

**ASSIGNMENT, ASSUMPTION AND AMENDMENT OF LEASE AGREEMENT  
(MAQUOKETA, IOWA)**

**THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF LEASE AGREEMENT** (this “**Agreement**”), dated as of April 30, 2016 is made by and between **Maquoketa Kidney Center, L.L.C.**, an Iowa limited liability company (“**Assignor**”), **Fresenius Medical Care Quad Cities, LLC**, a Delaware limited liability company (“**Assignee**”), and **Jackson County Regional Health Center**, a county hospital organized under the laws of the State of Iowa (“**Landlord**”).

**Background Statement**

Landlord entered into a certain Lease Agreement with the Assignor dated November 1, 2009, (as amended, the “**Lease**”), for the lease of approximately 1,900 square feet in the building located at 700 West Grove Street, Maquoketa, Iowa (as more particularly described in the Lease, the “**Premises**”). A true, correct and complete copy of the Lease is attached hereto as **Exhibit A**.

Assignor intends to contribute substantially all of its tangible personal assets relating to the business conducted on the Premises to Assignee that is a joint venture transaction between Assignor and Fresenius Medical Care Ventures, LLC, a Delaware limited liability company (the “**Transaction**”).

In connection with the closing of the Transaction, Assignor desires to assign to Assignee all of its right, title and interest in and to the Lease, and Assignee desires to accept such assignment and to operate the business conducted on the Premises. Landlord and Assignee also desire to amend the Lease, as described herein.

Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Lease.

**Statement of Agreement**

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, each to the other paid, the receipt and sufficiency of which are hereby acknowledged, Assignor, Assignee and Landlord hereby agree as follows:

**ARTICLE I**

**EFFECTIVE DATE; CONDITION TO ASSIGNMENT**

1.1 The effective date of this Agreement is the closing date of the Transaction (the “**Effective Date**”).

1.2 If the Transaction does not close, this Agreement shall be null and void without the need for further action by the parties. Assignor and Assignee shall give Landlord prompt written notice after the Transaction has occurred or has been terminated.

## **ARTICLE II**

### **ASSIGNMENT AND ASSUMPTION; INDEMNITY**

2.1 Effective as of the Effective Date, Assignor hereby assigns and transfers to Assignee all of Assignor's right, title and interest in and to the Lease and in and to any security deposits and prepaid rent made by Assignor under the Lease.

2.2 Effective as of the Effective Date, Assignee assumes the performance of and agrees to be bound by all the obligations of Assignor as tenant under the Lease arising on and after the Effective Date, including, without limitation, the obligation to pay monthly rent and other amounts provided for in the Lease, but specifically excluding any liabilities relating to any breach of the Lease prior to the Effective Date or in connection with the assignment of the Lease.

2.3 Assignor hereby indemnifies and holds harmless Assignee from and against any and all claims, losses, liabilities, obligations, damages, costs and expenses (including reasonable attorneys' fees and costs) arising or accruing under the Lease with respect to periods, events or circumstances occurring prior to the Effective Date of this Agreement, but specifically excluding any liabilities relating to any breach of this Lease from and after the Effective Date of this Agreement.

2.4 Assignee hereby indemnifies and holds Assignor harmless from and against any and all claims, losses, obligations, liabilities, costs, damages and expenses (including reasonable attorneys' fees and costs) arising or accruing under the Lease and with respect to periods, events or circumstances occurring from and after the Effective Date of this Agreement, but specifically excluding any liabilities relating to any breach of the Lease prior to the Effective Date.

## **ARTICLE III**

### **AMENDMENT OF LEASE**

3.1 Effective as of the Effective Date, the Lease is hereby amended as follows:

3.1.1 Section 14(b) of the Lease is hereby amended to read as follows:

Tenant shall be solely responsible to purchase and pay for an all risk policy of casualty insurance insuring Tenant's own documents, records, equipment and personal property kept or installed on the Leased Premises as permitted under this Agreement against loss by causes typically provided under an all risk policy.

