

OPERATING AGREEMENT

FOR

TROPICAL & LOSEE, LLC

A NEVADA LIMITED LIABILITY COMPANY

This Operating Agreement is made as of May 7, 1996 by the undersigned parties (individually and together, the "Members").

WHEREAS, on May 7, 1996, the Members formed a limited liability company by filing its Articles of Organization (the "Articles of Organization") pursuant to the Nevada Limited Liability Company Act;

WHEREAS, the Members desire to adopt this Operating Agreement; and

WHEREAS, each Member represents that it has sufficient right and authority, without breaching any provision of law or contract to execute this Operating Agreement and is not acting on behalf of any undisclosed or partially disclosed principal by such action;

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members hereby agree as follows:

ARTICLE 1.

DEFINITIONS

The definitions of some of the terms used in this Operating Agreement or the Sections in which such terms are defined are set forth in the attached Exhibit 1.

ARTICLE 2.

ORGANIZATION AND TERM

2.1 Formation. The Members formed Tropical & Losee, LLC, a Limited Liability Company (the "Company") under and pursuant to the provisions of Chapter 86 of the Nevada Revised Statutes (NRS) by filing, on May __, 1996, the Articles of Organization of the Company. The rights and liabilities of the Members shall be provided in NRS Chapter 86, et. seq., the Articles of Organization and this Operating Agreement. The fact that the Articles of Organization are on file in the office of the Secretary of State, State of Nevada, shall constitute notice that the Company is a limited liability company.

In order to maintain the Company as a limited liability company under the laws of the State of Nevada, the Company shall from time to time take appropriate action, including the preparation and filing of such amendments to the Articles of Organization and such other assumed name certificates, documents, instruments and publications as may be required by law, including, without limitation, action to reflect:

- (a) A change in the Company name;
- (b) A correction of false or erroneous statements in the Articles of Organization or the desire of the Members to make a change in any statement therein in order that it shall accurately represent the agreement among the Members; or
- (c) A change in the time for dissolution of the Company as stated in the Articles of Organization and in this Agreement.

2.2 Name. The Company's name shall be:

Tropical & Losee, LLC

The Company shall cause appropriate trade name and like statements to be filed and published under the name set forth in this Section 2.2, or such other name as the Company may have or use in any state or jurisdiction from time to time.

2.3 Term. The term of the Company shall commence on May __, 1996 and shall continue in full force and effect until the earliest of the following:

- (a) May 1, 2066;
- (b) Dissolution of the Company by the unanimous written agreement of the Members; or
- (c) The death, retirement, resignation, expulsion, bankruptcy, dissolution or declaration of mental or physical incompetence of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company as provided in Article 15, unless all remaining Members agree to continue the business of the Company within ninety (90) days after the termination of the Company.

2.4 Registered Agent and Office. The Company's registered agent and office in Nevada shall be Douglas D. Gerrard, Esq., whose business address is GERRARD & COX, 1850 E. Flamingo, Suite 111, Las Vegas, Nevada, 89119. At any time, the Company may designate another registered agent and/or office.

2.5 Principal Place of Business. The principal office and place of business of the Company shall be at 3301 Spring Mountain Road, Suite 12, Las Vegas, Nevada, 89102. At any time, the Company may change the location of its principal place of business and may establish additional offices. The following items shall at all times be maintained at the Company's principal office:

(a) A current list of the full name and last known business address of each Member and Administrative Committee Member separately identifying the Members in alphabetical order and the Administrative Committee Member, if any, in alphabetical order;

(b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed;

(c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years;

(d) Copies of any then effective Operating Agreement and of any financial statements for the Company for the three (3) most recent years;

(e) A statement setting forth the Capital Contributions of each Member including:

(1) The amount of cash and description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute;

(2) The items as which or events on the happening of which any additional contributions agreed to be made by each Member are to be made;

(3) Any right of a Member to receive, or of a manager to make, distributions to a Member which include return of all or any part of the Member's contributions; and

(4) Any events upon the happening of which the Company is to be dissolved and its affairs wound up.

Records kept pursuant to this Section 2.5 are subject to inspection and copying at the reasonable request, and at the expense, of any Member during ordinary business hours.

