

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (“**Agreement**”) is entered into by and between Norco, Inc., a Idaho company (“**Purchaser**”) and Samaritan Health Services, Inc., dba Samaritan Medical Supplies, an Oregon nonprofit corporation (“**Seller**”). Purchaser and Seller are sometimes hereafter individually referred to as the “Party” or collectively as the “Parties.” This Agreement is dated March 3, 2023 (“**Effective Date**”).

RECITALS

WHEREAS, Seller is engaged in the business of operating a durable medical equipment company (“**Seller’s Business**”).

WHEREAS, Purchaser specializes in durable medical equipment operating in seven northwest states with extensive experience in assisting hospital patients with efficient discharges and reducing readmissions.

WHEREAS, Seller desires to transfer and Purchaser desires to acquire the assets used in the regular course of operating Seller’s Business, upon the terms, provisions, conditions and covenants contained in this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the premises, the mutual promises herein contained, and other good and valuable consideration, the Parties agree as follows:

1. **Sale and Purchase of Assets.** At the Closing and except for the Retained Assets, Seller hereby agrees to transfer, assign and sell to Purchaser, and Purchaser agrees to purchase and acquire from Seller, all the assets used in connection with Seller’s Business, whether tangible or intangible, wherever located including but not limited to (the “**Assets**”):
 - A. **Inventory.** All Seller’s right, title and interest in or to any and all inventory and supplies utilized in connection with Seller’s Business (hereafter referred to as the “**Inventory**”).
 - B. **Personal Property.** All Seller’s right, title and interest in or to any and all personal property including all rental equipment, cylinders, vehicles, office equipment, furniture and supplies utilized in connection with Seller’s Business (hereafter referred to as the “**Personal Property**”).
 - C. **Contracts.** Seller will not assign any of its current contracts to Purchaser.
 - D. **Patient Accounts.** To the extent legally assignable, all Seller’s right, title and interest in, to, under or with respect to the patient accounts for Seller’s Business (hereafter referred to as “**Patient Accounts**”). Seller will provide Purchaser through an electronic transfer all information reasonably requested in order to continue servicing Seller’s patients.
 - E. **Books and Records.** To the extent legally assignable, all Seller’s right, title and interest in, to, under or with respect to Seller’s data and records containing information related to Seller’s Business, including but not limited to all books of account and records, business models, customer and supplier lists, marketing plans, financial and technical information,

trade secrets, know-how, referral sources, reimbursement sources, ideas, programs, systems, processes and computer software.

- F. **Goodwill and Other Intangibles.** All good will of Seller's Business.
2. **Seller's Business Assets Not Purchased.** At the Closing, Seller will not transfer, sell or assign to Purchaser the following assets ("**Retained Assets**"):
- A. Seller's Business accounts receivable;
 - B. Seller's Business cash and cash equivalents;
 - C. Any of Seller's licenses, authorizations, approvals, rights, permits, registrations and other governmental authorizations reasonably necessary for the continued operation of Seller's Business; or
 - D. All items and contracts listed on Exhibit A, attached hereto and incorporated herein by reference.
3. **Liabilities.** Purchaser will not assume any of Seller's liabilities and obligations of any kind to any person, whether known or unknown.
4. **Purchase Price.**
- A. **Purchase Price.** The total purchase price to be paid by Purchaser for the Assets is Seven Million Eight Hundred Thousand Dollars (\$7,800,000.00) (the "**Total Purchase Price**"), including the market replacement value of the Inventory and Personal Property as listed on Exhibit B, attached hereto and incorporated herein by reference.
 - B. **Payment of Total Purchase Price.** Purchaser will pay Five Million dollars (\$5,000,000.00) in cash or immediately available funds at the Closing. Purchaser will pay an additional Two Million Eight Hundred Thousand dollars (\$2,800,000.00) within 120 days of Close, subject to the following:
 - i. A physical inventory of saleable hardgoods and rental equipment assets on hand will be completed within 2 days after the Close. This inventory will be conducted by Purchaser with representatives from Seller for verification purposes.
 - ii. A physical inventory of all rented equipment and cylinder assets will be completed by Purchaser within 90 days of Close.
 - iii. Discrepancies on saleable inventory or rental equipment will be added or deducted from the additional payment above. Value of the inventory or rental equipment will be determined by Purchaser's replacement cost.
 - iv. Patient accounts transferred by Seller to Purchaser that are renting durable medical equipment (DME) from Seller at the time of Close are subject to holdback if the account is unbillable due to insufficient documentation or data, related rental equipment is missing, customer not on service or other regulatory prohibition. Deductions to final additional payment to be \$1500 per respiratory (Oxygen, Sleep, Ventilation) customer, and \$300 per customer on any other rental equipment.

- v. Purchaser will notify Seller in writing (to include email) of discrepancies causing additions or subtractions of the final additional payment no later than 100 days after Close. Seller will have 5 business days to appeal holdback. If agreement cannot be reached before 120 days after Close, both parties will mutually agree to extend timeframe of the final payment until an agreement on holdback amount can be reached.
- C. **Prorated Expenses.** Any utilities, rents, real and personal property taxes, wages, and other similar expenses with respect to the Assets will be prorated between Seller and Purchaser as of midnight on the Closing Date. The proration will be made at the Closing to the extent possible. The proration of any remaining expenses will be made as soon as practicable after the Closing Date.
5. **Seller's Representations, Warranties and Agreements.** For purposes of this Section 5, Seller's Knowledge means actual knowledge, or the knowledge that would have been obtained through a reasonably comprehensive investigation, of Douglas R. Boysen or Marty Cahill. Except as set forth on Exhibit C and limited solely to Seller's Business, Seller represents and warrants to Purchaser as follows:
- A. **Organization.** Seller is a nonprofit corporation duly organized and validly existing under the laws of the State of Oregon.
 - B. **Authority of Seller to Execute Agreements.** Seller has full power and authority to sign and deliver this Agreement and to perform all of its obligations under this Agreement. Seller has full corporate power and authority to conduct Seller's Business as it is now being conducted, to own and use the Assets, and to perform all of Seller's obligations under all Assigned Contracts and Patient Agreements included in the Assets.
 - C. **Binding Obligation.** This Agreement is the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, or other similar laws of general application or by general principles of equity.
 - D. **No Conflicts.** The signing and delivery of this Agreement by Seller and the performance by Seller of all of its obligations under this Agreement will not conflict with Seller's organizational and governing documents; breach any agreement to which Seller is a party, or give any person the right to accelerate any obligation of Seller; violate any law, judgment, or order to which Seller is subject; or require the consent, authorization, or approval of any person, including but not limited to any governmental body, except that consent required by the Oregon Health Authority under the Healthcare Market Oversight Program.
 - E. **Financial Information.** Seller has delivered to Purchaser the financial information and records of Seller relating to Seller's Business covering the period from January 1, 2019 to the Effective Date, ("**Financials**"). The Financials fairly present the financial condition and the results of operations, changes in equity, and cash flow of Seller's Business as at the dates and as of the periods specified; were prepared in accordance with generally accepted accounting principles; reflect the consistent application of such accounting principles throughout the periods involved, except as disclosed in the notes to the financial statements; and were prepared in accordance with the books of account and records of Seller.

- F. **Books and Records.** The books of account and records relating to Seller Business are complete and accurate in all material respects; represent actual, bona fide transactions; and have been maintained in accordance with sound business practices, including the maintenance of an adequate system of internal accounting controls.
- G. **Title.** At Closing, Seller will have good title to the Assets, free from all liens, mortgages, pledges, security interests, and other encumbrances.
- H. **No Undisclosed Liabilities.** To Seller's Knowledge, Seller has no liabilities of any kind, whether known or unknown, fixed or contingent, disputed or undisputed, matured or unmatured, liquidated or unliquidated, or secured or unsecured, related to Seller's Business except for liabilities reflected or reserved against the Financials. This includes but is not limited to any payor reimbursement whether known or unknown, fixed or contingent, disputed or undisputed, matured or unmatured, liquidated or unliquidated, or secured or unsecured.
- I. **No Material Adverse Change.** Since the date of the latest Financials, no material adverse change in the financial condition of Seller has occurred. To Seller's Knowledge no facts or circumstances exist that will likely result in a material adverse change in the current financial condition of Seller.
- J. **No Other Changes.** Since the date of the latest Financials: (i) Seller has conducted Seller's Business in the ordinary course of Seller's Business; (ii) Seller has not changed its accounting methods; (iii) no material loss or damage has occurred with respect to any Asset, whether or not the loss or damage is covered by insurance; (iv) Seller has not sold, leased, transferred, waived any right with respect to, or otherwise disposed of any Asset other than in the ordinary course of Seller's Business; (v) Seller has not increased the salary, bonus payments, benefits, or other compensation of any director, officer, or employee, other than in the ordinary course of Seller's Business; and (vi) no customer or supplier of Seller has indicated an intention to discontinue or change the terms of the customer's or supplier's business relationship with Seller.
- K. **Insurance.** Seller has maintained for each of the past 3-years insurance that provides adequate insurance coverage to Seller for all risks normally insured against by a person carrying on a similar business in a similar location, and for any other risks to which Seller is normally exposed. Such insurance policies that provide coverage to Seller are sufficient to comply with all contracts to which Seller is a party, all applicable laws, and all of Seller's licenses, permits, registrations, and other governmental authorizations. Seller has complied with the terms and conditions of each insurance policy, including the payment of all premiums. There is no material claim pending under such insurance policies as to which coverage has been questioned, denied or disputed.
- L. **Compliance With Laws.** Seller has not received any notice from any governmental authority or other person regarding any actual, alleged, or potential failure by Seller to comply with any law related to the business.
- M. **Healthcare Matters.**