## **ARTICLE IV**

### **REPRESENTATIONS AND WARRANTIES OF LANDLORD AND ASSIGNOR**

4.1 Landlord hereby represents and warrants to Assignee and its successors and assigns that:

4.1.1 Attached hereto as **Exhibit A** is a true, correct and complete copy of the Lease with all amendments. The Lease has not been further amended or modified, changed, altered, or supplemented. The Lease, including all exhibits thereto, is the only agreement between Assignor and Landlord affecting or relating to the real property and building located at the Premises. The Lease is in full force and effect, and all rent and any other amounts required to be paid by Assignor under the Lease are current and have been paid in full through January 31, 2016.

4.1.2 The Commencement Date of the Lease was November 1, 2009, and the Initial Term of the Lease will expire on October 31, 2019.

4.1.3 No default, or any event or condition which with the passing of time or giving notice, or both, would constitute a default on the part of either Assignor or Landlord, exists under the Lease.

4.1.4 The current Base Rent rate under the Lease is \$2,850.00 per month.

4.1.5 No claim against Assignor or Landlord or dispute between Assignor and Landlord exists under the Lease.

4.1.6 No casualty or condemnation has occurred with respect to the Premises or the parking areas or other common areas in which Assignor has rights under the Lease. Landlord has received no notices of any violations of law with respect to the Premises.

4.2 Assignor hereby represents and warrants to Assignee and its successors and assigns that:

4.2.1 Attached hereto as **Exhibit A** is a true, correct and complete copy of the Lease. The Lease has not been further amended or modified, changed, altered, or supplemented. The Lease, including all exhibits thereto, is the only Lease or agreement between Assignor and Landlord affecting or relating to the Premises. Assignor has a valid, existing, and continuing leasehold interest in the Premises.

4.2.2 Assignor has not assigned or encumbered its interest in the Lease or sublet all or any portion of the Premises, nor are there any outstanding unpaid liens or security interests in any Assignor personal property, fixtures or equipment located in the Premises.

4.2.3 No default, or any event or condition which with the passing of time or giving notice, or both, would constitute a default on the part of either Assignor or to Assignor's knowledge, Landlord, exists under the Lease.

## ARTICLE V

### CONSENT OF LANDLORD

Landlord hereby consents to the assignment of the Lease to Assignee, and upon the Effective Date Landlord will recognize Assignee as the tenant under the Lease, and shall be directly liable to Assignee for the performance of Landlord's covenants under the Lease. Upon assignment of the Lease, Landlord will look directly to Assignee for all payment and performance obligations of Tenant under the Lease arising after the Effective Date. Effective as

of the Effective Date, Landlord hereby releases Assignor and any affiliates of Assignor from liability and obligation under the Lease, and under any guaranties thereof, arising after the Effective Date.

## **ARTICLE VI**

### **BINDING ON SUCCESSORS; MODIFICATION**

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and assigns. This Agreement may not be modified, discharged, terminated, or assigned orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors and assigns.

## **ARTICLE VII**

### **MISCELLANEOUS**

The Lease remains in full force and effect, except as specifically amended by this Agreement. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Iowa. This Agreement may be executed in counterparts and, taken together, such counterparts shall constitute one and the same Agreement, valid and binding on the parties.

### **NOTICES**

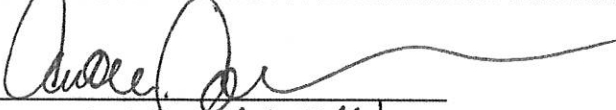
From and after the Effective Date, notices to the Assignee under the Lease shall be addressed to Assignee at Fresenius Medical Care Quad Cities, LLC c/o Fresenius Medical Care North America, 920 Winter Street, Waltham, MA 02451, Attention: Law Department. Landlord's notice address is as set forth in the Lease.

[signature page follows]

IN WITNESS WHEREOF, Landlord, Assignor and Assignee have signed this Agreement as of the day and year first above written.

**LANDLORD:**

**JACKSON COUNTY REGIONAL HEALTH CENTER**

By:   
Name: ROBERT M. COLEMAN  
Its: President

[Signatures continue on following page.]

**ASSIGNOR:**


**MAQUOKETA KIDNEY CENTER, L.L.C.**

By: V.R. Alla MD  
Name: V.R. ALLA, M.D.  
Its: President & CEO

[Signatures continue on following page.]

**ASSIGNEE:**

**FRESENTUS MEDICAL CARE QUAD CITIES, LLC**

By:   
Name: Joseph J. Ruma  
Its: Manager

[End of signatures.]

