## TRADEMARK ASSIGNMENT

# Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL

#### **CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Rockwood Clinic, P.S.		109/09/2011	non-profit professional corporation: WASHINGTON

## **RECEIVING PARTY DATA**

Name:	CHS Washington Holdings, LLC
Street Address:	4000 Meridian Blvd.
City:	Franklin
State/Country:	TENNESSEE
Postal Code:	37067
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

## PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Registration Number:	1787250	ROCKWOOD CLINIC

#### **CORRESPONDENCE DATA**

 Fax Number:
 (615)252-6329

 Phone:
 615-252-2329

 Email:
 abarach@babc.com

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent

via US Mail.

Correspondent Name: Andrea C. Barach
Address Line 1: 1600 Division Street

Address Line 2: Suite

Address Line 4: Nashville, TENNESSEE 37203

ATTORNEY DOCKET NUMBER:	CHS-114/020304-301128	
NAME OF SUBMITTER:	Andrea C. Barach, Esq.	
Signature:	/andrea c. barach/	
	TRADEMARK	

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Date:	03/05/2012
Total Attachments: 11	
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TRADEMARK ASSIGNMENT AND LICENSE AGREEMENT

THIS TRADEMARK ASSIGNMENT AND LICENSE AGREEMENT is made and

entered into effective as of the  $\underline{\underline{9}}$  day of  $\underline{\underline{500}}$ , 2011, by and between Rockwood Clinic,

P.S., a Washington non-profit professional corporation whose address is East 400 Fifth Avenue,

Spokane, Washington 99202 ("Clinic") and CHS Washington Holdings, LLC, a Delaware

limited liability company, having a place of business at 4000 Meridian Blvd., Franklin,

Tennessee 37067 ("Holdings").

WHEREAS, Clinic is the owner of U.S. Trademark Registration No. 1,787,250 for the

service mark ROCKWOOD CLINIC (the "Federal Mark"), and Washington State service mark

Registration No. 21,892 for the trademark ROCKWOOD CLINIC (the "State Mark") (the

Federal Mark and the State Mark being collectively referenced herein as the "Marks") which

have been registered by Clinic and used by Clinic for professional medical physician services:

WHEREAS, Clinic, Holdings, and other affiliated parties entered into that certain

Reorganization and Merger Agreement dated as of December 23, 2009 (the "Merger

Agreement"), pursuant to which, among other things, (i) an affiliate of Holdings merged with

and into Clinic, (ii) Clinic converted to a non-profit, non-stock professional corporation, and (iii)

Holdings became a member of Clinic;

WHEREAS, one of the significant goals of the parties entering into the Merger

Agreement was to acknowledge the shared vision of Clinic and Holdings to create a unique and

transformative alliance between them in the Inland Northwest market with the goals of creating a

fully integrated health system recognized nationally for its quality, efficiency and effective

patient care; one that can compete in, and in fact lead, the Inland Northwest market, putting both

parties in a position to take advantage of opportunities that may arise as the national health

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system evolves through national health reform rather than being hindered by such changes and allowing both parties to achieve and sustain their current individual goals of financial stability, growth, sustainable, competitive physician income and continued investment in quality services and infrastructure;

WHEREAS, Section 10.9 of the Merger Agreement provided that certain ancillary assets used by Clinic in the operation of its medical practice business prior to the transaction would be conveyed to Holdings and further provided that the market value of such ancillary assets had been included in the valuation and consideration paid under the Merger Agreement;

WHEREAS, Section 10.20 of the Merger Agreement provided that Clinic would continue to operate under the name and mark "Rockwood Clinic" and that the parties would develop appropriate branding information to identify the affiliations and integrated health care delivery system to be created under the Merger Agreement; and

WHEREAS, in order to facilitate the goals enunciated in the Merger Agreement, the parties have determined to identify and brand the new integrated health care delivery system as ROCKWOOD HEALTH SYSTEM (or such similar Rockwood System Marks as set forth in Section 4 hereinbelow) and in connection therewith, Holdings desires to acquire the Marks pursuant to Section 10.9 of the Merger Agreement and license the same to Clinic:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

1. Assignment of Marks. Clinic hereby sells, assigns, and transfers to Holdings, absolutely and forever, Clinic's entire right, title and interest, throughout the world, whether statutory or at common law, in and to the Marks, together with the goodwill of the business of Clinic symbolized by the Marks, and all corresponding registrations and applications, as well as

all causes of action for any and all previously occurring infringements of the rights being assigned and the right to receive and retain the proceeds, if any, relating to those infringements.

