligations under this **Section 3.9**, then such Provider may terminate the ongoing sale and purchase of Receivables under **Section 1.1** immediately by delivering written notice of termination to AccessOne. Alternatively, if AccessOne breaches any of its obligations under this **Section 3.9**, then each Provider may, at its option: (i) provide AccessOne with written notice of the existence of a breach; and (ii) afford AccessOne an opportunity to cure such breach upon terms acceptable to and to the satisfaction of the Providers; provided, however, that if AccessOne fails to cure any breach to the satisfaction of the Providers, then the Providers may terminate the ongoing sale and purchase of Receivables under **Section 1.1** immediately by delivering written notice of termination to AccessOne. The Providers' remedies under this Section and any other provision of this Agreement shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

(k) Procedure upon Termination. Upon the termination or expiration of this Agreement for any reason AccessOne shall: (i) recover any PHI in the possession of AccessOne's subcontractors or agents, if any; (ii) return, or destroy in accordance with a process approved in advance by and acceptable to the Providers, all PHI that AccessOne received from, or created or received on behalf of the Providers, that AccessOne maintains in any form; and (iii) not retain any copies of such PHI. If the Providers and AccessOne agree that it is not feasible for AccessOne to return or destroy the PHI in accordance with the foregoing sentence, then AccessOne shall continue to extend the protections of this Agreement to such PHI, and shall limit further use of the PHI to those purposes that make the return or destruction of the information infeasible.

(l) Legal Event Related to Health Care Information. Notwithstanding any other provision of this Agreement, if there is a Legal Event (as defined below) and, in the reasonable and good faith judgment of one party (the "Noticing Party"), such Legal Event will or may result in an Adverse Consequence (as defined below) for any party to this Agreement, then the

Noticing Party may give the other parties notice of intent to amend or terminate this Agreement in accordance with the next subparagraph.

(i) **Notice Requirements.** The Noticing Party shall give notice to the other parties together with the following information:

(A) A description of the Legal Event(s) giving rise to the notice;

(B) Documentation from legal counsel describing the Legal Event(s) and the Adverse Consequences or potential Adverse Consequences of the Legal Event(s) as to the Noticing Party; and

(C) The Noticing Party's intention to either (1) amend this Agreement, together with a description of the terms of such amendment and the purposes thereof; or (2) if the documentation from legal counsel referred to in item (B) above states that no amendment to this Agreement can reasonably avoid the Adverse Consequences of the Legal Event(s), terminate the ongoing sale and purchase of Receivables under **Section 1.1**.

(ii) **Renegotiation Period; Termination.** Upon the giving of a notice pursuant to subparagraph (i) above, the parties shall have thirty (30) business days from the giving of such notice to attempt to amend this Agreement in accordance with the Noticing Party's proposal (if any) or otherwise as the parties may agree. If this Agreement is not so amended within such 30-day period, the ongoing sale and purchase of Receivables under **Section 1.1** shall terminate as of midnight on the 30th business day after said notice was given. Except as otherwise required by applicable law, any amounts owing to any party hereunder shall be paid, on a pro rata basis, up to the date of such termination, and any obligation hereunder that is to continue beyond expiration or termination shall so continue pursuant to its terms. All communications presented by the Noticing Party hereunder, and any communications given by the other in response, shall be deemed confidential and given solely for the purposes of negotiation and settlement of a potential dispute, and shall not be deemed disclosed so as to make any admission or waive any privileges otherwise applicable thereto.

(iii) **Defined Terms.** For purposes of this Agreement, the following terms shall have the meanings indicated below when used herein as defined terms:

"Legal Event" means any: (i) legislation enacted by the federal or any state or local government; (ii) governmental agency law, rule, regulation, guideline or judicial or administrative interpretation of a previously issued law, rule, regulation or guideline; (iii) judicial or administrative order, decree or decision; or (iv) judicial or administrative interpretation of (i), (ii) or (iii) above. For purposes of this Agreement, any final regulation or body of regulations implementing the provisions of Sections 1171 through 1179 of the Social Security Act (relating to Administrative Simplification) shall be deemed to constitute a Legal Event.

“Adverse Consequence” means, with respect to any party, any Legal Event that draws into question the terms of this Agreement in a manner that may materially and adversely affect any party’s licensure, accreditation, certification, or ability to refer, to accept any referral, to bill, to claim, to present a bill or claim, or to receive payment or reimbursement from any federal, state or local governmental payor, or to receive payment or reimbursement from any non-governmental payor, or in a manner that materially and adversely affects any party’s ability to perform under this Agreement, or that may subject the Noticing Party to a substantial risk of prosecution or civil monetary penalty.

(m) Survival. This **Section 3.9** and the obligations and rights of the parties under this **Section 3.9** shall survive the expiration or termination of this Agreement for any reason and shall remain in full force and effect.