EXHIBIT A  
COPY OF LEASE AND ALL AMENDMENTS  
(attached)



## LEASE

THIS LEASE is entered into effective this 1st day of November, 2009, by and between Jackson County Regional Health Center, a county hospital organized under the laws of the State of Iowa (hereinafter referred to as "Jackson" or "Landlord") and Maquoketa Kidney Center, LLC, an Iowa limited liability company (hereinafter referred to as "Tenant").

## RECITALS

1. Jackson is a critical access Iowa county hospital with related facilities located at 700 West Grove Street, Maquoketa, Iowa.
2. Tenant is a limited liability company which provides healthcare services in the form of kidney dialysis services and nephrology care.
3. Tenant desires to lease space at Jackson's premises located at 700 West Grove Street, Maquoketa, Iowa to operate a kidney dialysis unit and nephrology physician practice (collectively the "Unit"), and Jackson is willing to lease space to Tenant for such purpose.

**THEREFORE**, in consideration of the mutual covenants contained herein, the parties agree:

1. **Leased Premises.** Landlord, in consideration of the rental herein reserved and of the agreements and conditions set forth below, does hereby lease to Tenant, and Tenant hereby leases from Landlord, in accordance with the terms and provisions herein contained, the Leased Premises as more fully described below. This Lease is for the full-time and exclusive use of the Leased Premises by Tenant. The Leased Premises consists of 1,900 square feet of space located in the hospital building at 700 West Grove Street, Maquoketa, Iowa, together with all fixtures, improvements and finishes therein and thereon and together with the use of common areas in common with Landlord.
2. **Term.** The "Term" of this Lease shall be for ten (10) years (the "Initial Term") commencing on November 1, 2009 (the "Commencement Date") and terminating October 31, 2019, unless sooner terminated as permitted herein. Upon completion of the Initial Term, Tenant may renew for three (3) additional five (5) year terms.
3. **Exclusivity.** During the initial term of the Lease and any renewal terms, Tenant and its designated nephrologists shall have the exclusive right to provide inpatient and outpatient dialysis and nephrology care at Jackson. Jackson also agrees not to compete directly or indirectly with Tenant and its nephrologists in the provision of these services during the term of this Lease. Jackson further agrees not to lease space at Jackson or any other spaced owned by Jackson to an entity in competition with Tenant or its designated nephrologists. . The parties agree that in the event of a breach of this covenant, money damages alone would not be adequate to prevent irreparable harm from occurring to Tenant and therefore Tenant or any party related to Tenant which is an assignee of this covenant shall be entitled to injunctive relief to enforce this covenant.

4. **Transfer of Operations.** Jackson agrees to transfer its dialysis facility operating license and all outpatient dialysis operations to Tenant by November 1, 2009 including the filing of all required paperwork to the appropriate State of Iowa and federal regulatory agencies. The transfer of operations shall include copies of all CMS and Iowa Department of Inspections and Appeals surveys and citations, facility policies and procedures, and patient charts and medical records. In the event of a lease termination or cease of operations by Tenant, Tenant will transfer operations back to Jackson without condition at Jackson's request.
5. **Uses.** Tenant may use the Leased Premises for any lawful medical uses which do not interfere with Landlord's use of adjacent space. Landlord may publish reasonable rules governing use of the Leased Premises covering: (i) access and building security; (ii) rules necessary to assure compliance with fire safety, building code, handicap access, and building occupancy requirements; (iii) maintenance, cleaning, housekeeping, parking, trash removal, snow removal and similar schedules and requirements; (iv) maintenance, storage and disposal of hazardous waste; and (v) disaster planning. Tenant and Tenant's employees, agents, invitees, and licensees shall comply with all such rules and regulations as are so promulgated.
4. **Rent.** All rent is payable at the office of Jackson at 700 West Grove Street, Maquoketa, Iowa, or at such other place as Jackson or its authorized agent shall hereafter designate in writing. The first installment of rent is due and payable on November 1, 2009, with subsequent installments due and payable on the first day of each month thereafter until the expiration of the term of this Lease.
  - a. **Base Rent.** In consideration of the leased premises and services described here, Tenant shall pay Landlord rent of \$18.00 per square foot annually, payable at the rate of Two Thousand Eight Hundred Fifty Dollars (\$2,850) per month. Utilities and basic maintenance shall be included in the Base Rent. On the fifth anniversary during the initial term and at the commencement of each extended term, the monthly dollar amounts of Base Rent shall increase, but not decrease, by the percentage increase in the Consumer Price Index-All Urban Consumers (CPI-U) U.S. City Average, All items (1982-84=100) US government published for the month prior to the commencement date and the month prior to the anniversary date during the initial and extended terms. The monthly installment shall not increase by more than 10% on each adjustment date.
  - b. **Taxes.** Tenant shall reimburse Landlord for the real estate taxes for the Leased Premises ("Taxes"). Tenant shall bear the cost of and pay Landlord when due, all real estate taxes assessed against the Leased Premises during Tenant Occupancy.
5. **Landlord's Responsibilities for Building Services.** In consideration of the rent, Landlord shall furnish and pay for the following items and services for the Leased Premises:

- a. Utilities including electricity, water and sewer, heating, air conditioning, and hot water.
  - b. Basic maintenance and repair of all non-dialysis building and mechanical components of Leased Premises; limited security.
6. **Tenant's Responsibilities for Building Services.** Liability insurance, housekeeping, laundry, dietary and other related services shall be furnished by Tenant. All staffing shall be provided by Tenant. Tenant shall pay for all costs associated with renovations of the Leased Premises occupied by Tenant. Tenant shall furnish any safes or locked cabinets needed to secure Tenant's valuables or medical or pharmaceutical supplies or records.
7. **Possession.** Tenant shall be entitled to exclusive use and possession of the Leased Premises on the Commencement Date and for the term hereof. Should Landlord be unable to give possession on the Commencement Date, Tenant's only damages shall be a rebating of the pro rata rental.
8. **Condition of Premises.** Tenant is familiar with the Leased Premises and takes them in their current condition.
9. **Name and Signage.** Tenant shall operate its kidney dialysis unit under the name as approved by the parties. Tenant shall not use a name likely to cause confusion in the public or conflict with Landlord's separate business. Tenant expressly agrees not to adopt or use a name which could cause confusion to the public regarding the role of Landlord in the provision of Tenant's clinical services using the Leased Premises. Landlord, at Tenant's expense, agrees to erect and maintain signage on the exterior and interior of the suite identifying Tenant as a tenant and providing Tenant's licensees, invitees and patients with directions to Tenant's place of business, all according to a signage plan ("Signage Plan") to be approved by the parties. The Signage Plan may be altered by mutual agreement of the parties at any time.
10. **Alterations.** Tenant shall not make any alterations, additions or improvements in or to said Leased Premises without the written consent of the Landlord. In case such consent shall be given, all alterations, additions, and improvements to be so made and installed by the Tenant at Tenant's expense. It is understood and agreed, however, that Tenant shall maintain an insurable interest during the term of this Lease in all additions, fixtures, and improvements made by Tenant and that in the event of any casualty loss to said additions, fixtures, and improvements, the Tenant shall be entitled to the proceeds from insurance the Tenant has carried on the same.
11. **Care and Maintenance.** Landlord shall be responsible for care and maintenance of the Leased Premises, excluding any equipment, fixtures and personal property of Tenant. Landlord shall maintain the Leased Premises according to building and operating standards required for Tenant's planned use thereof.
12. **Liens.** The parties hereto agree that Tenant has no authority to contract on behalf of Landlord for any repair, alteration, or improvement of the Leased Premises, nor does Tenant have any authority to enter into any contract or agreement for the furnishing of

any labor or materials to the Leased Premises which could give rise to a construction lien against the Leased Premises or against the land or buildings in which the Leased Premises is situated.

13. **Use of Premises and Compliance with Laws.** Tenant shall use the Leased Premises only for those uses specifically allowed in paragraph 5 above. Tenant shall, in the operation of Tenant's business and in the use and maintenance of the Leased Premises, comply with all applicable laws, ordinances, regulations, and codes of all governmental authorities having jurisdiction over Tenant or the Leased Premises, or having jurisdiction over Landlord with regard to leasing the Leased Premises to Tenant, and shall hold Landlord harmless from any and all loss or damage, including any fines or penalties, due to any failure of Tenant to so comply. Tenant shall not make any use of the Leased Premises which would increase the Landlord's cost for insurance on the Leased Premises or result in a cancellation thereof. In the event Tenant's use of the Leased Premises does, in fact, cause increased insurance cost to the Landlord, Tenant shall pay to Landlord on demand, as Special Rental, all such increases in said insurance premiums.