- i. Exhibit D sets forth a complete list of all (A) Governmental Payment Programs in which Seller is enrolled or from which Seller receives reimbursement; and (B) Private Payor Programs pursuant to which Seller receives reimbursement for healthcare services (the Governmental Payment Programs and Private Programs in which Seller is enrolled or from which Seller receives reimbursement are collectively referred to as “**Seller Payment Programs**”). Seller has a valid provider contract or other agreement with each such Seller Payment Program and is in compliance in all material respects with the conditions of participation and other terms thereof. No Seller Payment Program has imposed a fine, penalty or other sanction on Seller or terminated or materially altered its relationship with Seller, and no action is pending or, to the best of Seller’s Knowledge, threatened by any Seller Payment Program or any governmental or quasi-governmental entity seeking to impose any of the foregoing. Seller has not failed to renew any provider number or provider agreement under any Seller Payment Program or taken any action or inaction that would result in the expiration or termination of a Seller’s participation in a Seller Payment Program. As used herein, “**Governmental Payment Programs**” means Medicare, Medicaid and CHAMPUS/TRICARE programs and any other federal, state or local healthcare programs. As used herein, “**Private Payor Programs**” means health maintenance organizations, preferred provider organizations, prepaid plans, health care service plans, and third-party payors.
- ii. Seller: (A) is not and never have been a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlements, orders, or similar agreements with or imposed by any governmental or quasi-governmental entity other than as described in Exhibit C; (B) has never been assessed a civil money penalty under Section 1128A of the Social Security Act or any regulations promulgated thereunder or any other fine or penalty by any other governmental or quasi-governmental entity; (C) has never been charged with, convicted of or entered a plea of guilty or nolo contendere to any criminal or civil offense relating to the delivery of any item or service under a Governmental Payment Program or any other violation of any constitutional provisions, statutes, ordinances, laws, rules, regulations, interpretations, standards, policies or order of any governmental or quasi-governmental entity (“**Laws**”) that are generally applicable to healthcare providers (“**Healthcare Laws**”); (D) is not and have never been a party or subject to any action or proceeding (including, without limitation, any qui tam action) alleging any violation of Healthcare Laws, and to the best of Seller’s Knowledge, no such action or proceeding is pending or threatened; or (E) has not received notice from any governmental or quasi-governmental entity (including, without limitation, any search warrant, subpoena, civil investigative demand or contact letter) that alleges any noncompliance with, or states that it is under investigation or inquiry with respect to, any Healthcare Laws.
- iii. Seller has not at any time been suspended or excluded or threatened to be suspended or excluded from participation in any Seller Payment Program or any other Government Payment Program. Seller has conducted background checks on all of their employees and persons who are or who are required to be licensed, certified, registered or who are otherwise qualified to provide healthcare or personal care services to, or on behalf of, Seller (collectively, “**Professional Personnel**”) and other employees, vendors, contractors, and agents as required by Law including, without limitation, screening all Professional Personnel and other employees, vendors, contractors, and agents against the List of Excluded Individuals and Entities

maintained by the Office of Inspector General of the Department of Health and Human Services and the Excluded Parties List System maintained by the General Services Administration.

- N. **Legal Proceedings/Orders.** There is no action, arbitration, audit, hearing, investigation, litigation, suit, or other proceeding pending or, threatened by any governmental authority or any private person or entity against Seller and Seller is not subject to any order or judgment. Further, no event has occurred or circumstances exist that will likely result in a proceeding against Seller.
- O. **Cost Reports.** Seller has timely filed (or caused to be filed) all cost reports, financial reports, returns, data and other information required by any governmental entity, quasi-governmental entity or Private Payor Program and has paid all sums heretofore due with respect to such reports and returns. No such report or return filed by (or on behalf of) Seller has been materially inaccurate, incomplete or misleading.
- P. **Employees.** Seller has delivered to Purchaser a list of employees of Seller as of the date of this Agreement, including the following information for each employee: name, job title, date of hiring, current compensation, any change in compensation during the 12-month period before the date of this agreement, unused vacation and/or sick time. No current employee, officer, director or contractor of Seller has been excluded from a federal health care program or debarred from federal contracting. There is no collective bargaining agreement or written employment contracts or other written agreements with Seller's employees. There are no outstanding or threatened workers' compensation claims by Seller's employees. Seller's workers' compensation insurance policy imposes no retrospective or retroactive premium rate adjustments and Seller has received no notice of an increase in workers' compensation during the six months prior to the date of this Agreement. Seller has filed on a timely basis all employer payroll tax returns and reports required to be filed by applicable laws and all such returns and reports are complete and accurate in all respects. Seller has paid – or made provisions for the payment of – all payroll taxes that have become due for all periods.
- Q. **No Brokers or Finders.** Seller has not incurred any liability or obligation – whether contingent or otherwise – for a brokerage commission, a finder's fee, or any other similar payment in connection with the sale of Assets contemplated by this Agreement.
- R. **Disclosure.** No representation or warranty made by Seller in this Agreement includes any untrue statement or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
- S. **Overpayments/Audits/Surveys.** There are no overpayment claims by any payor of Seller, and no investigations, audits, or surveys regarding the operation of Seller's Business or any Assets.
- T. **Administrative Actions.** Seller's Business has not been subject to: (i) any revocation or suspension of a license to provide health care by any State licensing authority, including the surrender of a license while a formal disciplinary proceeding was pending before a State licensing authority; (ii) any revocation or suspension of accreditation; (iii) any suspension or exclusion from participation in, or any sanction imposed by, a Federal or

State health care program, or any debarment from participation in any Federal Executive Branch procurement or non-procurement program; or (iv) any current Medicare or Medicaid payment suspension under any Medicare or Medicaid billing number.

U. **Stock/Asset Transfers.** Seller warrants that within the prior thirty-six (36) months there have been no sales or transfers of fifty (50) percent or more of its stock or assets.

6. **Purchaser's Representations, Warranties and Agreements.** For purposes of this Section 6, Purchaser's Knowledge means the actual knowledge, or the knowledge that would have been obtained through a reasonably comprehensive investigation, of Nicole Kissler or Brent Seward. Purchaser represents and warrants to Seller as follows:

- A. **Organization.** Purchaser is an Idaho corporation validly existing under the laws of the State of Idaho.
- B. **Authority.** Purchaser has full power and authority to sign and deliver this Agreement and to perform all of Purchaser's obligations under this Agreement.
- C. **Binding Obligation.** This Agreement is the legal, valid, and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, or other similar laws of general application or by general principles of equity.
- D. **No Conflicts.** The signing and delivery of this Agreement by Purchaser and the performance by Purchaser of all of its obligations under this Agreement will not conflict with Purchaser's articles of organization or operating agreement; breach any agreement to which Purchaser is a party, or give any person the right to accelerate any obligation of Purchaser; violate any law, judgment, or order to which Purchaser is subject; or require the consent, authorization, or approval of any person, including but not limited to any governmental body.
- E. **Legal Proceedings.** No action, arbitration, audit, hearing, investigation, litigation, suit, or other proceeding is pending or, to Purchaser's Knowledge, threatened against either Purchaser that involves any challenge to or seeks any damages or other relief in connection with the purchase of the Assets contemplated by this Agreement; or may have the effect of prohibiting, delaying, or imposing material limitations or conditions on the Closing.
- F. **No Brokers or Finders.** Purchaser has not incurred any liability or obligation – whether contingent or otherwise – for a brokerage commission, a finder's fee, or any other similar payment in connection with the purchase of Assets contemplated by this Agreement.
- G. **Disclosure.** No representation or warranty made by Purchaser in this Agreement includes any untrue statement or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

Due Diligence. Seller has allowed Purchaser to conduct a due diligence review of Seller's Business which will continue for another 120 days after Close.