2.6 Effective Date. The effective date of this Operating Agreement shall be the date of the filing of the Company's Articles of Organization.

2.7 Other Instruments. Each Member hereby agrees to execute and deliver to the Company within five (5) days after receipt of a written request therefor, such other and further documents and instruments, statements of interest and holdings, designations, powers of attorney and other instruments and to take such other action as the Company deems necessary, useful or appropriate to comply with any laws, rules or regulations as may be necessary to enable the Company to fulfill its responsibilities under this Operating Agreement.

ARTICLE 3.

PURPOSE AND POWERS OF THE COMPANY

3.1 Purpose. The Company is organized to (i) acquire, own, develop, operate, manage, lease, maintain, sell, exchange, transfer, mortgage and hold for sale or investment that certain parcel of property comprised of approximately forty (40) acres and located on the Northwest corner of Losee Road and Tropical Parkway in the City of North Las Vegas (the "Property"), which is more fully described as:

The Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 26, Township 19 South, Range 61 East, M.D.M.;

(ii) to incur indebtedness, secured or unsecured, for any purpose of the Company as provided for in Article 7; and (iii) to engage in any other activities that are necessary or incidental to the foregoing purposes or that may be necessary or appropriate to protect or enhance the assets of the Company.

The Company shall not engage in any other business without the unanimous consent of all Members.

3.2 Powers of the Company. In furtherance of the purpose of the Company as set forth in Section 3.1, and subject only to restrictions imposed by this Agreement, the Company shall have the power and authority to take in its name all actions necessary, useful or appropriate in the Members' discretion to accomplish its purpose, including, but not limited to, the power:

(a) To conduct its business, carry on its operations and have and exercise the powers granted by NRS Chapter 86 in any state, territory, district or possession of the United States, or in any foreign country which may be necessary or convenient to effect any or all of the purposes for which it is organized;

(b) To make contracts and guarantees and to incur liabilities, borrow money at such rates of interest as the Company may determine, issue its notes, bonds and other obligations and secure any of its obligations by mortgage or pledge or all or any part of its property, franchises and income;

(c) To purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or interests therein, to be located in or used in Nevada;

(d) To sell, convey, assign, encumber, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets;

(e) To purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in or obligations of domestic or foreign corporations, associations, general or limited partnerships, other limited liability companies, or individuals or direct or indirect obligations of the United States or of any government, state, territory, governmental district or municipality or of any instrumentality of any of them;

(f) To sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name;

(g) To elect Administrative Committee Members and appoint agents of the Company, and define their duties and fix their compensation;

(h) To make and alter operating agreements, not inconsistent with the Articles of Organization or with the laws of the State of Nevada, for the administration and regulation of its affairs;

(i) To indemnify a Member or Administrative Committee Member or former member or Administrative Committee Member, and to make any other indemnification that is authorized by the Articles of Organization or by this Operating Agreement in accordance with the provisions of NRS Chapter 86;

(j) To cease its activities and surrender its certificate of organization;

(k) To have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Company is organized; and

(l) To become a member of a general partnership, limited partnership, joint venture, or similar association or any other limited liability company.

3.3 Independent Activities. Each Member may, notwithstanding this Agreement, engage in whatever activities they choose, whether the same are competitive with the Company or otherwise, without having or incurring any obligation to offer any interest in such activities to the Company. The provisions of this Section 3.3 shall apply to any activities in which a Member may be currently engaged or to any activities in which any Member may become engaged in the future. Neither this Agreement nor any activity undertaken pursuant hereto shall prevent any Member from engaging in such activities, or require any Member to permit the Company or any other Member to participate in any such activities, and as a material part of the consideration for the execution of this Agreement by each Member, each Member hereby waives, relinquishes and renounces any such right or claim of participation.

ARTICLE 4.

MEMBERS, CAPITAL CONTRIBUTIONS AND UNITS

4.1 Members; Obligation to Update. All Members of the Company, past and present, and their last known business, residence or mailing address shall be listed on the attached Exhibit 2. The Administrative Committee shall be required to update Exhibit 2 from time to time as necessary to accurately reflect the information therein.