14. **Insurance and Indemnity.**

- a. Landlord shall be solely responsible to purchase an all risk policy of casualty insurance insuring the Leased Premises against loss, regardless of cause.
- b. Tenant shall be solely responsible to purchase and pay for an all risk policy of casualty insurance insuring Tenant's own documents, records, equipment and personal property kept or installed on the Leased Premises as permitted under this Agreement against loss, regardless of cause.
- c. Tenant agrees to obtain public liability insurance upon the leased premises (with limits of at least \$1,000,000/\$3,000,000 for injury to person and \$500,000 property damage) covering both Landlord and Tenant against all claims or demands that might be made against either of them for injuries or property damages sustained by any person or persons upon the demised premises. Tenant agrees to pay all premiums for such insurance. Tenant shall furnish Landlord with satisfactory proof that such public liability insurance is in force and effect.
- d. Indemnification of Tenant. Jackson agrees to indemnify and hold harmless Tenant from and against any all damages, losses, claims, liabilities, charges, suits, penalties, costs and expenses arising out of any claim or liability related to the operation, ownership or conduct of the dialysis facility prior to the transfer of the license or operations on November 1, 2009.
- e. Indemnification of Landlord. Tenant agrees to indemnify and hold harmless Jackson from and against any and all damages, losses, claims, liabilities, charges, suits, penalties, costs and expenses arising out of any claim or liability related to the operation, ownership or conduct of the dialysis facility on and after the transfer of license or operations on November 1, 2009. Tenant agrees to maintain

professional liability insurance coverage at all times while operating on leased premises.

15. **Damage or Destruction of the Leased Premises.**

- a. **Total Destruction.** If, during the term of this Lease, the Hospital is totally destroyed, then this Lease shall terminate as of the date of such destruction, and the rental and other charges due Landlord under this Lease shall be prorated as of the date of such destruction.
- b. **Partial Destruction - Leased Facilities.** If during the term of this Lease the Hospital is partially destroyed, such that Tenant cannot use the Leased Premises for the conduct of the clinical services which Tenant had been conducting therein immediately prior to such partial destruction, the Landlord shall, within thirty (30) days thereafter, elect whether to repair the Leased Premises or to terminate this Lease, and Landlord shall notify Tenant of Landlord's election. In the event Landlord elects to repair the Leased Premises, Landlord shall commence such work promptly and, to the extent that Landlord has available insurance proceeds, complete the same with reasonable diligence. If Landlord elects to terminate this Lease, it shall be deemed terminated as of the date of Landlord's election, and rentals and other charges shall be prorated as of such date. The rent provided herein shall be abated from the date of such partial destruction until the Lease is terminated or until the damage is repaired, as applicable, in proportion to the square footage of the Leased Premises which is rendered unusable due to such damage. Landlord shall have no obligation to repair or replace any equipment, personal property, fixtures, or alterations installed by Tenant.

16. **Condemnation.** If the whole or any part of the Leased Premises shall be taken by any public authority under the power of eminent domain, then the term of this Lease shall cease on the part so taken from the date the possession of that part shall be required for any purpose, and the rent shall be paid up to that day, and if such portion of the Leased Premises is so taken as to destroy the usefulness of the Leased Premises for the purposes for which the Leased Premises were leased by Tenant, then, from that day the Tenant shall have the right either to terminate this Lease and declare the same null and void or to continue in the possession of the remainder of the same under the terms herein provided, except that the rent shall be reduced in proportion to the amount of the Leased Premises taken. All damages awarded for such taking shall belong to and be the property of the Landlord, except for such damages as shall be awarded as compensation for diminution in value to the leasehold.

17. **Access to Leased Premises.** Tenant agrees to permit access to and inspection of the Leased Premises by Landlord and Landlord's agents and by representatives of fire, safety, licensure, certification and accreditation bodies with jurisdiction over the premises or over Landlord's operations for purposes of determining compliance with Landlord's applicable occupancy, licensure, certification and accreditation standards. Tenant further agrees to permit access to the Leased Premises by the Landlord and its agents and representatives for the purpose of making inspection and repairs, to exhibit the Leased Premises to



prospective purchasers, mortgagees or tenants, and for any purpose whatsoever relating to the safety, protection or preservation of the Leased Premises or the Building. Landlord shall be permitted to enter by means of a master key if no representative of Tenant is present.