7. **Survival and Waiver of Representations and Warranties.**

- A. **Survival.** All representations and warranties in this Agreement shall survive the consummation of the transactions contemplated by this Agreement irrespective of any investigations or inquiries made by a Party or any knowledge which any Party may now possess or which may hereafter come to any Party's attention, and each Party thereto shall be entitled to rely upon such representations and warranties irrespective of any investigations, inquiries, or knowledge.
- B. **Waiver.** Except for the express representations and warranties in this Agreement, each party excludes all warranties with respect to the transaction contemplated by this Agreement, express and implied and acknowledges and agrees that the Assets are being transferred and accepted on an "AS-IS-WHERE-IS" basis.

8. **Covenants of Seller Before Closing.** Seller covenants to Purchaser as follows:

- A. **Access.** Until the Closing upon reasonable advance notice from Purchaser, Seller will, during Seller's regular business hours and in a manner that does not unreasonably interfere with the operation of Seller's Business: (i) afford Purchaser and Purchaser's representatives full and free access to Seller's personnel, properties, contracts, governmental authorizations, books of account and records, and other data related to Seller's Business and the transaction contemplated by this Agreement; (ii) provide Purchaser and Purchaser's representatives with copies of all contracts, governmental authorizations, books of account and records, and other data related to Seller's Business that Purchaser may reasonably request; (iii) permit Purchaser and Purchaser's representatives to inspect the Assets; (iv) otherwise cooperate and assist with Purchaser's additional due diligence review of Seller's Business; and (v) cooperate in Purchaser's efforts to negotiate assignments of any Assigned Contracts.
- B. **Seller's Business.** Until the Closing: (i) Seller will conduct Seller's Business in the ordinary course of Seller's Business; (ii) Seller will not change its accounting methods; (iii) Seller will use its best efforts to preserve Seller's relations and goodwill with Seller's customers, suppliers, lessors, creditors, employees, agents, and other business relations; (iv) Seller will keep books of account and records that to the best of its knowledge are complete and accurate in all respects; represent actual, bona fide transactions; and are maintained in accordance with sound business practices, including the maintenance of an adequate system of internal accounting methods; (vi) Seller will perform all of Seller's liabilities and obligations under all contracts to which Seller is a party; (viii) Seller will maintain the insurance coverage under the policies that provide coverage to Seller as of the Effective Date; and (ix) Seller will comply with all applicable laws, judgments, and orders.
- C. **Notification.** Until the Closing, Seller will promptly notify Purchaser if Seller obtains knowledge of: (i) any material change in Seller's Business; (ii) any material adverse change in the financial condition of Seller; (iii) any material loss or damage with respect to any Asset, whether or not the loss or damage is covered by insurance; (iv) any breach by Seller of any representation or warranty in Section 5; (v) any breach by Seller of any covenant in this Section 8; or (vi) any event that makes the satisfaction of any condition in Section 11 impossible or unlikely.
- D. **Financial Information.** Seller has delivered to Purchaser the financial information and records of Seller relating to Seller's Business covering the period from January, 2022 to

January, 2023. Upon Purchaser's request, from and after the Effective Date until the Closing, Seller shall deliver to Purchaser monthly financial information no later than thirty (30) days after the end of such month. The financial information and reports will fairly present the financial condition and the results of operations, changes in equity, and cash flow of Seller's Business at the dates and as of the periods specified; will have been prepared in accordance with generally accepted accounting principles; will reflect the consistent application of such accounting principles throughout the periods involved, except as disclosed in the notes to the financial statements; and will have been prepared in accordance with the books of account and records of Seller.

- E. **Termination of Employees**. Before the Closing, and to be effective as of the close of business on the Closing Date, Seller will terminate each employee who is on the list of Seller's employees that Purchaser delivers to Seller under Section 9.D.
- F. **Exclusivity**. Unless this Agreement is terminated, Seller will negotiate exclusively with Purchaser concerning the transfer of the Assets; Seller will not, through any representative or otherwise, provide any information or make any proposal or request to any other person concerning an acquisition of substantially all of the Assets, whether by sale, merger, consolidation, or otherwise; or solicit, discuss, consider, or accept any proposal or request from any other person concerning such an acquisition; and Seller will promptly notify Purchaser if Seller or any member or manager of Seller receives any proposal or request from any other person concerning an acquisition of substantially all of the Assets, whether by sale, merger, consolidation, or otherwise.
- G. **Filings and Notices**. Seller will make all filings and give all notices that Seller is required to make and give to close the transaction contemplated by this Agreement. Seller will cooperate with Purchaser with respect to all filings and notices that the Purchaser is required to make and give to close the transaction contemplated by this Agreement.
- H. **Consents**. Seller will use its best efforts to obtain all consents, authorizations, and approvals that Seller is required to obtain to close the contemplated by this Agreement. Seller will cooperate with Purchaser with respect to all consents, authorizations, and approvals that Purchaser is required to obtain to close the transaction contemplated by this Agreement and to conduct business immediately after the Closing.
- I. **Conditions**. Seller will use its best efforts to cause the conditions in Section 10 to be satisfied.

9. **Covenants of Purchaser Before Closing**. Purchaser covenants to Seller as follows:

- A. **Filings and Notices**. Purchaser will make all filings and give all notices that Purchaser is required to make and give to close the transaction contemplated by this Agreement. Purchaser will cooperate with Seller with respect to all filings and notices that Seller is required to make and give to close the transaction contemplated by this Agreement.
- B. **Consents**. Purchaser will use Purchaser's best efforts to obtain all consents, authorizations, and approvals that Purchaser is required to obtain to close the transaction contemplated by this Agreement. Purchaser will cooperate with Seller with respect to all

consents, authorizations, and approvals that Seller is required to obtain to close the transaction contemplated by this Agreement.

- C. **Conditions**. Purchaser will use Purchaser's best efforts to cause the conditions in Section 11 to be satisfied.
- D. **Hired Employees**. No later than five (5) days before the Closing Date, Purchaser will deliver to Seller a list of Seller's employees that have accepted an offer of employment from Purchaser to be effective as of the day after the Closing Date.

10. **Conditions to Seller's Closing Obligations**. Seller's obligations to close the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions:

- A. **Accuracy of Representations and Warranties**. Each of Purchaser's representations and warranties in Section 6 must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date.
- B. **Performance of Covenants**. Purchaser must have performed and complied with each of Purchaser's covenants in Section 9 in all material respects.
- C. **Closing Documents**. Purchaser must have caused the following items to be delivered to Seller: (i) the items set forth in Section 12.C; and (ii) any other documents that Seller may reasonably request to evidence the accuracy of Purchaser's representations and warranties in Section 6; Purchaser's performance of and compliance with Purchaser's covenants in Section 9; or the satisfaction of any condition in this Section 10.
- D. **No Conflict**. No judgment or order of any governmental authority or arbitrator must be in effect as of the Closing Date that prohibits the Closing.
- E. **Board Approval**. The Board of Directors of Samaritan Health Services, Inc., must approve of the final terms of the Agreement in their entirety.

11. **Conditions to Purchaser's Closing Obligations**. Purchaser's obligation to close the transaction contemplated by this Agreement is subject to the satisfaction of the following conditions:

- A. **Accuracy of Representations and Warranties**. Each of Seller's representations and warranties in Section 5 must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date.
- B. **Performance of Covenants**. Seller must have performed and complied with each of Seller's covenants in Section 8 in all material respects.
- C. **Closing Documents**. Seller must have caused the following items to be delivered to Purchaser:
 - i. the items set forth in Section 12.B;
 - ii. any other documents that Purchaser may reasonably request to evidence the accuracy of Seller's representations and warranties in Section 5; Seller's

performance of and compliance with Seller's covenants in Section 8; or the satisfaction of any condition in this Section 11.

- D. **No Legal Proceedings**. No action, arbitration, audit, hearing, investigation, litigation, suit, or other proceeding must be pending or have been threatened against Purchaser that involves any challenge to or seeks any damages or other relief in connection with the transaction contemplated by this Agreement; or may have the effect of prohibiting, delaying, or imposing material limitations or conditions on the Closing of the transaction contemplated by this Agreement.
- E. **No Conflict**. The Closing must not violate any law, judgment, or order to which Purchaser is subject. No judgment or order of any governmental authority or arbitrator must be in effect as of the Closing Date that prohibits the Closing.
- F. **Approval**. Purchaser must have obtained final approval of the transaction contemplated by this Agreement by its ownership and executive management team, at their sole discretion, exercising their business judgment.

12. **Closing**.