4.2 Capital Contributions. The Initial Capital Contribution of each Member is set forth on the attached Exhibit 3. Capital Contributions to the Company shall consist of cash, property, or services rendered or a promissory note or other obligation to contribute cash or property or to perform services. No Member shall be liable under a judgment, decree or order of a court, or in any other manner for a debt, obligation or liability of the Company. Additionally, except as provided in Section 4.3, no Member shall be required to lend any funds to the Company or to pay any contributions, assessments or payments to the Company except the Capital Contribution provided for in this Article 4; provided that a Member may be required to repay its Capital Contribution to the Company as provided in Article 13.

4.3 Additional Contributions. In addition to the Initial Capital Contributions, the Administrative Committee may determine from time to time that additional contributions are necessary to enable the Company to carry out its purpose. Upon making such a determination, the Administrative Committee shall give notice to David E. Crowe ("Crowe") of the amount of the additional contribution needed from Crowe and Crowe shall contribute such additional amounts, within ten (10) days thereafter (the "Additional Crowe Contributions"). No other Member shall be required to make additional contributions unless this Agreement is amended by a unanimous vote of all Units. The deposit of the Additional Crowe Contributions into the Company shall not entitle Crowe to any additional Units and shall have no effect on ownership percentages in the Company. The deposit of the Additional Crowe Contributions shall entitle Crowe to priority guaranteed payments as set forth more fully in Section 10.1(b). In the event Crowe fails to make the Additional Crowe Contributions ("Delinquent Contribution"), the Profits Interest of Crowe may (i) be reduced in the same proportion the Delinquent Contribution bears to the total of all Capital Contributions, including all initial and additional contributions, or (ii) the Administrative Committee may elect to allow the other Members to contribute the amount of the Delinquent Contribution, in proportion to each Member's Profits Interest. The Members who contribute a Delinquent Contribution shall be entitled to treat the amounts contributed as a loan bearing interest at the applicable federal rate ("AFR"), as set forth in IRC § 1274(d), in effect at the time the delinquent amounts are contributed. Until such loans have been fully repaid, the Members contributing a Delinquent Contribution shall be entitled to all distributions to which Crowe would be entitled under pursuant to Article 10.

4.4 Units. A Member's interest in the Company shall be represented by the "Unit" or "Units" held by such Member. Each Member's respective Units in the Company are set forth on the attached Exhibit 2. By its execution of this Operating Agreement, each Member hereby votes and agrees that its votes, consents and actions pursuant to the Articles of Organization, the Operating Agreement and NRS Chapter 86 shall be counted and determined as provided in this Operation Agreement. The Members hereby agree that each Unit shall entitle the Member possessing such Unit:

(a) To one vote on matters on which the Members may vote under the Articles of Organization, this Operating Agreement and/or the provisions of NRS Chapter 86; and

(b) Subject to Section 9.2, to an equal proportionate share of the Company's income, gains, losses, deductions and credits.

Each Member hereby agrees that its interest in the Company and in its Units shall for all purposes be deemed a personal interest and shall not be deemed realty or any interest in the Company's real or personal property or assets of any kind.

4.5 Profits Interest. Each Member shall be entitled to a share of all Company Profits in proportion to the number of Units owned by such Member, as set forth in Exhibit "2", and as more fully described in Section 9.2 hereof. A Member's Profits Interest may only be reduced if such Member fails to make additional capital contributions which may be required by Section 4.3.

4.6 Restriction on Registration of Units. To the extent required so that the Company is not deemed to be a "publicly traded partnership" under the Code, Units shall only be registered in the name of the beneficial owner, and the Company shall not be bound to recognize any equitable or other claim to or interest in such Units on the part of any other person (such as a broker, dealer, bank, trust company or clearing corporation) which is acting as a nominee, agent or in some other representative capacity, whether or not the Company shall have knowledge thereof, except for:

(a) Units held by a guardian, custodian or conservator for the benefit of a minor or incompetent;

(b) Units held by a trust for the benefit of the trustee or a trustee's spouse, parent, parent-in-law, issue, brother, sister, brother-in-law, sister-in-law, niece, nephew, cousin, grandchild or grandchild-in-law; and

(c) Units held by a fiduciary for other like beneficiaries.

The Company's Units shall only be traded in accordance with the Department of the Treasury's rules and regulations then in effect which set forth the parameters within which a partnership may act and not be deemed to be a "publicly traded partnership" under the Code. In no event may the Company's Units be listed on an established securities exchange.

