RESTATED BINDING AGREEMENT

This RESTATED BINDING AGREEMENT ("Agreement") is entered into as of the 14th day of September, 2012, by and between Great Lakes Health, Inc., a New York not-for-profit corporation with principal offices located at 726 Exchange Street, Buffalo, New York 14203 ("GLH"); Kaleida Health, Inc., a New York not-for-profit corporation with principal offices at 726 Exchange Street, Buffalo, New York 14203 ("Kaleida"); and Erie County Medical Center Corporation, a New York public benefit corporation with principal offices located at 462 Grider Street, Buffalo, New York 14215 ("ECMCC"). GLH, Kaleida and ECMCC are referred to collectively as the parties.

WHEREAS, the parties entered into a Binding Agreement on June 23, 2008 ("2008 Binding Agreement") that set forth the parties' collective and individual desires to collaborate and work constructively to improve the quality and availability of health care services in the greater Western New York community; and

WHEREAS, the 2008 Binding Agreement contemplated that the parties would examine their relationship under the Binding Agreement within three (3) years and the parties retained an independent consultant to evaluate the parties collaborative future in furtherance of that three-year examination; and

WHEREAS, the parties desire to re-affirm their respective desires to work constructively together and to collaborate in the delivery of health care service delivery in the future, based on the successes the parties have achieved in this regard in the recent past; and

WHEREAS, to further their desire to work together, the parties have agreed to implement shared services and consolidated programs where such initiatives are in the best interests of the community and the individual organizations executing this Agreement; and

WHEREAS, the parties believe that GLH can be a vitally important means through which health care and health-related services can be coordinated with other community resources in order to address effectively the health needs of the people and communities of Western New York; and

WHEREAS, to that end the parties desire to design flexibility and durability into the role of GLH in order to attract other health care entities and community resources to join it.

NOW, THEREFORE, for good and valuable consideration and the mutual promises and other terms set forth below, the parties agree as follows:

1. Purpose of Agreement. The purposes of this Agreement are

1.1. to memorialize the parties' common intent to collaborate to promote more efficient and higher quality health care service delivery in the Western New York region;

1.2. to create a means to support the coordination and integration of clinical services and business functions, to the extent that the parties believe such to be feasible and desirable, among health care providers, health care facilities, and community organizations throughout Western New York;

1.3. to sustain GLH as the legal entity through which such entities can affiliate;

1.4. to foster relationships through which patient care can be coordinated and integrated in ways that are invariably safe, qualitatively superior, and financially prudent for those receiving the care, those providing the care, and those paying for the care; and

1.5. to support the academic mission of the health sciences programs of the State University of New York at Buffalo, the education of health care professionals, and the research activities undertaken by those affiliated with GLH.

The parties recognize that greater efficiency and higher quality may be achieved by sharing certain services, consolidating clinical and non-clinical programs and by coordinating growth efforts. It is the parties' intent that such sharing, consolidating and growth strategies will be the subject of separate future agreements between some or all of them.

2.0 Reaffirming the GLH Role vis-à-vis Kaleida and ECMCC. Kaleida and ECMCC mutually agree that GLH has performed a valuable function of providing a fair and open forum for the exchange of ideas; the endorsement of collaborative efforts; and the approval of applications to the New York State Department of Health for Certificates of Need. Kaleida and ECMCC re-affirm their respective commitments to participate in a collaborative, transparent, and coordinated manner with one another and community board and committee members of GLH in the GLH governance process.

2.1 *GLH Board of Trustees.* The parties agree that GLH shall be governed by a Board of Trustees, and recognize that as GLH evolves it might reconstitute its Board membership. Presently the GLH Board is comprised of seventeen (17) voting members who are appointed as follows: three (3) voting members appointed by Kaleida, three (3) voting members appointed by ECMCC, three (3) voting members appointed by the State University of New York at Buffalo ("SUNYAB"), one (1) voting member, *ex officio*, who shall be the President of the Medical-Dental Staff of Kaleida, one (1) voting member, *ex officio*, who shall be the President of the Medical-Dental Staff of ECMCC, the current Chief Executive Officer of GLH, *ex officio*, and five (5) community members who shall be appointed to staggered terms by agreement of at least six (6) of the voting representatives appointed by Kaleida, ECMCC and SUNYAB. The parties agree that a reconstitution of the GLH Board will require the consent of the parties to this Agreement.