18. **Personal Property.** All personal property, equipment, fixtures, and alterations of Tenant in the Leased Premises shall be at the risk of the Tenant only, and the Landlord shall not be liable for any damages to said personal property, equipment, fixtures, or alterations, or to said premises or said Tenant, or to other persons or their property, caused by water, steam, sewerage, gas or odors, or by any act or neglect of other tenants, occupants, or the employees of the building, or any other person, or caused in any other manner whatsoever.
19. **Surrender Invalid Unless Written.** No surrender of the Leased Premises herein shall be binding upon the Landlord unless accepted by the Landlord in writing. Without limiting the scope or effect of the preceding sentence, it is agreed that the receipt or acceptance of the keys of the Leased Premises by the Landlord shall not constitute an acceptance of a surrender of said Leased Premises.
20. **Bankruptcy or Insolvency of Tenant.** Neither this Lease, nor any interest therein, nor any estate hereby created for the Tenant shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law.

In the event the estate created hereby shall be taken in execution or by other process of law, or if the Tenant shall be adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy act, or if a receiver or trustee of the property of the Tenant shall be appointed by reason of Tenant's insolvency or inability to pay its debts, or if any assignment shall be made of the Tenant's property for the benefit of creditors, then and in any of such events, this Lease and all rights of the Tenant hereunder shall immediately terminate.

The Tenant shall not cause or give cause of the institution of legal proceedings seeking to have the Tenant adjudicated bankrupt, reorganized or rearranged under the bankruptcy laws of the United States, and shall not cause or give cause for the appointment of a trustee or receiver for the Tenant's assets, and shall not make an assignment for the benefit of creditors, or become or be adjudicated insolvent. The allowance of any petition under the bankruptcy law, or the appointment of a trustee or receiver of the Tenant of its assets, shall be conclusive evidence that the Tenant caused, or gave cause therefor. In the event of a termination as provided herein, Landlord also shall have all remedies allowed to Landlord pursuant to paragraph 23 hereof.

21. **Default.** If Tenant defaults in the performance of this Lease, and such default is not cured within thirty (30) days of written notice from Landlord, Landlord shall have the right, at any time thereafter, upon ten (10) days written notice, to declare this Lease void and the term herein contained ended, and may re-enter the Leased Premises and expel the Tenant without prejudice to any remedies which the Landlord may have to collect arrears of rent and to exercise any other right or remedy that it has, according to law. If Landlord defaults in the performance of this Lease, and such default is not cured within thirty (30) days' of

written notice of the Landlord, Tenant may abate rental for the period of the default or declare the lease void and the term therein contained ended. In no event, however, shall Landlord be liable to Tenant for any special or consequential damages related to any nonperformance by Landlord.

22. **Subleasing or Assignment.** Tenant shall not assign this Lease, in whole or in part, nor sublet the Leased Premises or any portion thereof, nor transfer this Lease by operation of law or otherwise, nor permit any use of the Leased Premises by any person other than Tenant and its related parties, unless such other person or entity is a related party or acquires or is a successor to Tenant, and such acquirer or successor solely uses the Leased Premises in accordance with the provisions of paragraph 4 above.
23. **Cumulative Rights.** All rights and remedies of the Landlord under or in connection with this Lease shall be cumulative and none shall be exclusive of any other rights or remedies allowed by law. No agreements shall be held as changing or in any manner modifying, adding to or detracting from any of the terms or conditions of this Lease, unless such agreement shall be in writing, executed by both parties hereto.
24. **Notices.** Whenever under this Lease a provision is made for notice of any kind, it shall be deemed sufficient notice and service thereof if such notice is in writing and if either delivered personally or if mailed by United States mail, postage prepaid, certified or registered mail with return receipt requested, to, in the case of Landlord:

Jackson County Regional Health Center  
Attn: Chief Executive Officer  
700 West Grove Street  
Maquoketa, Iowa 52060

and, in the case of Tenant, to:

Maquoketa Kidney Center, LLC  
Attn: V.R. Alla MD, Chief Executive Officer  
400 John Deere Road  
Moline, Illinois 61265