4.7 Withdrawals and Interest. No Member shall have the right to:

(a) Withdraw its Capital Contribution;

(b) Receive any return or interest on any portion of its Capital Contribution except as otherwise provided herein; or

(c) Withdraw from the Company except by transfer of its Units to another party in accordance with Article 15, by resignation in accordance with Article 6, or upon the dissolution of the Company.

4.8 Return. Other than as provided for in Article 10 hereof, no Member shall be entitled to the return of all or any part of its Capital Contribution unless and until there remains Property of the Company after:

(a) All liabilities of the Company (except liabilities to Members on account of their Capital Contributions) have been paid;

(b) All amounts due to Members in respect of their share of profits and other gains have been paid; and

(c) The Company has been dissolved without reformation in accordance with Article 16 and a statement of intent to dissolve has been filed with the Nevada Secretary of State.

ARTICLE 5.

ACQUISITION OF THE PROPERTY

5.1 Acquisition of the Property. The Company is being organized for the initial purpose of acquiring and developing for resale the Property located at the Northwest corner of Tropical and Losee Roads in the City of North Las Vegas. Title to the property is presently vested in Fiesta Enterprises, Inc., a Nevada corporation ("Seller"). The Property is presently under contract of sale to the J. McDonald Company, Inc., a Nevada corporation ("Buyer" or "McDonald"), pursuant to that certain Letter of Intent to Purchase executed by Buyer and Seller on or about December 7, 1995 (the "Purchase Agreement"). An escrow has been opened with Southwest Escrow Company, located at 3110 South Valley View, Suite 105, Las Vegas, Nevada 89102, identified as Escrow Number 95-12-0033, into which the sum of \$10,000.00 was initially deposited by Buyer.

The total purchase price for the Property is the sum of ONE MILLION SIX HUNDRED EIGHTY THOUSAND DOLLARS (\$1,680,000.00) to be paid as follows:

1. \$10,000.00 earnest money deposit due by no later than December 11, 1995;
2. \$40,000.00 due by no later than February 7, 1996 unless Buyer disapproves the property condition prior to such date;
3. \$256,250 to be deposited into escrow by no later than May 14, 1996 to be used to reduce the principal balance of a Note in favor of Christina M. Hixon in the amount of \$768,750.00 secured by a Deed of Trust against the Property in first position, the terms of which Note are further described in the Purchase Agreement (the "Hixon Note");
4. Additional sum of \$160,000.00 to be paid at Close of Escrow which shall occur no later than June 19, 1996;
5. Buyer to assume the balance of the Hixon Note in the amount of \$512,500.00 secured by a Deed of Trust against the Property in first position, the terms of which Note are further described in the Purchase Agreement; and

6. Buyer to execute a Note in favor of Seller in the amount of \$711,250.00 secured by a Deed of Trust against the Property in second position, the terms of which Note are further described in the Purchase Agreement.

McDonald, as his Capital Contribution, shall convey and assign to the Company its interest in the Purchase Agreement, including the sum of TEN THOUSAND DOLLARS (\$10,000.00) deposited into escrow by McDonald as the initial earnest money deposit required by the Purchase Agreement.

The Initial Capital Contributions of the Members and the Additional Crowe Contributions shall be used to complete Buyer's obligations and close escrow in accordance with the terms of the Purchase Agreement. Title to the Property shall be vested in the name of the Company at close of escrow. The Initial Capital Contribution of Crowe has been deposited into the escrow to satisfy the requirement that an additional FORTY THOUSAND DOLLARS (\$40,000.00) be deposited by February 7, 1996. Major's Initial Capital Contribution of TEN THOUSAND DOLLARS (\$10,000.00) has also been deposited into the escrow to satisfy cash requirements.

ARTICLE 6.