2.2 *Board of Trustees Authority.* In addition to the powers and authority conferred upon it by law, the GLH Board of Trustees shall have the authority to review and approve, by simple majority, all Kaleida or ECMCC applications to the New York State Department of Health for Certificates of Need that require full review, as defined by 10 N.Y.C.R.R. § 710.1. Kaleida or ECMCC are free to submit Certificate of Need applications requiring only administrative or limited review, as defined by 10 N.Y.C.R.R. § 710.1, without obtaining GLH Board of Trustees approval, but are expected to disclose all such limited or administrative applications to the GLH Board of Trustees in the manner determined by the GLH Board of Trustees. Kaleida and ECMCC agree that neither of them shall submit a

Certificate of Need application requiring approval of the GLH Board of Trustees without first obtaining such approval.

2.3 *Limit on CON Approvals.* The GLH Board of Trustees shall not vote upon or otherwise act to approve or disapprove of any Certificate of Need application except to the extent that such application is either exempt from or has followed the process described in section 4.2 and 4.3 of this Agreement pertaining to PSC authority and PSC recommendation procedure.

3.0 Defining the GLH Role vis-à-vis Coordination of Community Health Care. In addition to exercising the authority set forth in Section 2 above, the parties agree that GLH should provide community leadership in the following activities:

3.1. to refine the ability of all parties to identify community needs and to align capabilities so that comprehensive patient-centered programs and services can be developed to meet such needs;

3.2. to bring into GLH other health care providers and health-related community resources in order to extend access to needed health care services throughout the community; and

3.3 to assist all entities that are affiliated or aligned with Great Lakes Health to coordinate their care, to enhance the quality of the services that they provide, to generate sufficient resources to sustain operational excellence, to reduce duplication and suboptimal dispersion of services, to reinvest in and modernize facilities and services, and to develop new capabilities and readily accessible community services.

Although the provisions in the following Sections 4 through 15 of this Agreement pertain explicitly to the relationship among GLH, Kaleida, and ECMCC, the parties hereby declare their mutual intent and expectation that the framework and substance of such provisions would also be applied to any other entity that aligns with GLH in the future.

4.0 Professional Steering Committee. Kaleida, GLH and ECMCC acknowledge the important role that clinicians play in decisions affecting the efficiency and quality of health care service delivery. Kaleida, GLH and ECMCC re-affirm their respective commitments to the advisory role of the Professional Steering Committee ("PSC") that was first established in the 2008 Binding Agreement.

4.1 *PSC Membership.* The parties agree that the PSC shall be comprised of ten (10) physician members, including UBMD and community physicians who shall be chosen to reflect the diversity of the Western New York community. PSC members shall serve staggered two-year terms and shall be eligible for re-appointment. Five (5) members shall be appointed by the Medical Executive Committee of Kaleida and five (5) members shall be appointed by the Medical Executive Committee of ECMCC. Each physician appointed shall be licensed to practice medicine in the State of New York and shall be an active member of the Medical-Dental Staff of the respective organization appointing him or her.

PSC members shall annually select their own chair, which position shall annually rotate between the appointing institutions. Any PSC member may be removed from office by a two-thirds vote of the Medical Executive Committee that appointed that member. The Chief Medical Officers of ECMCC and Kaleida, or their physician-designees, shall serve as non-voting *ex officio* PSC members. The Kaleida and ECMCC Directors of Nursing, or their equivalent, or their nurse-designees, shall serve as non-voting *ex officio* PSC members. The Dean of the SUNYAB School of Medicine and Biomedical Sciences, or his or her physician-designee, shall serve as a non-voting *ex officio* PSC member. The parties understand the GLH Board of Trustees might choose to reconstitute the PSC as GLH evolves, and the parties agree that a reconstitution of the PSC will require the consent of the parties to this Agreement.

4.2 *PSC Authority*. The PSC shall have the authority to make recommendations (a) for defining, integrating, coordinating and deploying clinical services that align patient, physician and institutional needs and resources; (b) to identify and fill gaps in clinical expertise, (c) to recruit new physicians, (d) to build new programs, (e) to right-size existing programs, (f) identifying infrastructure needs, (g) to maximize the operational and financial efficiencies to improve the delivery of health care by ECMCC and Kaleida, (h) regarding all proposals and plans for new services, the substantial expansion of existing services, the movement or transfer of services to another site or organization, the closing or adding of new sites for existing services, (i) pertaining to Service Line realignments, and (j) pertaining to Kaleida or ECMCC Certificate of Need applications requiring approval by the GLH Board of Trustees. The parties understand the GLH Board of Trustees might choose to redefine the authority of the PSC as GLH evolves, and the parties agree that a redefinition of the authority of the PSC will require the consent of the parties to this Agreement.