- 2. <u>Acceptance of Assignment</u>. Holdings hereby accepts the assignment of the Marks, applications, and registrations and all other rights described in this assignment.
- 3. Additional Actions to Document Assignment. Clinic agrees to execute any further papers as are reasonable and within its control that are necessary and proper to vest in the Holdings all of Clinic's full and clear title in and to the registrations and other corresponding rights of Clinic in the Marks. Clinic hereby consents to the recordation of this assignment in any applicable country.
- 4. Special Provisions Concerning Rockwood System Marks. Clinic and Holdings acknowledge and agree that Holdings will adopt the mark ROCKWOOD HEALTH SYSTEM, and/or one or more additional related marks as it may elect, consisting of one or more of: ROCKWOOD HEALTH SYSTEM, ROCKWOOD HEALTH SYSTEM, ROCKWOOD HEALTH CARE SYSTEM, ROCKWOOD HEALTH PARTNERS, ROCKWOOD HEALTHCARE PARTNERS, ROCKWOOD HEALTH AFFILIATES, and/or ROCKWOOD HEALTHCARE AFFILIATES (any one or more of the foregoing that are adopted by Holdings being referenced herein as the "Rockwood System Marks") to identify medical services including, but not limited to, primary care and specialty medicine physician practices, inpatient and outpatient hospital services, ambulatory surgery centers, urgent care facilities, outpatient physical therapy centers, outpatient imaging, home health services and various other health care services, such services to be provided as a fully integrated healthcare delivery system and expects to file one or more applications to register such mark as a U.S. and/or state service mark under applicable law. Clinic and Holdings have agreed that the Rockwood System Marks will identify the affiliations and integrated health care delivery

system to be created under the Merger Agreement in a manner beneficial to the parties. Clinic agrees that it shall cooperate with Holdings and shall execute such instruments and consents as may be necessary or desirable in order to cause any such applications for the Rockwood System Marks to be approved for registration.

5. Grant of License. Holdings agrees to grant, and does hereby grant, to Clinic a non-exclusive, royalty-free license to Clinic to use the Marks on and in connection with its operation of professional medical physician practices in the Spokane, Washington area and only as they are part of the integrated health delivery system developed by the parties and marketed under the Rockwood System Marks. Clinic agrees that this Agreement shall not be interpreted to grant to Clinic, by implication or otherwise, (a) any rights to, or right to use the Marks other than as expressly licensed herein, or (b) the right to use any other of Holdings' trademarks or service marks in the future without prior written approval of Holdings.

## 6. Term of License; Termination.

(a) The license granted under Section 5 hereof shall be effective as of the date first written above and shall continue in full force and effect in perpetuity for so long as the Marks licensed hereunder remain entitled to protection under applicable state or federal law, unless earlier terminated pursuant to the provisions of Section 6(b) below.

(b) If Clinic should be in material default of its obligations pursuant to Section 7 below, Holdings shall give Clinic written notice to remedy of make good such default or failure within thirty (30) days from the date of Clinic's receipt of such notice. If such default or failure has not been remedied within that time period, then Holdings may terminate the license granted in Section 5 of this Agreement upon thirty (30) days written notice to Clinic, or permit

the continuation of the license, in its sole discretion. In either event, Holdings is entitled to proceed to seek to recover damages as a result of Clinic's breach of this Agreement and to continue to demand Clinic's performance of all its other obligations hereunder.

# 7. Clinic's Obligations.

## (a) Quality Control

(i) Clinic acknowledges that it understands that it is of utmost importance to Holdings that the Marks and the quality image of the services offered in connection with the Marks be protected.