RIGHTS AND POWERS OF MEMBERS

6.1 Powers of Members Holding Voting Rights. The powers of the Members holding voting rights shall include but not be limited to:

(a) The right and power to elect and remove the Administrative Committee as provided in Article 7 and Section 8.8;

(b) As provided in Section 8.9, the power to amend the Articles of Organization and this Operating Agreement;

(c) As provided in Articles 14 and 15 the power to approve or disapprove the issuance of Additional Units for sale to then existing Members or new subscribers and the admission of a transferee of some or all of a Member's Units as a Substitute Member;

(d) As provided in Section 8.9, the power to approve the sale, exchange or other disposition of part or all of the Company's Property when such sale, exchange or other disposition is, or is part of, a single transaction or plan; and

(e) As provided in Section 8.9, the power to dissolve the Company by the approval of all of the Members.

6.2 Transactions Between a Member or Administrative Committee Member and the Company. Except as otherwise provided by this Agreement or applicable law, any Member or Administrative Committee Member may, but shall not be obligated to, lend money to the Company, act as surety for the Company and transact other business with the Company and has the same rights and obligations when transacting business with the Company as a person or entity who is not a Member or an Administrative Committee Member.

(a) First, an amount equal to forty percent (40%) of Net Income shall be distributed to the Members with each Member receiving its share in proportion to the Units held by each Member as set forth in Exhibit "2".

(b) Second, a guaranteed payment shall be made to Crowe (the "Crowe Guaranteed Payment"), which shall not act as a reduction to Crowe's capital account, and shall be treated and calculated as an interest premium on the aggregate sum of Crowe's Initial Contribution and all Additional Crowe Contributions (hereinafter collectively referred to as the "Total Crowe Contribution") as follows:

(1) The Crowe Guaranteed Payment shall be calculated as simple interest on that portion of the Total Crowe Contribution, which has not been returned in accordance with Section 10.1(c) hereof, at the rate of five percent (5%) per annum through December 31, 1996, and at the rate of ten percent (10%) per annum thereafter until the Total Crowe Contribution has been fully returned in accordance with Section 10.1(c);

(c) The balance, if any, one hundred percent (100%) to Crowe as a Priority Return of Capital, until such time as Crowe has received total Priority Return of Capital payments which collectively equal the sum of the Total Crowe Contribution;

(d) Once Crowe has received total Priority Return of Capital payments which collectively equal the sum of the Total Crowe Contribution and all Delinquent Contribution obligations have been fully satisfied, the balance shall be divided and distributed equally as guaranteed payments to McDonald and Fletcher H. Majors, Jr. ("Majors"), which payments shall not act as reductions to the capital accounts of McDonald and Majors, and shall be treated and calculated as an interest premium on the Initial Contribution of McDonald ("McDonald Contribution") and the Initial Contribution of Majors ("Majors Contribution") as follows:

(1) The guaranteed payment to McDonald shall be calculated as simple interest on that portion of the McDonald Contribution, which has not been returned in accordance with Section 10.1(e) hereof, at the rate of five percent (5%) per annum through December 31, 1996, and at the rate of ten percent (10%) per annum thereafter until the McDonald Contribution has been fully returned in accordance with Section 10.1(e);

(2) The guaranteed payment to Majors shall be calculated as simple interest on that portion of the Majors Contribution, which has not been returned in accordance with Section 10.1(e) hereof, at the rate of five percent (5%) per annum through December 31,

1996, and at the rate of ten percent (10%) per annum thereafter until the Majors Contribution has been fully returned in accordance with Section 10.1(e);

(e) The balance, if any, fifty percent (50%) to McDonald as a Priority Return of Capital and fifty percent (50%) to Majors as a Priority Return of Capital, until such time as McDonald and Majors have received total Priority Return of Capital payments which equal the sum of their Initial Contributions; and

(f) Once McDonald and Majors have received total Priority Return of Capital payments which equal the sum of their Initial Contributions and all Delinquent Contribution obligations have been fully satisfied, the balance shall be divided and distributed to the Members in proportion to the Profits Interest held by each Member which shall be in direct proportion to the Units held by each Member as set forth in Exhibit "2".

10.2 Timing of Allocations and Distributions.

(a) Distributions shall be made by the Administrative Committee at least annually, in accordance with this Article 10.

(b) If any Unit or economic benefit therein is transferred during any month, every item of Company income, gain, loss, deduction and credit attributable to such Unit for the fiscal year shall be divided and allocated between the transferor and transferee based upon such transferor's and transferee's respective proportionate interests. For purposes of making this allocation, all transfers consummated during the first fifteen (15) days of a month will be treated as made as of the first (1st) day of the month of transfer, and all transfers consummated after the fifteenth (15th) day of a month will be treated as made as of the first (1st) day of the following month. Distributions shall be made in accordance with allocations.