- A. **Closing**. The Closing will take place on 05/01/2023 unless mutually agreed to otherwise.
- B. **Obligations of Seller**. Seller will deliver the following items to Purchaser at the Closing:
 - i. a bill of sale signed by Seller for the transfer of all of its tangible personal property Assets to Purchaser, in the form attached hereto as Exhibit E (“**Bill of Sale**”);
 - ii. such other deeds, bills of sale, certificates of title, assignments, and other documents that Purchaser may reasonably request, in form and substance reasonably satisfactory to Purchaser;
 - iii. if Seller and Purchaser mutually agree to lease real property from Seller to Purchaser, the Lease Agreement(s) signed by Seller in the form attached hereto as Exhibit F (“**Lease**”);
 - iv. a certificate signed by Seller certifying to Purchaser that each of the representations and warranties set forth in Section 5 was accurate in all respects as of the date of this Agreement and is accurate in all respects as of the Closing Date; and Seller has performed and complied with each of the covenants set forth in Section 8 in all respects;
 - v. possession of the Assets and any business records and keys relating thereto.
- C. **Obligations of Purchaser**. Purchaser will deliver the following items to Seller at the Closing:

- i. a check or other immediately available funds in the amount of Five Million Dollars (\$5,000,000.00);
- ii. if Seller and Purchaser mutually agree to lease real property from Seller to Purchaser, the Lease(s) signed by Purchaser; and
- iii. a certificate signed by Purchaser certifying to Seller that each of the representations and warranties set forth in Section 6 was accurate in all material respects as of the date of this Agreement and is accurate in all material respects as of the Closing Date; and Purchaser has performed and complied with each of the covenants set forth in Section 9 in all material respects.

D. **Transfer of Operations.** On the Closing Date, Seller hereby agrees to transfer and assign to Purchaser and Purchaser hereby agrees to accept possession of the Assets together with all of Seller's right, title and interest in and to the operations of Seller's Business. Seller agrees not to refuse service or remove any patient from Seller's Business prior to the Closing Date except for valid medical and other lawful reasons or as would otherwise occur in the due course of the operation of Seller's Business in its commercially reasonable discretion.

13. **Covenants of Seller After Closing.** Seller covenants to Purchaser as follows:

- A. **Retained Liabilities.** Seller will pay and perform the Retained Liabilities in their entirety, provided that Seller will have the right to contest and compromise any Retained Liability in Seller's reasonable discretion.
- B. **Employees.** Upon the earlier of: (a) one business day after the Closing Date; or (b) the time required by law, Seller will pay to each employee that Seller terminates under Section 8.E all of Seller's liabilities and obligations to the employee arising out or resulting from the employee's service as an employee of Seller through the close of business on the Closing Date, including but not limited to prorated accrued wages, bonuses, unused vacation time, and unused sick leave time; payments under the Worker Adjustment and Retraining Notification Act or any similar state law; and the provision of health plan continuation coverage in accordance with the requirements of Section 4980B of the Code and Sections 601 through 608 of the Employee Retirement Income Security Act of 1974.
- C. **Business Relations.** After the Closing, Seller will cooperate with Purchaser in Purchaser's efforts to preserve Purchaser's relations and goodwill with the customers, suppliers, lessors, creditors, employees, agents, and other business relations of Seller that existed before the Closing.
- D. **Business Referrals.** After the Closing, Seller will refer to Purchaser all customer and supplier inquiries that Seller receives in connection with the business associated with the Assets and the Assumed Liabilities. The parties anticipate that Purchaser will be a preferred provider of durable medical equipment services for Seller's patients after the Closing.

- E. **Noncompete.** Seller will not engage in the business of Durable Medical Equipment in Seller's service area for a period of five (5) years from the date of Closing; provided, however, that if, at any point and for any reason, Purchaser is unwilling or unable to provide adequate services to Seller's service area, Seller may immediately reenter any product line or service that is not being provided by Purchaser upon mutual agreement.

14. **Covenants of Purchaser After Closing.** Purchaser covenant to Seller as follows:

- A. **Records.** Purchaser will retain the data and records included in the Assets for a period of three (3) years after the Closing Date. During the 3-year period and upon reasonable advance notice from Seller, Purchaser will, during Purchaser's regular business hours and in a manner that does not unreasonably interfere with the operation of Purchaser's business, afford the notifying party and the party's representatives reasonable access to any data and records included in the Assets reasonably required for legal or regulatory purposes.
- B. **Business Operations.** Purchaser intends to maintain or expand the durable medical equipment business and services within Seller's service areas to meet the needs of Seller's communities, including those who are insured by Medicare and Medicaid

15. **Indemnities.**

- A. **Indemnification by Seller.** Seller expressly defends and indemnifies Purchaser and each present and future shareholder, director, member, manager, partner, officer, and authorized representative of Purchaser for, from, and against any and all claims, actions, proceedings, damages, liabilities, and expenses of every kind, whether known or unknown, including but not limited to reasonable attorney's fees, resulting from or arising out of: (i) Seller's breach of any representation, warranty, covenant, or other obligation of Seller in this Agreement or any other document described herein; (ii) any Retained Liabilities; (iii) the ownership of the Assets before or on the Closing Date; (iv) Seller's operation of Seller's Business before or the Closing Date, including any action by Medicare, Medicaid or any other payor to withhold, recoup, suspend, offset, or seek recovery of a payment or overpayment, or the assertion of fines or penalties arising from items or services furnished by Seller before or on the Closing Date, regardless of when asserted; or (v) actions, events or omissions occurring before or on the Closing Date involving individuals who as of the Closing Date are, or have been in the past, employed as Seller's employees, including without limitation, any liability resulting from termination or severance of Seller's employees. Action by Medicare or Medicaid to withhold, recoup, suspend, offset or seek recovery of a payment or overpayment, or the assertion of fines or penalties made after the Closing Date, relating to services furnished subsequent to the Closing Date, including the Post Closing Date portions of episodes that span the Closing Date, are expressly excluded from this Section 15A.
- B. **Indemnification by Purchaser.** Purchaser expressly defend and indemnify Seller and each present and future shareholder, director, member, manager, partner, officer, and authorized representative of Seller for, from, and against any and all claims, actions, proceedings, damages, liabilities, and expenses of every kind, whether known or

unknown, including but not limited to reasonable attorney's fees, resulting from or arising out of: (i) Purchaser's breach of any representation, warranty, covenant, or other obligation of Purchaser in this Agreement or any other document described herein; (ii) any Assumed Liabilities; or (iii) Purchaser's operation of Seller's Business after the Closing Date, including any action by Medicare, Medicaid, or any other payor to withhold, recoup, suspend, offset, or seek recovery of a payment or overpayment, or the assertion of fines or penalties arising from items or services furnished by Purchaser after the Closing Date, regardless of when asserted. Action by Medicare or Medicaid to withhold, recoup, suspend, offset or seek recovery of a payment or overpayment, or the assertion of fines or penalties made after the Closing Date, but relating to services furnished prior to the Closing Date, including episodes that span the Closing Date, are expressly excluded from this Section 15B.

16. **Termination**. This Agreement will terminate upon the earliest to occur of the following:
- A. upon the written agreement of the Parties before the Closing;
 - B. upon written notice by Purchaser to Seller before the Closing, if any condition set forth in Section 11 has not been satisfied or waived on or before the Closing Date, unless the satisfaction of the condition did not occur because Purchaser materially breached this Agreement;
 - C. upon notice by Seller to Purchaser before the Closing, if any condition set forth in Section 10 has not been satisfied or waived on or before the Closing Date, unless the satisfaction of the condition did not occur because Seller materially breached this Agreement.
 - D. upon written notice by Purchaser to Seller before the Closing, if Seller materially breaches this Agreement and fails to cure the breach within twenty (20) days after Purchaser notifies Seller of the breach; and
 - E. upon notice by Seller to Purchaser before the Closing, if Purchaser materially breaches this Agreement and fail to cure the breach within twenty (20) days after Seller notifies Purchaser of the breach.
17. **Equitable Relief**. The Parties acknowledge that the remedies available at law for any breach of this Agreement by the other Party will, by their nature, be inadequate. Accordingly, either Party may obtain injunctive relief or other equitable relief to restrain a breach or threatened breach of this Agreement or to specifically enforce this Agreement, without proving that any monetary damages have been sustained.
18. **Announcements**. Seller and Purchaser will consult and cooperate with each other concerning the timing and manner of the announcements of the transaction contemplated by this Agreement to Seller's employees, customers, suppliers, and other business relations. No announcement shall be made without Seller's and Purchasers mutual written consent. Upon Purchaser's request, Seller will permit Purchaser to be present at any such announcement.
19. **Expenses**. Except as otherwise provided in this Agreement, each Party will bear the Party's own fees, costs, and expenses incurred in connection with the transaction contemplated by this Agreement, including but not limited to the preparation, negotiation, signing, and performance of this Agreement and the other documents referenced in this Agreement.