25. **Termination.** Notwithstanding the stated term, this Lease may be sooner terminated for cause as follows. As used herein, "cause" consists of any of the events or circumstances listed below:
- a. **Supervening Law.** By either party upon not less than ten (10) days' prior written notice to the other party specifying the date on which termination will become effective in the event of any action or threatened action by local, state, or federal governmental or accrediting bodies, or an opinion by legal counsel acceptable to the parties to the effect that any provision of state or federal law or regulation applied to this Lease creates a serious risk of assessment, sanction, penalty, or other significant consequence to the party giving such notice. The parties acknowledge that this Lease is being entered into at a time of significant change

in state and federal law regarding the delivery and financing of health services and agree to negotiate in good faith to reform or modify this Lease in the event of supervening law as defined herein prior to terminating this Lease, unless termination is necessary to prevent imminent adverse legal consequence. It is the intent of the parties to fully comply with all laws in the execution and performance of this Lease.

- b. **Breach.** For cause, consisting of material breach or default of the terms of this Lease, by either party, upon not less than thirty (30) days' prior written notice to the other party, unless the receiving party causes the alleged breach or default to the reasonable satisfaction of the party giving the notice within the notice period.
  - c. **Without Cause.** Jackson shall have the right to terminate this lease without cause upon giving 180 days advance written notice (or such greater amount of time needed to obtain an alternate location and move into the same, not to exceed nine (9) months) to Tenant following the second year of the initial lease term. In the event the lease is terminated by Jackson without cause according to this termination provision, Jackson shall pay Tenant the cost of any renovations or fixed improvements made to the leased space by Tenant which have not been fully amortized.
26. **No Referral.** There is no agreement, express or implied, for the referral of business between the parties. Neither party shall have an interest, financial or otherwise, in the conduct of the other party's business.
27. **Miscellaneous.**
- a. **Relationship of Parties.** Nothing contained in this Lease shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that no provision contained herein, nor any act of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.
  - b. **Amendment.** This Lease may be amended or modified only by written instrument signed by both Landlord and Tenant. However, the parties agree to amend this Lease if and as needed in whatever respects necessary to comply with the parties' respective duties under the provisions of the Ethics in Patient Referral Act (§ 1877 of the Social Security Act, as amended) and the Medicare Anti-kickback Rules (§ 1128B(b) of the Social Security Act, as amended), and with Landlord's duties under § 501(c)(3) of the Internal Revenue Code of 1986, as amended, and all regulations promulgated under the above-mentioned laws.
  - c. **Applicable Law.** This Lease shall be governed, construed, and enforced in accordance with the laws of the State of Iowa.
  - d. **Severability.** If any term, provision, covenant, or condition of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the



remainder of such term, provision, covenant or condition, and the remainder of the Lease shall remain in full force and effect and shall in no way be affected, impaired, or invalidated, unless giving such effect would materially undermine the rights and benefits of either party to this Lease, in which case such party can declare this lease void.

- e. Waiver. The failure of either party to insist in any one or more instances upon performance of any terms or conditions of this Lease shall not be construed as a waiver of future performance of any such term, covenant or condition; but the obligations of such party with respect thereto shall continue in full force and effect.
- f. Disputes. The parties agree to consider mediation as the preferred method of resolving disputes between them in the event a dispute should arise.
- g. Purchase of Assets. Jackson agrees to sell to Tenant and Tenant agrees to purchase the attached schedule of dialysis equipment for \$100,000. All equipment sold by Jackson to Tenant shall be in proper working order and shall be current with regard to preventative maintenance. All maintenance records for equipment purchased shall also be furnished to Tenant and included in the purchase. In the event that Tenant ceases operations at any time, Jackson will have the right to purchase the equipment back from Tenant at a fair market value price then existing but not greater than that which was originally paid by Tenant to Jackson. All items will be conveyed free and clear of encumbrances via a warranty bill of sale.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease in duplicate on the day and year first above written.

JACKSON COUNTY REGIONAL HEALTH  
CENTER

By:   
Curt Coleman, Chief Executive Officer

Date: 3-5-10

MAQUOKETA KIDNEY CENTER,  
LLC

By:   
V.R. Alla, M.D. Chief Executive Officer

Date: 3-10-10