10.3 Distribution in Kind. A Member shall have no right to demand and receive any distribution from the Company in any form other than cash. However, a Member may be compelled to accept a distribution of an asset in kind from the Company to the extent that the percentage of the asset distributed to him exceeds a percentage of that asset which is equal to the percentage in which he shares in distributions from the Company.

10.4 Limitations on Distribution. A Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liability to Members on account of their Capital Contributions, would exceed the fair value of the Company's assets.

10.5 Distribution Upon Resignation. Except as otherwise provided in the provisions of NRS Chapter 86 or this Operating Agreement, upon resignation, any resigning Member is entitled to receive any distribution to which he is entitled, which shall be equal to the fair value of his Units in the Company as of the date of resignation.

SECRETARY OF STATE



**CERTIFICATE OF EXISTENCE
WITH STATUS IN GOOD STANDING**

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, non-profit corporations, corporation soles, limited-liability companies, limited partnerships, limited-liability partnerships and business trusts pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **TROPICAL & LOSEE, LLC**, as a limited liability company duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since May 10, 1996, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on September 16, 2005.



Dean Heller

DEAN HELLER
Secretary of State

By

[Signature]
Certification Clerk

CONTRIBUTION AGREEMENT

BY AND AMONG

**IASIS HEALTHCARE HOLDINGS, INC.
IASIS HEALTHCARE LLC**

AND

THE MEADOWS HOSPITAL LLC

dated as of

September 12, 2005

CONTRIBUTION AGREEMENT

This CONTRIBUTION AGREEMENT (the "Agreement") is made and entered into as of the 12th day of September, 2005, by and among, IASIS HEALTHCARE HOLDINGS, INC., a Delaware corporation ("IASIS Holdings"), IASIS HEALTHCARE LLC, a Delaware limited liability company ("IASIS LLC" or the "IASIS Limited Partner" and, collectively with IASIS Holdings, the "IASIS Group"), and THE MEADOWS HOSPITAL LLC, a Nevada limited liability company ("Meadows").

WITNESSETH:

WHEREAS, the IASIS Group and Meadows desire to form a Delaware limited partnership (the "Limited Partnership") to pursue certain real estate development opportunities in North Las Vegas, Clark County, Nevada;

WHEREAS, the IASIS Group desires to contribute cash of \$4,232,349.00 to the Limited Partnership in exchange for the issuance of a 1% general partnership interest in the Limited Partnership to IASIS Holdings and the issuance of a 31.8% limited partnership interest in the Limited Partnership to the IASIS Limited Partner, all upon the terms and conditions hereinafter provided; and

WHEREAS, Meadows desires to contribute or cause to be contributed the real property described on *Exhibit A* hereto (the "Real Property"), the Development Rights (as hereinafter defined) and certain other assets in exchange for a cash distribution from the Limited Partnership of \$3,632,349.00 and a 67.2% limited partnership interest in the Limited Partnership, all upon the terms and conditions hereinafter provided.

NOW, THEREFORE, for and in consideration of the premises, agreements, covenants, representations and warranties hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. FORMATION AND OWNERSHIP OF THE LIMITED PARTNERSHIP

Prior to the Closing (as hereinafter defined), the IASIS Group shall cause to be filed with the Secretary of State of the State of Delaware a Certificate of Limited Partnership evidencing the formation of the Limited Partnership, with IASIS Holdings having a 1% general partnership interest in the Limited Partnership and the IASIS Limited Partner having a 99% limited partnership interest in the Limited Partnership. Subject to the terms and conditions hereof, the IASIS Group and Meadows confirm that as of the Closing and after the IASIS Group and Meadows have made the capital contributions to the Limited Partnership described in *Article 2* hereof, the ownership structure of the Limited Partnership shall be as set forth in the Agreement of Limited Partnership for the Limited Partnership, to be executed and delivered simultaneously with the consummation of the transactions contemplated herein (the "Limited Partnership Agreement").