(ii) Holdings acknowledges that it is familiar with Clinic's use of the Marks and the quality and nature of Clinic's professional medical physician practice services offered in connection with the Marks. Clinic shall maintain this same quality of services for all services offered by virtue of the license granted to Clinic in this Agreement. If Clinic desires to make any material changes in the services to be offered under the Marks licensed from Holdings hereunder, any such changes shall be submitted to Holdings and must be approved, in writing, by Holdings before they may be implemented by Clinic. Holdings has the right to a reasonable number of samples of Clinic's brochures, advertising and marketing materials, and/or reasonably access these products during the term of this Agreement, and Clinic promises to provide such samples and access at no cost to Holdings upon demand.

(iii) Clinic agrees that all services offered by it under the Marks shall comply in all respects with the laws and regulations of the United States and various states, and that Clinic shall obtain all necessary governmental and/or regulatory approvals required

pertaining to its operation of one or more professional medical physician practices under the Marks.

(iv) Clinic shall not alter the Marks in any way or use the Marks as part

of any combination mark, it shall adhere to all such trademark notices and legends as Holdings

may reasonably require from time to time, shall not use the Marks in connection with any

product or service that is in violation of any law, statute, governmental regulation or standard or

which could impair its validity as a service mark.

(b) Recognition and Maintenance of Title in Marks. Clinic recognizes

Holdings' title to the Marks for use in connection with the operation of professional medical

physician services and shall not at any time do or suffer to be done by those under its actual or

legal control any act or thing which will materially impair those rights of Holdings in and to the

Marks for such services. It is understood that Clinic shall not acquire and shall not claim any

title to the Marks adverse to Holdings by virtue of the license granted to Clinic, or through

Clinic's use of the Marks as licensed hereunder, it being the intention of the parties that all use of

the Marks by Clinic in connection with this license shall inure to the benefit of Holdings. Clinic

shall have no right to assign or sublicense any of the rights granted to Clinic under this

Agreement without prior written approval of Holdings which may be granted or withheld in the

sole discretion of Holdings.

8. Indemnification.

(a) Clinic agrees to indemnify and hold Holdings harmless from all damages,

liabilities, and reasonable expenses, including reasonable attorneys' fees, court costs, and other

legal expenses arising out of or in connection with (i) a third party claim against Holdings or its

affiliates based upon Clinic's, or its affiliates' offering, or marketing of services under this Agreement, or any activity of Clinic (or its affiliates) pursuant to or in violation of, this Agreement, or (ii) any controversy or litigation concerning the filing, maintenance or protection of the Marks relating to time periods prior to the date of this Agreement.

- (b) Holdings agrees to indemnify and hold Clinic harmless from all damages, liabilities, and reasonable expenses, including reasonable attorneys' fees, court costs, and other legal expenses arising out of or in connection with (i) a third party claim against Clinic or its affiliates based upon the offering, sale, distribution, or marketing of products or services by Holdings or its affiliates or licensees (other than Clinic) unrelated to this Agreement, or any activity (other than the fact of licensing to Clinic) of Holdings pursuant to or in violation of, this Agreement, or (ii) any controversy or litigation concerning the filing, maintenance or protection of the Marks relating to time periods on or after the date of this Agreement.
- 9. Enforcement and Protection of Marks. Holdings may take such action as it deems necessary against any person, firm or corporation to protect the rights and interest granted by Holdings hereunder. Clinic will, at Holding's request and upon payment of Clinic's reasonable expenses, reasonably cooperate with Holdings regarding its use of the Marks in any controversy which may arise or litigation which may be brought concerning Holding's trademarks or service marks arising out of or related to this Agreement, or in connection with the filling, maintenance, or protection of the Federal Mark or the State Mark, or in connection with Holdings' filing of applications and filling, maintenance or protection of the Rockwood System Marks or marks related to either the Marks or the Rockwood System Marks. Holdings shall have the right, in its absolute discretion and at its sole cost, to employ attorneys and to institute or defend any action or proceeding, and without granting or implying authority or right for

Holdings to bind Clinic or to speak on Clinic's behalf, nothing in this Agreement shall be construed to limit the proper steps Holdings may take on its own behalf to protect the right, title and interest of Holdings with respect to its trademarks and service marks and in that connection, to settle, compromise or in any other manner dispose of any matter, claim, action or proceeding and to satisfy any judgment that may be rendered, in any manner as Holdings within the scope of its authority in its sole discretion may determine. If Holdings chooses not to take action, as licensee, Clinic may take such action at its own expense as Holdings reasonably approves and with Holdings' cooperation.