20. Right of First Refusal.

- A. **Applicability.** For purposes of this Section 20, the term “Transfer” shall include any sale, assignment, pledge, hypothecation or other transfer of all or any part of Seller’s Business but shall specifically exclude (i) any sale, assign, pledge, hypothecation or other transfer of substantially all of the assets of either Purchaser or both Purchaser which may include Seller’s Business or (ii) any direct or indirect change in control of either Purchaser whether by reason of equity sale, merger, consolidation or similar transaction. The Parties agree that this Section 20 is specifically limited to a Transfer of Seller’s Business in isolation and not as part of a larger transaction.
- B. **Terms.** If at any time, either Purchaser receives a bona fide offer, whether or not solicited by Purchaser, from any third party for the Transfer of all or any part of Seller’s Business, and if such Purchaser is willing to accept such offer, Purchaser shall give written notice to Seller of: (i) the amount and terms of the offer; (ii) the identity of the proposed transferee; and (iii) its willingness to accept the offer. Seller shall have the option, within ten (10) days after that notice is given, to elect to purchase that portion of the Seller’s Business designated in the third party offer on the same terms as those contained in the third-party offer. If Seller fails to exercise its option to purchase within the ten (10) days prior, Purchaser shall be permitted to complete the sale of the Seller’s Business as described in such notice provided the sale closes within one hundred eighty days (180) days of the expiration of ten (10) day option period. If the sale does not close within such one hundred eighty (180) day period, Purchaser shall not be permitted to sell Seller’s Business without again affording Seller the option to purchase. Seller’s acquisition must close within one hundred eighty (180) days of its election to purchase, and must be on identical terms to those offered by the third party, or on terms more advantageous to Purchaser.

21. Non-Solicitation.

- A. Each Party hereby agrees that as a material inducement to enter into this Agreement, and for other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, such Party covenants and agrees that such Party will not directly:
- i. Solicit the termination of, interfere with or divert any relationship that the other Party has with any independent contractor, supplier or provider;
 - ii. Solicit, induce or encourage any employee, or physician affiliated with the other Party within the most recent twelve (12) month period to curtail or terminate such Person’s affiliation or employment, or take any action that results in, or may reasonably be expected to have the same result; provided, however, each Party shall be permitted to post general employment advertisements and notices of job listings or openings or searches, including on the internet, and such advertisements and notices shall not be construed as a solicitation or inducement for the purposes of this Section 21.A.ii.
- B. If the provisions of this Section 21 are violated, in whole or in part, the non-violating Party shall be entitled, upon application to any court of proper jurisdiction, to a temporary restraining order or preliminary injunction to restrain and enjoin the other Party from such violation without prejudice as to any other remedies the Party may have at law or in equity. In the event of a violation, the Parties agree that it would be virtually impossible

to calculate the monetary damages and that the non-violating Party would be irreparably harmed. If any restriction contained in this Section 21 is held by any court to be unenforceable, or unreasonable, as to time, geographic area or business limitation, each Party agrees that such provisions shall be and are hereby reformed to the maximum time, geographic area or business limitation permitted by applicable laws. The parties further agree that the remaining restrictions contained in this Section 21 shall be severable and shall remain in effect and shall be enforceable independently of each other.

22. **General.**

- A. **Time of Essence.** Time is of the essence with respect to all dates and time periods in this Agreement.
- B. **No Assignment.** No party may assign or delegate any of the party's rights or obligations under this Agreement to any person without the prior written consent of the other parties, which the other parties may not withhold unreasonably.
- C. **Binding Effect.** This Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit.
- D. **Amendment.** This Agreement may be amended only by a written agreement signed by each party.
- E. **Notices.** All notices or other communications required or permitted by this Agreement must be in writing; must be delivered to the parties at the addresses set forth below, or any other address that a party may designate by notice to the other parties; and are considered delivered upon actual receipt if delivered personally or by a nationally recognized overnight delivery service; or at the end of the third business day after the date of deposit in the United States mail, postage pre-paid, certified, return receipt requested.

To Purchaser:

Norco Inc.

1125 W. Amity Rd.
Boise, ID 83705
Attn: Nicole Kissler, CEO

With a mandatory copy to:
Norco Inc.

1125 W. Amity Rd.
Boise, ID 83705
Attn: Brent Seward, President

To Seller:

Samaritan Health Services, Inc.

3600 NW Samaritan Drive
Corvallis, OR 97330
Attn: Tyler Jacobsen, Chief Legal Officer

- F. **Waiver**. No waiver will be binding on a party unless it is in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this Agreement will not be a waiver of any other provision or a waiver of a subsequent breach of the same provision.
- G. **Severability**. If a provision of this Agreement is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this Agreement will not be impaired.
- H. **Further Assurances**. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Agreement.
- I. **No Third-Party Beneficiaries**. The parties do not intend to confer any right or remedy on any third party.
- J. **Attachments**. Any exhibits, schedules, and other attachments referenced in this Agreement are part of this Agreement.
- K. **Remedies**. Subject to the terms and conditions of this Agreement, the parties will have all remedies available to them at law or in equity. All available remedies are cumulative and may be exercised singularly or concurrently.
- L. **Governing Law/Venue**. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suite, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in Benton County, Oregon.
- M. **Fees**. If any arbitration or litigation is instituted to interpret, enforce, or rescind this Agreement, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including but not limited to the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
- N. **Entire Agreement**. This Agreement (including the documents referenced in this Agreement) contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement.
- O. **Signatures**. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement may be signed through facsimile transmission, electronic or digital signature or by scanned and emailed PDF, JPEG or TIF signatures.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement the day, month and year as first written above.

SELLER:

PURCHASER:

Samaritan Health Services, Inc

DocuSigned by:
Doug Boysen
By: _____
11FAA84D4D5544D...
Douglas R. Boysen, President/CEO

DocuSigned by:
Nicole Kissler
By: _____
F135C1B72461471...
Nicole Kissler, CEO

Exhibit A
Retained Assets

- Seller to retain only phones and computers

Exhibit B
Inventory and Personal Property

Fixed Assets Overview

Unit	Dept	Account	Descr	ACQ Date	Quantity	Cost		NetBookValue 1/31/23
30000	41250	151600	DME 2nd Fl Wait Rm Furniture	12/01/14	1	\$ 8,056.88		\$ 3,670.35
25000	41100	151400	DME Remodel	05/01/20	1	\$ 17,432.00		\$ 13,409.23
25000	41100	151200	SME Warehouse Flooring	09/01/20	1	\$ 11,380.44		\$ 8,630.17
25000	41100	151600	2004 FORD VAN E350	1/31/05	1	\$ 23,126.00	This truck may be inoperable.	\$ -
25000	41100	151600	2008 CHEVY G30 VAN	1/1/08	1	\$ 36,788.09	This truck may be inoperable.	\$ -
25000	41100	151600	2008 Chev G30 Engine Replacem	2/1/17	1	\$ 9,738.68		\$ -
25000	41100	151600	2013 FORD VAN	4/1/14	1	\$ 20,708.00		\$ -
25000	41100	151600	2012 Chevy Truck - Power Auto	7/1/14	1	\$ 21,000.00		\$ -
25000	41100	151600	2009 Isuzu NPR Pick Up	2/1/15	1	\$ 32,000.00		\$ -
25000	41100	151600	2016 Isuzu Box Truck	3/1/20	1	\$ 28,934.00		\$ 7,836.29
25000	41100	151600	2019 DODGE RAM 1500 VAN	3/1/22	1	\$ 44,461.11		\$ 34,272.11
25000	41100	151600	2022 DODGE RAM Promaster	6/21/22	1	\$ 47,205.00		\$ 40,320.93
					12	\$ 300,830.20	Subtotal	\$ 108,139.08

Serialized Inventory	Quantity	Cost	
Hospital Bed	279	149,530.17	
Lift, Patient	64	46,167.89	
Mattress	38	12,285.42	
Oxygen, Concentrator	802	422,300.60	
Oxygen, Equipment	9	1,494.00	
PAP	2,035	911,911.75	
PAP Supplies	1	148.50	
Phototherapy	12	22,076.68	
Respiratory	53	44,215.69	
Walk Aids	90	14,897.00	
Wheelchairs	455	62,796.83	
	3,838	\$ 1,687,824.54	Subtotal

(continued on following page)