3.10 Consumer Credit Information. Each party agrees to use any information relating to Obligors that is obtained from a consumer reporting agency, such as credit scores, only as permitted under applicable laws and regulations, including the Fair Credit Reporting Act (IS U.S.C. §1681 et seq.). In addition, each of AccessOne and the Providers agrees to hold in strict confidence any such information that it receives in any manner from the other party, to use any such information only as contemplated by this Agreement, and to not use any such information for model development, model calibration or reverse engineering without the prior written consent of the other party.

3.11 Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

3.12 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective transferees, successors and assigns as permitted hereunder.

3.13 Access to Records.

(a) Until the expiration of four years following the furnishing of services pursuant to this Agreement, AccessOne shall, and shall require each of its employees to, maintain complete records relating to its responsibilities under this Agreement and shall afford each Provider and any appropriate governmental authority reasonable access thereto.

(b) Until the expiration of four years following the furnishing of goods or services pursuant to this Agreement, AccessOne shall make available, upon written request, to the Secretary of the Department of Health and Human Services or, upon request, to the Comptroller General of the United States, or any other duly authorized representatives, the contracts, books, documents, and records of AccessOne that are necessary to certify the nature and extent of AccessOne’s costs under this Agreement.

(c) If AccessOne carries out any of the duties of this Agreement through a subcontract with a value or cost of \$10,000 or more over a twelve-month period, with a related

organization, such subcontract shall contain a clause to the effect that until the expiration of four years after the furnishing of goods or services pursuant to such subcontract, the related organization shall make available, upon written request, to the Secretary of the Department of Health and Human Services, or, upon request, to the Comptroller General of the United States, or any of their duly authorized representatives, the subcontract and books, documents, and records of such related organization that are necessary to verify the nature and extent of the subcontractor's costs.

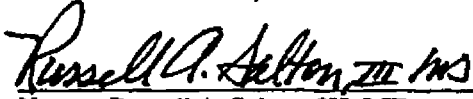
3.14 Effectiveness; Entire Agreement. This Agreement shall become effective when each of the parties hereto executes and delivers its signature page to the other party. This Agreement constitutes the entire agreement between the parties and supersedes any prior agreements relating to the subject matter hereof. This Agreement may be modified, altered or changed only by an agreement in writing signed by all parties.

3.15 No Rights in Third Party. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any third parties, any rights, remedies, obligations, or liabilities whatsoever.

3.16 Joint and Several. Each Provider hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with respect to the payment and performance of all the obligations of each Provider under this Agreement, it being the intention of the parties hereto that all such obligations shall be the joint and several obligations of all the Providers without preference or distinction among them. If and to the extent that any Provider shall fail to make any payment with respect to any of the obligations owed by it as and when due or to perform any of such obligations in accordance with the terms of this Agreement, then in each such event each of the other Providers will make such payment with respect to, or perform, such obligation pursuant to the terms of this Agreement.

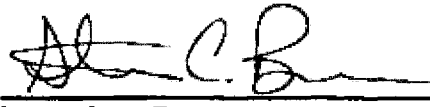
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ACCESSONE MEDCARD, INC.

By: 
Name: Russell A. Salton, III, MD
Title: Chief Executive Officer

580 Kingsley Park Drive
Suite 350
Fort Mill, South Carolina 29715-6408

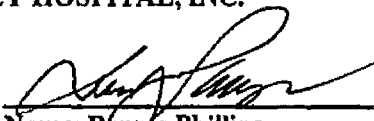
**THE CHARLOTTE-MECKLENBURG
HOSPITAL AUTHORITY
d/b/a CAROLINAS HEALTHCARE SYSTEM**

By: 
Name: Steve Burr
Title: Senior Vice President, Financial
Services

Address:

720 East Morehead Street, Suite 300
Charlotte, North Carolina, 28203
Attention: Office of General Counsel

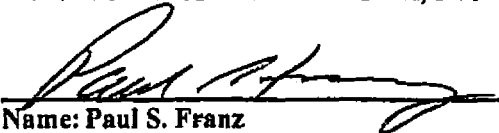
MERCY HOSPITAL, INC.

By: 
Name: Dennis Phillips
Title: President

Address:

720 East Morehead Street, Suite 300
Charlotte, North Carolina, 28203
Attention: Office of General Counsel

CAROLINAS PHYSICIANS NETWORK, INC.

By: 
Name: Paul S. Franz
Title: President

Address:

**720 East Morehead Street, Suite 300
Charlotte, North Carolina, 28203
Attention: Office of General Counsel**

Exhibit A

Interest-Free Program

The following repayment periods shall be available to Obligors based on the principal amount of the Purchased Receivable:

12 Month interest-free option for accounts up to \$2,000;

15 Month interest-free option for accounts greater than \$2,000 up to \$4,000;

18 Month interest-free option for accounts greater than \$4,000 up to \$6,000;

24 Month interest-free option for accounts greater than \$6,000 up to \$10,000;

50 Month interest-free option for accounts greater than \$10,000 up to \$20,000; and

100 Month interest-free option for accounts greater than \$20,000.