2. CAPITAL CONTRIBUTIONS TO THE LIMITED PARTNERSHIP AND RELATED MATTERS

2.1 *Capital Contribution of the IASIS Group.* Subject to the terms and conditions of this Agreement and pursuant to a separate Contribution Agreement substantially in the form of *Exhibit B* hereto (the "IASIS Global Contribution Agreement"), as of the Closing, the IASIS Group shall have (i) contributed to the capital of the Limited Partnership cash in the amount of \$4,232,349.00.

2.2 *Capital Contribution of Meadows.*

(a) Subject to the terms and conditions of this Agreement and pursuant to a separate Contribution Agreement substantially in the form of *Exhibit C* hereto (the "Meadows Global Contribution Agreement"), as of the Closing, Meadows shall contribute, or cause to be contributed, to the capital of the Limited Partnership, in exchange for a 67.2% limited partnership interest in the Limited Partnership, the following assets (collectively, the "Meadows Contributed Assets"):

(i) good, marketable and insurable title, fee simple, to the Real Property, together with all improvements, buildings and component parts located thereon or therein;

(ii) all warranties (whether express or implied) and rights and claims assertable by Meadows or its Affiliates (as hereinafter defined) related to the ownership of the Real Property, including but not limited to any and all compensation for easements granted heretofore or hereafter with respect to the Real Property;

(iii) all insurance or condemnation proceeds (including applicable deductibles, co-payments or self-insurance requirements) arising in connection with damage to the Real Property occurring after the date of this Agreement and prior to the Effective Time, to the extent not expended for the repair and restoration of any of the Real Property;

(iv) To the extent transferable or assignable, all rights of Meadows regarding the development of the Real Property (the "Development Rights"), including, without limitation, all of the interests of Meadows in outstanding commitments, contracts and agreements relating to the development and ownership of the Real Property (the "Meadows Contracts") but not including the contracts between Meadows and PGAL, Martin Harris, Healthcare Consulting Coalition, LLC, and Rogich Communications Group; all interests of Meadows in all licenses, permits, certificates and governmental approvals, whether pending or obtained relating to the development of the Real Property (the "Meadows Licenses and Permits"); all goodwill, names, trade names, trademarks, service marks (or variations thereof and other intangible assets) associated with the proposed development of the Real Property; all plans and surveys held, plats, specifications, engineers' drawings and similar items relating to the Real Property and further including those relating to utilities, easements and roads; and all other property, other than Meadows Excluded Assets (as hereinafter defined), of every kind, character and description owned or leased by Meadows or its Affiliates and used or held for use in

connection with the development of the Real Property, whether or not reflected on the Meadows financial statements, wherever located, and whether or not similar to the items set forth above; and

(v) the interest of Meadows in all of the foregoing property, arising or acquired between the date hereof and the Effective Time (as defined in paragraph 3.1).

(b) Meadows shall not contribute to the Limited Partnership the assets listed on the attached Schedule 2.2(b) (collectively, the "Meadows Excluded Assets"). In connection with the formation of the Limited Partnership, Tropical & Losee, LLC ("Tropical & Losee"), one of the members of Meadows, will be granting an option to the Limited Partnership to purchase certain real property owned by Tropical & Losee, as more fully described in paragraph 8.8 of this Agreement. The remainder of the real property owned by Tropical & Losee, approximately 16.8 acres, will not become subject to the option and will be reserved for future development by Tropical & Losee.

(c) Meadows, or any Affiliate thereof, as appropriate, shall convey good and marketable title to the Real Property and good and valid title to the other Meadows Contributed Assets and all parts thereof to the Limited Partnership free and clear of all agreements, liabilities, claims, assessments, security interests, liens, restrictions and encumbrances, except for those described in *Schedule 2.2(c)* hereto or otherwise expressly contemplated herein.

(d) Upon contribution by Meadows of the Meadows Contributed Assets to the Limited Partnership, a cash distribution in the amount of \$3,632,349.00 shall be made by the Limited Partnership to Meadows in connection with the contribution of the Development Rights.

2.3 Assumption of Meadows Liabilities. In connection with the contribution of the Meadows Contributed Assets by Meadows to the capital of the Limited Partnership, at the Closing, the Limited Partnership shall assume for payment or, alternatively, for reimbursement to Meadows, the liabilities and obligations set forth on *Schedule 2.3* hereto (collectively the "Meadows Liabilities Assumed"). Except for the Meadows Liabilities Assumed, the Limited Partnership shall not assume, and under no circumstances shall the Limited Partnership be obligated to pay or assume, and none of the assets of the Limited Partnership shall be or become liable for or subject to, any other liability of Meadows, or any subsidiary or Affiliate thereof, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising or otherwise (collectively, the "Meadows Liabilities Excluded"), including without limitation, the following:

(a) those liabilities and obligations specified in *Schedule 2.3(a)* hereto;

(b) indebtedness and other obligations or guarantees of Meadows and its Affiliates, including, without limitation, current liabilities of Meadows and its Affiliates and short-term and long-term indebtedness;

(c) federal, state or local tax liabilities or obligations of Meadows and its Affiliates in respect of periods ending on or prior to the Effective Time or resulting from the consummation of the transactions contemplated herein (including, without limitation, any income tax, any state

and local recording fees and taxes which may arise upon the consummation of the transactions contemplated herein and any FICA, FUTA, workers' compensation and any and all other taxes);

(d) liabilities or obligations arising as a result of any breach by Meadows and its Affiliates at any time of any contract or commitment that is not assumed by the Limited Partnership;

(e) liabilities or obligations arising out of any breach by Meadows or its Affiliates prior to the Effective Time of any Meadows Contracts; and

(f) contracts, agreements or intercompany accounts between Meadows and one or more of its Affiliates not specifically assumed by the Limited Partnership.

2.4 Application of Section 721. The parties hereto contemplate that the provisions of Section 721 of the Internal Revenue Code of 1986, as amended (the "Code"), shall govern the federal income tax consequences of the contribution of assets to the capital of the Limited Partnership described herein to be made by each.

3. CLOSING

3.1 Closing. Subject to the satisfaction or waiver by the appropriate party of all the conditions precedent to Closing specified in Articles 8 and 9 hereof, the consummation of the transactions contemplated by and described in this Agreement (the "Closing") shall take place at the offices of Bass, Berry & Sims PLC at 10:00 a.m. local time on September 23, 2005 or at such earlier or later date or at such other location as the parties hereto may mutually designate in writing. The Closing shall be effective as of 12:01 a.m. on the first day of the calendar month immediately following the Closing Date or at such other time as the parties hereto may mutually designate in writing. The date on which the Closing takes place is referred to herein as the "Closing Date" and the time which the Closing shall be deemed to be effective is referred to herein as the "Effective Time."

3.2 Action of the Parties. At the Closing, the IASIS Group and Meadows shall (i) make or cause to be made, as applicable, their respective capital contributions to the Limited Partnership described in *Article 2* and execute and deliver to the Limited Partnership such documents, agreements, instruments and certificates as may be necessary or reasonably requested to effect such capital contributions and to evidence the satisfaction of the conditions precedent to the obligations of the parties hereto (except to the extent waived in writing by the appropriate party) and (ii), as applicable, execute and deliver the Limited Partnership Agreement. In addition, the parties hereto shall cause the Limited Partnership to take all actions contemplated by this Agreement to be taken by the Limited Partnership, and shall cause the Limited Partnership to execute and deliver such other documents, agreements, certificates and instruments required to be executed and delivered by the Limited Partnership as the parties shall deem reasonably necessary to consummate the transactions described herein.

Extraordinary Liabilities (Meadows Hospital, LLC)

Tropical & Losse Extraordinary Expenses	
Due To	Amount
PGAL	\$1,627,229.00
Martin Harris Construction	\$194,188.00
HCC (Hospital Consulting Coalition, LLC)	\$540,500.00
Rogich Communications	\$270,000.00
Nevada State Bank	\$6,450,000.00
WLB Group (Civil Engineers)	\$27,000.00
Total	\$9,108,917.00
Closing Statement (IASIS Group & Meadows)	9/27/2005
Distribution to LP acct.	\$500,000.00
Distribution to Bank and TC	
To Meadows \$3,632,349+\$100,000	\$3,732,349.00
IASIS Finance (Loan)	\$5,167,651.00
Total	\$9,400,000.00
Diff.	\$291,083.00