Non Serialized Inventory				
Uncategorized		2,073	62,049.76	
Aids To Daily Living		1,415	19,416.19	
Bath Aids		448	14,513.49	
Blood Pressure Testing		36	1,355.61	
Breast Pump		184	19,130.59	
Diabetic Equipment		44	1,007.80	
Hospital Bed, Accessories		21	2,077.33	
Incontinence		2,503	19,440.27	
Mattress		1	82.95	
Miscellaneous		34	9,337.11	
Orthotics		4,311	167,067.30	
Ostomy		104	3,670.24	
PAP Supplies		6,219	110,241.37	
Respiratory		176	1,556.94	
Stockings		300	6,929.39	
TENS Unit		3	289.41	
Trapeze Bar		19	7,072.75	
Urological		2,426	5,870.78	
Walk Aids		1,478	26,396.99	
Wheelchair Cushions		63	1,604.33	
Wheelchair, Accessories		34	791.04	
Wheelchairs		30	2,959.96	
Wound Dressing		8,282	23,510.33	
		28,131	\$ 506,371.94	Subtotal
			\$ 2,495,026.68	TOTAL

(continued on following page)

SMS Office Inventory

SMS OFFICE Inventory			12/20/2022	
Patient Recliners				
	Corvallis			2
	Lebanon			1
	Newport			1
			Total	4
Desks				
	Corvallis			3
	Lebanon			11
	Newport			3
			Total	17
Office Chairs				
	Corvallis			5
	Lebanon			11
	Newport			6
	OSU			4
			Total	26
Storage Racks				
	Corvallis			6
	Lebanon			3
	Newport			6
	OSU			8
			Total	23

(continued on following page)

Available Rentals – Warehouse

Item Name	Sum of AvailQty
16" Lightweight Wheelchair	18
16" Reclining Wheelchair	7
18" Lightweight Wheelchair	16
18" Reclining Wheelchair	5
20" Standard W/C w/desk arms 350 lbs Max	10
20" Reclining Wheelchair	6
AirCurve 10 ASV TRI w/HumidAir & ClimateLine Air	11
AirCurve 10 ST-A TRI	14
AirCurve 10 VAuto TRI	99
AirSense 11 AutoSet CPAP	233
Bed Full Electric Invacare	26
Bilibed Rental Per Day	9
BiPAP AVAPS Dreamstation w/Heated Tube	8
Concentrator Q 0-5 LPM W/OPI	34
DreamStation 2 AutoCpap Advanced w/Humid + Htd Tub	1
DreamStation Auto BiPap	7
DreamStation Auto CPAP w/Humd/HT	12
Dreamstation Auto SV	8
Drive Semi Electric Bed	12
ELECTRIC PT LIFT 400lbs	1
Full Electric Bed 5410IVC	25
Gastric Gomco Suction Machine	4
Heated Humidifier for Trilogy	1
High Flow Concentrator 1-10LPM	26
Hospital Bed Full Electric Low End	2
Hospital Bed Matt LowAirLoss 36"	19
Lightweight Bariatric Homecare Bed	2
Overnight Oximeter Test	4
Oxygen Concentrator Everflo Q 0-5 LPM	2
Oxygen Concentrator Everflo Q 0-5 LPM W OPI	65
Oxygen Concentrator Invacare 0-5 LPM	1
Oxygen Concentrator Respironics Everflo 0-5 LPM	2
Patient Lift Bariatric (450lbs)	2
Patient Lift Electric 450LBS	5
Patient Lift Electric Invacare (Bariatric 600lbs)	1
Patient Lift Hydraulic	8
Patient Lift Hydraulic Sit to Stand	7
Patient Sit to Stand w/Brakes	1
Pediatric 14" Wheelchair	6
Portable Suction Machine	17
RAD-8 Pulse Oximeter	1

(continued on following page)

REP Dreamstation Auto SV	2
ResMed AirSense 10 Auto CPAP	76
ResMed AirSense 10 Auto CPAP Card2Cloud	24
Respironics UltraFill Fill Station	9
Semi Electric Bed	5
Simply Go Continuous/Pulse Port Concentrator	20
Sleep Bilevel Auto Card2Cloud	34
Standard 16" W/C w/desk arm 250 lbs Max	28
Standard 16" W/C w/desk arm 300 lbs Max	2
Standard 18" W/C w/desk arm 250lbs Max	1
Standard 18" W/C w/desk arm 300 lbs Max	13
Standard 20" W/C w/desk arm 250lbs Max	2
Standard Bariatric Bed Full Electric	2
System One BiPAP S/T C Series w/Heated Tube	1
Trach Mist Compressor High Volume 50PSI	3
TRILOGY VENT	3
Turning Knee Cruiser 350 lbs	42
Wheelchair 20" Extra Heavy Duty 450 lbs	3
Wheelchair 20" Light Weight w/Desk Arms	7
Wheelchair 22" Heavy Duty 450 lbs	14
Wheelchair 24" Heavy Duty 450 lbs	12
Wheelchair 26" Bariatric 700lbs Max	1
Grand Total	1042

(continued on following page)

Active Rentals

Serialized Inventory in patient homes	
ItemName	Sum of AvailQty ▼
18" Lightweight Wheelchair	14
20" Standard W/C w/desk arms 350 lbs Max	56
20" Reclining Wheelchair	2
AirCurve 10 ASV TRI w/HumidAir & ClimateLine Air	22
AirCurve 10 ST-A TRI	3
AirCurve 10 VAuto TRI	300
AirSense 11 AutoSet CPAP	973
Bariatric Premium Guard Gel Overlay	1
Bath Aid Commode Extra Wide Heavy Duty 450 lbs max	1
Bed Full Electric Invacare	2
Bed Mounted Trapeze	9
Bilibed Rental Per Day	1
Brake Extension Pair	1
Concentrator Q 0-5 LPM W/OPI	165
Conserving Device pulse dose CHAD 808	11
Deluxe Steel Drop-Arm Commode	2
Drive Bariatric Rollator Blue	18
Drive Bariatric Rollator Red	1
Drive Semi Electric Bed	83
DriveTransport Chair BK 300 lbs	4
DriveTransport Chair BK300 lbs	1
DriveTransport Chair BL 300 lbs	1
Elevating Leg Rest Pair	30
Full Electric Bed 5410IVC	2
High Flow Concentrator 1-10LPM	29
Hospital Bed Alt Pres Pump w/ Pad Nova 2000	12
Hospital Bed Full Rails	1
Hospital Bed Half Rails	3
Hospital Bed Matt LowAirLoss 36"	10
Hospital Bed Matt Solace XL 84" x 36"	1
Lightweight Bariatric Homecare Bed	5
Low Air Loss Mattress Bariatric 42"	2
Medela Breast Pump in Style Advanced	1
Medline Bariatric Rollator Burgundy	1
Misc Rental	2
Nebulizer Compressor	216

(continued on following page)

O2 M6 Cylinder Backpack 3 in 1	2
Oral Suction Machine Canisters	1
Overnight Oximeter Test	2
Oxygen Concentrator Everflo Q 0-5 LPM	23
Oxygen Concentrator Everflo Q 0-5 LPM W OPI	307
Oxygen Concentrator Invacare 0-5 LPM	1
Oxygen Concentrator Respiroics Everflo 0-5 LPM	27
Oxygen Cylinder E Size	1
Oxygen Portable System	14
Oxygen Portable System E tank & cart	1
Oxygen Regulator 3000 psi	1
OxyGo Portable Concentrator	1
Patient Lift Electric 450LBS	5
Patient Lift Electric Invacare (Bariatric 600lbs)	1
Patient Lift Hydraulic	23
Patient Lift Hydraulic Sit to Stand	6
Patient Lift Sling U Sling Padded	1
Pediatric 14" Wheelchair	3
Port "E" Oxygen system	381
Portable Suction Machine	15
Premium Guard Gel Mattress, Standard	1
ResMed AirSense 10 Auto CPAP	36
ResMed AirSense 10 Auto CPAP Card2Cloud	2
ResMed Auto S9 Series W/HUMID & Tubing	1
Resmed S9 Vpap Auto W/Heated tube	1
Respiroics BiPAP AVAPS	1
Respiroics System One60 SRS Auto	3
Respiroics UltraFill Fill Station	2
RSM Htd Humidifier	818
RSP Heated Humidifier	2
Semi Electric Bed	5
Serenity Gel Overlay 34" x 78"	4
Simply Go Continuous/Pulse Port Concentrator	7
Sleep Bilevel Auto Card2Cloud	63
Standard 16" W/C w/desk arm 250 lbs Max	27
Standard 16" W/C w/desk arm 300 lbs Max	2
Standard 18" W/C w/desk arm 250lbs Max	4
Standard 18" W/C w/desk arm 300 lbs Max	99
Standard 20" W/C w/desk arm 250lbs Max	17
Standard Bariatric Bed Full Electric	8
Trapeze Free Standing	3
Trapeze Free Standing Bariatric	6
Turning Knee Cruiser 350 lbs	57
UltraFill MC Cylinder 3000PSI	1
UltraFill MD Cylinder 3000PSI	1

(continued on following page)