- 10. Representations and Warranties of Clinic. Clinic represents and warrants as follows:
- (a) Clinic is the owner of U.S. Registration No. 1,787,250 and Washington State Registration No. 21,892 and has not previously transferred or otherwise licensed to a third party the rights being assigned to Holdings. No claims challenging the validity, effectiveness or exercise by Clinic of its rights to the Marks have been asserted against Clinic or are threatened by any person, nor are there, to Clinic's knowledge, any valid grounds for any bona fide claim of any such kind.
- (b) The individuals signing this document on behalf of corporate entities represent and declare that they are authorized to execute this document on behalf of such corporate entities.
- (c) This Agreement has been duly and validly executed and delivered and constitutes the legal, valid and binding obligation of such party, enforceable against it in accordance with its terms;

- (d) No approval or consent of, or notification to, any other person or entity is necessary in connection with the execution, delivery and performance of this Agreement.
- 11. Representations and Warranties of Holdings. Holdings represents and warrants as follows:
- (a) The individuals signing this document on behalf of corporate entities represent and declare that they are authorized to execute this document on behalf of such corporate entities.
- (b) This Agreement has been duly and validly executed and delivered and constitutes the legal, valid and binding obligation of such party, enforceable against it in accordance with its terms;
- (c) No approval or consent of, or notification to, any other person or entity is necessary in connection with the execution, delivery and performance of this Agreement.
- Notices. All notices or statements required or desired to be given hereunder shall be given by addressing same to the addresses of the respective parties set forth at the top of this Agreement, or to such other address as either party may hereafter designate, by written notice, to the other party. Notices shall be in writing and shall be delivered by the United States mail, certified or registered, postage prepaid; overnight delivery; or by fax.

## 13. General.

(a) <u>Remedies.</u> Each party agrees that money damages would not be a sufficient remedy for any breach of this Agreement by the other party and that the injured party will be entitled to specific performance and injunctive relief as remedies for such breach. Such

remedies shall not be deemed to be the exclusive remedies for a breach of this Agreement but

shall be in addition to all other remedies available at law or equity.

(b) Entire Agreement. This Agreement contains the entire understanding

between the parties with respect to the subject matter hereof, and all of its terms, conditions and

covenants shall be binding upon and shall inure to the benefit of the respective parties and their

heirs, successors and assigns, and supersedes all prior negotiations and agreements, whether

written or oral, relating to this subject matter. No modification or waiver shall be valid unless the

same is in writing and is signed by both parties. The waiver by any party hereto of a breach of

any provision of this Agreement shall not operate or be construed as a waiver of any subsequent

breach or similar breach.

Counterparts. This Agreement may be executed in counterparts, each of (c)

which shall constitute an original and all of which together constitute one agreement.

(d) Section Headings. The section headings contained in this Agreement

are for reference purposes only and shall not affect the meaning or interpretation of this

Agreement.

[Signatures Continued on Next Page]

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IN WITNESS WHER	EOF, this Assignment is effective this day	of
, 2011.		
В	ROCKWOOD CLINIC. P.S. By: Castle M. D.	<u>aluas</u>
	lame: Curt's D. Henderson, M.D.	
	itle: <u>Board President</u> Date: <u>9 19/11</u> EXE	RACHEL A. SEIFERT  RACHEL A. SEIFERT  CUTIVE VICE PRESIDENT
C	THS WASHINGTON HOLDINGS, LLC	
В	y: <u> </u>	_
	Ame: RACHEL A. SEIFERT  EXECUTIVE VICE PRESIDENT	<u></u> .
	itle: 9/13/11	<b></b>

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**RECORDED: 03/05/2012**