4.3 *PSC Recommendation Procedure*. The PSC shall determine on its own how best to evaluate and reach recommendations concerning the subject matters described in section 4.2 of this Agreement. The PSC may initiate its own evaluations or evaluate subject matters identified by the GLH Board of Trustees, Kaleida or ECMCC. The PSC shall consider and vote on any subject matter evaluation within six (6) months of initiating an evaluation. A simple majority vote is required for the approval of any recommendation, except that a three-fourths vote is required to approve the creation of a new service line, the reduction of beds, the discontinuance of a service, the closure of a facility or any material change in a service line. The parties understand that as GLH evolves the GLH Board of Trustees might choose to redefine the procedure by which the PSC functions, and the parties agree that a redefinition of the procedure of the PSC will require the consent of the parties to this Agreement.

5. Kaleida and ECMCC Autonomy. Kaleida and ECMCC, respectively, shall continue as autonomous entities. The entities shall be self-governing and shall select the membership of their respective governing bodies as required by law and/or their respective by-laws.

6. Equitable Treatment. Kaleida and ECMCC agree that each will share equitably in the economic results from any movement or change of services, or service line realignments. This will not be a dollar for dollar sharing, but rather, shall take into account actual performance before movement, change or re-alignment and actual performance after movement, change, or re-alignment. The goal is to allow both ECMCC and Kaleida to benefit from clinical or other service movement, change or re-alignment.

7. Employees. Kaleida and ECMCC will retain their own employees subject to all respective agreements, policies and procedures. Kaleida and ECMCC are not precluded from combining operations to improve economy and efficiency to the extent permitted by applicable law. By entering into this Agreement or any future agreement that combines or shares services, Kaleida and ECMCC are not undertaking to perform the other's obligations under any collective bargaining agreement.

8. Clinical Leadership. Clinical leadership positions shall be filled following a merit-based process without regard for the then-current institutional affiliation that a particular physician may have. To the extent possible, the parties acknowledge and intend to follow the procedure contained in a certain affiliation agreement between SUNYAB, Kaleida and ECMCC dated October 13, 2010 to identify prospective candidates for clinical leadership positions.

9. Fiscal Integrity and Independence. The fiscal integrity of Kaleida and ECMCC must be protected and preserved. Kaleida and ECMCC shall maintain separate balance sheets and shall not comingle assets or liabilities. Nothing contained in this Agreement is intended by the parties to cause one party to be responsible for the actions or liabilities of another. Nothing contained in this Agreement is intended to confer any form of agency relationship by or among the parties to this Agreement.

10. Effective Date.The parties acknowledge that each of them must first obtain the approval of each respective governing body of GLH, Kaleida and ECMCC before executing this Agreement. Following such approvals, this Agreement shall become effective on the date that it has been executed by all of the parties.

11. Term and Renewal. This Agreement shall be effective for an initial term of three (3) years and thereafter shall automatically renew for successive terms of one (1) year unless at least one of the parties provides at least 180 days written notice to the other two parties of the intention to not renew this Agreement.

12. Judicial Approval. The 2008 Binding Agreement was approved by an order of the New York State Supreme Court, County of Erie (Curran, J.) and the parties intend that this Agreement shall likewise be approved. In the event, however, that this Agreement is not approved by the court, the parties intend that it shall be binding upon them unless a court of competent jurisdiction determines that this Agreement is not enforceable or void.

13. Notice.To the extent that any notice is called for by this Agreement, notice shall be effective by personally delivering or by certified mail, return receipt requested, as follows:

Notice to GLH	Notice to Kaleida	Notice to ECMCC
Chair, Board of Trustees 726 Exchange Street Buffalo, NY 14222	Chief Executive Officer Kaleida Health 726 Exchange Street Buffalo, NY 14222 *And* General Counsel Kaleida Health 726 Exchange Street Buffalo, NY 14222	Chief Executive Officer ECMCC 462 Grider Street Buffalo, NY 14215 *And* Anthony J. Colucci, III, Esq. Colucci & Gallaher, P.C. 2000 Liberty Building Buffalo, NY 14202

14. Amendment. This Agreement may only be amended in a subsequent writing that is signed by all of the parties to this Agreement following the approval of such amendment by the governing bodies of each party.

15. Governing Law and Other Matters. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to that state's conflict of laws. The parties hereby consent to the jurisdiction of the courts of the State of New York concerning any dispute pertaining to this Agreement. Each party acknowledges that all parties have assisted in the preparation of this Agreement and there shall be no presumptions based on who drafted this document.

IN WITNESS WHEREOF, the parties have signed below intending to be bound thereby on the date first written above.

GREAT LAKES HEALTH OF WNY, INC.

BY: CHAIR, BOARD OF TRUSTEES

KALEIDA HEALTH

BY: PRESIDENT AND CHIEF EXECUTIVE OFFICER

ERIE COUNTY MEDICAL CENTER CORPORATION

BY: CHIEF EXECUTIVE OFFICER

APPROVED AS TO FORM:

ECMCC COUNSEL