Walker Heavy Duty w/ Wheels	10
Wheelchair 18" Rem Arms Reclining Invacare	1
Wheelchair 20" Extra Heavy Duty 450 lbs	6
Wheelchair 20" Light Weight w/Desk Arms	6
Wheelchair 22" Heavy Duty 450 lbs	9
Wheelchair 24" Heavy Duty 450 lbs	1
Wheelchair 24" Xtra Heavy Duty Invacare 450 lbs	1
Wheelchair Acc Anti-Tippers Invacare 1360	1
Wheelchair Elevating Leg Rests Pair HD	2
Wheelchair Reclining Back (for billing only)	1
ZZBed Mounted Trapeze	1
ZZEasyPulse 5 Oxygen Conserving Regulator	2
ZZOxygen Concentrator Port Evergo	1
ZZOxygen Regulator E 0-15 LPM	1
ZZOxygen Regulator E 0-8 LPM	1
Grand Count	4017

(continued on following page)

Serialized Inventory - Hospice	
ItemName	Sum of AvailQty
18"Reclining Wheelchair	1
20" Standard W/C w/desk arms 350 lbs Max	6
Auto Touch Over Bed Table Composite	82
Bed Full Electric Invacare	41
Bed Mounted Trapeze	5
Clamp on Half Rails	1
Concentrator Q 0-5 LPM W/OPI	27
Divided Leg Sling Petite	1
Drive Semi Electric Bed	1
Elevating Leg Rest Pair	2
Full Electric Bed 5410IVC	32
Gastric Gomco Suction Machine	1
High Flow Concentrator 1-10LPM	9
HOS Per Diem PKG 2	1
HOS Per Diem PKG 4	1
Hospice 4 Wheeled Walker with Seat	14
Hospice APP Mattress & Pump	8
Hospice Commode 1	39
Hospice Commode	6
Hospice Commode Heavy Duty	3
Hospice Conserving Regulator	5
Hospice Drop Arm Commode	1
Hospice Hospice Front Wheeled Walker all sizes	4
HOSPICE ONLY Gravity 7 Long Term Care Mattress	5
HOSPICE QUAD CANE	3
Hospice Sling for Patient Lift	1

(continued on following page)

Hospice Transfer Bench	7
Hospice Transport Chair	8
Hospice Walker without wheels	2
Hospital Bed Full Electric Low End	2
Hospital Bed Full Rails	16
Hospital Bed Half Rails	42
Hospital Bed Matt LowAirLoss 36"	7
Nebulizer Compressor	16
O2 M6 Cylinder Backpack 3 in 1	3
OverBed Table	1
Oxygen Concentrator Everflo Q 0-5 LPM W OPI	33
Oxygen Concentrator Respironics Everflo 0-5 LPM	3
Patient Lift Hydraulic	5
Port "E" Oxygen system	2
Portable Suction Machine	2
Regulator 0-15 LPM	2
Respironics UltraFill Fill Station	2
Samaritan Evergreen Hospice Daily Per Diem Rate	101
Scoop Mattress	2
Simply Go Continuous/Pulse Port Concentrator	1
Standard 16" W/C w/desk arm 250 lbs Max	14
Standard 16" W/C w/desk arm 300 lbs Max	1
Standard 18" W/C w/desk arm 250lbs Max	1
Standard 18" W/C w/desk arm 300 lbs Max	17
Standard Bariatric Bed Full Electric	1
Walker with Wheels- Adult	1
Wheelchair 20" Extra Heavy Duty 450 lbs	2
Wheelchair O2 Tank Holder	6
Wheelchair Reclining Back (for billing only)	1
ZZBath Aid Commode Drop Arm	1
ZZHospice Per Diem Charge	2
ZZZNebulizer Compressor	2
Grand	606

Exhibit C

Exception to Representations and Warranties

In March of 2019 SMS utilized the Self-Referral Disclosure Protocol to notify Noridian/CMS of an overpayment it had discovered. Noridian accepted the payment and the plan of correction without issue.

Exhibit D

Seller's Contracted Payor Plans

To be completed prior to Close

Exhibit E

BILL OF SALE

[To be signed on date of Close]

1. **Transfer.** Samaritan Health Services, Inc., and Oregon nonprofit corporation (“**Seller**”), transfers and assigns to Norco, Inc., an Idaho company (“**Purchaser**”) the assets set forth in Exhibit B (the “**Assets**”).
2. **Warranty.** Seller transfers the Assets to Purchaser subject to the warranties, disclaimers, and other terms and conditions in the Asset Purchase Agreement dated March 3, 2023 between Seller and Purchaser (“**Purchase Agreement**”).
3. **Exclusion of Warranties.** Except for the express warranties in the Purchase Agreement, Seller expressly excludes all warranties with respect to the Assets, express and implied, including but not limited to the warranty of merchantability, the warranty of fitness for particular purpose, and any warranties that may have arisen or may arise from course of performance, course of dealing, or usage of trade.
4. **Attachments.** Any exhibits, schedules, or other attachments referenced in this Bill of Sale are part of this Bill of Sale.
5. **Governing Law/Venue.** This Bill of Sale is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Bill of Sale. Any action, suit, or proceeding arising out of the subject matter of this Bill of Sale will be litigated in courts located in Benton County, Oregon.
6. **Attorney’s Fees.** If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Bill of Sale, or otherwise in connection with the subject matter of this Bill of Sale, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party’s reasonable attorney’s fees and other fees, costs, and expenses of every kind, incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

Dated effective: _____, 2023

Seller:

By: _____

Name: _____

Title: _____

Exhibit F

Blanket Lease for Space Agreement

This Lease for Space (this “**Lease**”) is entered into signed this 2nd day of March, 2023 (“**Effective Date**”), between Samaritan Health Services, Inc., dba Samaritan Medical Supplies (“**Landlord**”) and Norco, Inc., an Idaho corporation (“**Tenant**”). The effective date of this Exhibit shall mirror the effective date of the APA.

Tenant wishes to lease from Landlord the following properties) (the “**Premises**”):

Description	Address	Approximate Square Feet
Lebanon Warehouse	525 N. Santiam Hwy Lebanon, Oregon	5,400
Lebanon Store Front/Business Office	325 Industrail Way Lebanon, Oregon	3,895
Store Front Corvallis	815 NW 9th Street Suite 102 Corvallis, OR	1,581
OSU Store Front	845 SW 30th St., Suite 200 Corvallis, OR	500

NOW, THEREFORE, Landlord hereby leases the Premises to Tenant on the following terms:

1. **TERM; RENTAL.**

1.1 **Term & Termination.** The term of this Lease shall begin on the Effective Date of the Asset Purchase Agreement and shall run for a term of two (2) years. This Lease may be terminated by either party in the event of material breach by the other party at any time following the provision of written notice by one party to the other party specifying (i) the material breach which resulted in termination, and (ii) providing thirty (30) days from receipt of the notice to cure the breach. If the breach is not cured within thirty (30) days to the reasonable satisfaction of the party providing the notice of breach, this Lease shall terminate and be of no further force or effect except as otherwise specifically provided in this Lease.

1.2 **Renewal Option.** Tenant has the option to renew this Lease for three (3) additional term of two (2) year(s) commencing on the day following expiration of the original term. Exercise of each renewal option shall be by written notice given to Landlord at least ninety (90) days prior to expiration of the original term.

1.3 **Rent.** Tenant will pay to Landlord on a monthly basis a rent in the following amounts:

Description	Address	Monthly Lea	Annual
Lebanon Warehouse	525 N. Santiam Hwy Lebanon, Oregon	\$5,400.00	\$64,800.00
Lebanon Store Front/Business Office	325 Industrail Way Lebanon, Oregon	\$7,790.00	\$93,480.00
Store Front Corvallis	815 NW 9th Street Suite 102 Corvallis, OR	\$3,667.92	\$44,015.04
OSU Store Front	845 SW 30th St., Suite 200 Corvallis, OR	\$1,625.00	\$19,500.00

Base rent on the Premises shall be increased by two percent (2%) annually, on the anniversary date of the execution of the APA.

1.4 Fair Market Value Rent. The parties agree that the rent set forth in this Lease for the Premises is consistent with fair market value in an arm's length transaction and is not determined in a manner that takes into account the value or volume of any referrals or business otherwise generated between the parties reimbursed by governmental payors.

2. USE

2.1 Permitted Use. Tenant shall use the Premises only for conducting a Durable Medical Equipment business.

2.2 No Offensive Activities. Tenant shall not conduct or permit any activities on the Premises that create a nuisance or damage the reputation of the Premises, or are reasonably offensive to Landlord, or other owners or users of adjoining property.

2.3 Common Areas and Parking. Tenant, its patients and customers, shall have the nonexclusive right to use, in common with Landlord and other Tenants of the building, the common areas of the building and the parking lot associated with the building.

3. MAINTENANCE AND ALTERATIONS.

3.1 Landlord's Obligations. Landlord shall be responsible for all repairs, both interior and exterior, and including, but not limited to, all sidewalks, parking areas and landscaping, except that Tenant shall be responsible for the normal and customary upkeep of the landscaping as provided for in Section 3.2.

Landlord shall keep the building, both interior and exterior, and sidewalks, parking areas and landscaping, in reasonably good condition and repair, so that the appearance and condition of the exterior and interior of the building is at all times reasonable and conducive to the practice of medicine and in such condition that the condition and appearance of the interior and exterior of the building, including sidewalks, parking areas, and landscaping, is not less than that of the majority of medical office buildings in the local community.

3.2 Tenant's Obligations. The following shall be the responsibility of Tenant: Tenant shall be responsible only for repairs necessitated by the negligence of Tenant, its agents, employees, and invitees, excepting normal wear and tear, damage caused by fire, the elements, or casualties beyond the control of Tenant, and except as any such repair necessitated by the negligence of Tenant is covered by the fire and casualty insurance.

Tenant shall provide, and shall pay for, janitorial services for the Premises and shall furnish and provide for normal landscaping maintenance services and provide for normal and customary cleaning of sidewalks and parking areas.

3.3 Alterations. Tenant shall not make any alterations or additions to the Premises that are structural or change the character of the Premises or lessen its value, without Landlord's prior written consent. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

4. UTILITIES AND TAXES.

4.1 Utilities. Tenant shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation, and maintenance of the Premises, including but not limited to charges for fuel, water, gas, electricity, sewage disposal, power, refrigeration, air conditioning, telephone, and janitorial services. If any utility services are provided by or through Landlord, charges to Tenant shall be comparable with prevailing rates for comparable services.

Taxes. Tenant shall pay all personal property taxes and any real property taxes which may be levied on Tenant Premises.

5. LIABILITY TO THIRD PERSONS.

5.1 Indemnification of Landlord. Tenant shall indemnify and defend Landlord from any claim, loss, or liability arising out of or related to any action or inaction of Tenant or its invitees, or any condition of the Premises, which is the responsibility of Tenant under this Lease. In the event any action is brought against Landlord by reason of any such claim, Tenant shall resist or defend such action or proceeding by counsel satisfactory to Landlord upon Landlord's demand.

5.2 Indemnification of Tenant. Landlord shall indemnify and defend Tenant from any claim, loss, or liability arising out of or related to any action or inaction of Landlord or its agents, or any condition of the Premises, which is the responsibility of Landlord. In the event any action is brought against Tenant by reason of any such claim, Landlord shall resist or defend such action or proceeding by counsel satisfactory to Tenant upon Tenant's demand.

6. INSURANCE AND DAMAGE.

6.1 Liability Insurance. Both parties shall continuously maintain at its expense comprehensive general liability insurance with a combined single limit of \$1,000,000. Certificates evidencing such insurance shall be available to the other party upon request.

6.2 Property Insurance. Landlord shall keep the Building, including the Premises, insured at Landlord's expense against fire and other risks covered by a standard fire and casualty insurance policy with an endorsement for extended coverage. Tenant shall carry insurance covering the property of Tenant on the Premises against loss of any sort.

7. GENERAL PROVISIONS.

- 7.1 Compliance with Laws. Both parties agree to comply with all applicable laws and regulations, including but not limited to, the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”).
- 7.2 Confidentiality. Each party (“Receiving Party”) hereby agrees to keep in strict confidence the Confidential Information provided by the other party (“Disclosing Party”) in connection with this Lease. The term “Confidential” shall include any and all data, information, materials, documents, or explanations which are provided by the Disclosing Party, any other information related to the business or operations of the Disclosing Party and any Protected Health Information (“PHI”) as defined by HIPAA. Without the prior written authorization of the Disclosing Party or except as otherwise permitted herein, the Receiving Party agrees it will not communicate or disclose, in whole or in part, any of the Confidential Information relating to the Disclosing Party to any third party.
- While acknowledging the above, each party agrees to allow access to the other party’s paper and electronic medical records, including PHI, for the purpose of treatment, billing and payment, healthcare operations and related access needs and requirements as permitted under HIPAA.
- 7.3 Assignment and Subletting. With Landlord’s prior written authorization, which shall not be unreasonably withheld, Tenant shall have the right to assign or sublet the Premises.
- 7.4 Modifications. This Lease may not be modified except by endorsement in writing attached to this Lease, dated and signed by the parties.
- 7.5 Nonwaiver. Waiver of performance of any provision of this Lease shall not be a waiver of nor prejudice the party’s right otherwise to require performance of the same provision or any other provision.
- 7.6 Notices. Notices under this Lease shall be in writing, effective when delivered, or if mailed, effective on the second day after mailed postage prepaid to the address for the party stated in this Lease, or to such other address as either party may specify by notice to the other. Rent shall be payable to Landlord at the same address and in the same manner.
- 7.7 Attorneys’ Fees. In the event suit or action is instituted to interpret or enforce the terms of this Lease or to rescind this Lease, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorney’s fees at trial, on appeal and on any petition for review, in addition to all other sums provided by law.
- 7.8 Applicable Law. This Lease shall be construed, applied and enforced in accordance with the laws of the State of Oregon.
- 7.9 Entire Agreement. This Lease (including the exhibit(s) incorporated in this Lease by this reference as though fully set forth in this Lease) shall act as a guideline for purposes of closing on the APA, only. Upon Close each property will have a separate lease established by location address, square footage, and agreed upon cost per square foot. Establishing

individual lease agreements per property physical address and square footages allow for future segregation, renewal, or modifications void of dependency on the other properties mentioned in this exhibit. Notwithstanding the foregoing, the parties acknowledge that they may be parties to additional agreements for the provision of other items or services as included on the master list of contracts maintained and updated by the Samaritan Health Services, Inc. Legal Services Department.

- 7.10 Validity of Provisions. If any provision in this Lease shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining provisions contained in this Lease shall not be affected.
- 7.11 Independent Contractors. The parties to this Lease are independent contractors. Landlord is not the employer of Tenant. Tenant is not the employer of Landlord.
- 7.12 Stock and Bill Locations: Additional locations have been agreed upon and shall be incorporated under the terms of this Lease as Stock & Bill repositories within existing medical facilities. A list of Stock and Bill properties is included below. Each location shall be assumed by Norco, Inc at the rate of \$40.00 per month and shall be construed as month – to – month tenancy only. Norco at its sole discretion may cancel tenancy at any time, for any reason, given 30 days advanced notice.

Description	Address	Monthly Lease	Annual
Geary St Family Medicine - S&B	1700 Geary Street SE #200 , Albany, Oreg	\$40.00	\$480.00
Geary Street Urgent Care - S&B	1700 Geary Street SE , Albany, Oregon	\$40.00	\$480.00
Mid Valley Childrens Clinic - S&B	743 Elm Street SW , Albany, Oregon	\$40.00	\$480.00
North Albany Urgent Care - S&B	400 Hickory Street NW , Albany, Oregon	\$40.00	\$480.00
Samaritan Wound Vein & Hyperbaric	400 Hicory Street NW Ste. 101 , Albany, O	\$40.00	\$480.00
GSRMC Labor & Delivery - S&B	3600 Samaritan Drive , Corvallis, Oregon	\$40.00	\$480.00
GSRMC Orthopedics - S&B	3620 NW Samaritan Drive Ste. 202 , Corv	\$40.00	\$480.00
Pediatrics - Corvallis - S&B	777 NW Ninth Street, Ste 202 , Corvallis,	\$40.00	\$480.00
Samaritan Lebanon Health Center - S&B	675 N 5th Street Ste. 200 , Lebanon, Oreg	\$40.00	\$480.00
SLCH Wound Vein & Hyperbaric - S&B	525 N Santiam Highway , Lebanon, Oreg	\$40.00	\$480.00
Samaritan Lebanon Urgent Care - S&B	35 Mullins Drive Ste. 2 , Lebanon, Orego	\$40.00	\$480.00
SLCH L&D(Girod) - S&B	525 N Santiam Highway , Lebanon, Oreg	\$40.00	\$480.00
SPCH Obstetrics Dept - S&B	930 SW Abbey Street , Newport, Oregon	\$40.00	\$480.00
SPCH Newport Ortho & Podiatry Clinic	930 SW Abbey Street Ste. B , Newport, C	\$40.00	\$480.00
SNLH Family Birthing Center - S&B	3043 NE 28th Street , Lincoln City, Orego	\$40.00	\$480.00

[Signature Page Follows]

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

LANDLORD:

By: _____

Its: _____

Address:

TENANT:

By: _____

Its: _____

Address: