

TRANSITION AND SERVICES AGREEMENT

This Transition and Services Agreement (this “*Agreement*”) is entered into as of June 17, 2014 by and between the Borough of Naugatuck, a consolidated borough and town in New Haven, County, Connecticut (the “*Borough*”) and Visiting Nurse Association of South Central Connecticut, Inc., a Connecticut nonstock corporation (“*VNA/SCC*”).

RECITALS

WHEREAS, the Borough has, through its Town Department known as the Naugatuck Visiting Nurse Association (the “*Naugatuck VNA*”), provided home health and nursing services to residents of the Borough since 1919; and

WHEREAS, VNA/SCC was founded in 1904 and currently provides home health and nursing services to patients throughout New Haven County and beyond, including the Borough of Naugatuck; and

WHEREAS, the Borough has determined to terminate the services of the Naugatuck VNA effective as of September 30, 2014; and

WHEREAS, in order to ensure an orderly transition of the care of patients of the Naugatuck VNA to alternate providers and to ensure the availability of home health and nursing services in the Borough, the Borough has agreed to enter into this Agreement with VNA/SCC.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

CLOSURE OF NAUGATUCK VNA; TRANSITION AND SUPPORT OF VNA/SCC

1.1 Closure of Naugatuck VNA. The Borough acknowledges and agrees that it has committed to fund and support the Naugatuck VNA through September 30, 2014 (the “*Transition Date*”). Following the Transition Date, the Naugatuck VNA will be dissolved as a Town Department and shall cease operations. The Naugatuck VNA will continue operations through the Transition Date, but expects to cease to accept new patient referrals after August 15, 2014 and to cease providing direct patient care services as of September 25, 2014.

1.2 Operations of VNA/SCC. VNA/SCC shall, for a period of two (2) years following the Transition Date, maintain adequate staff to provide home health and nursing services to the residents of the Borough and shall, subject to Section 1.4, maintain an office within the Borough through June 30, 2015. All services provided by VNA/SCC shall be provided consistent with applicable laws and regulations.

1.3 Notices to Patients and Providers. The Borough shall, no later than June 18, 2014, (i) send the patient notification letter attached as Exhibit A to all current and active

patients of the Naugatuck VNA; and (ii) send the provider notification letter attached as Exhibit B to all physicians and other licensed providers who have referred patients to the Naugatuck VNA during the three (3) year period prior to the Transition Date. The Borough shall consult with VNA/SCC prior to sending any notices to, making any filings with, or having any communications with any current or prospective patient of the Naugatuck VNA or other person with respect to the transactions contemplated by this Agreement. It is the intent of the parties that patients of the Naugatuck VNA be transitioned to VNA/SCC (or such other provider selected by the patient) on their next recertification date when possible. The cost of printing, photocopying, and postage with respect to the notices set forth in this Section 1.3 will be borne by the Borough.

1.4 Lease. The Borough shall lease to VNA/SCC, for a period of October 1, 2014 through June 30, 2015, the office space currently occupied by the Naugatuck VNA and located at 600 Rubber Avenue in Naugatuck (the “*Office*”). The Borough shall provide and maintain at the Office, at its own cost and expense, all equipment, furniture and fixtures currently utilized by the Naugatuck VNA (the “*Equipment*”). The lease of the Office and the Equipment shall be at no cost to VNA/SCC; all expenses relating to the Office and the Equipment, including without limitation utilities, maintenance and insurance (other than insurance covering the personal property of VNA/SCC and professional liability insurance covering the services provided by VNA/SCC), shall be the sole responsibility of the Borough. The lease arrangement set forth in this Section 1.4 may be extended beyond June 30, 2015 upon mutual agreement of the parties.

1.5 Employment Matters.

(a) On or prior to the Transition Date, the Borough shall cause all employees of the Naugatuck VNA to be terminated from employment with the Borough. The Borough shall be responsible for all liabilities relating to such termination, including without limitation (i) all earned but unpaid wages for all periods ending on or prior to the Transition Date; (ii) all other amounts due or payable to such employees under any applicable employee benefit plans, including without limitation all payments for vacation, sick, retirement or other benefits; and (iii) any liabilities arising out of the Borough’s obligations under any collective bargaining or other agreement with any such employees or union representing any such employees.

(b) Prior to the Transition Date, pursuant to a time-frame that is mutually acceptable to the Borough and VNA/SCC, VNA/SCC may, but is not obligated to, offer employment to certain employees of the Borough (each such employee that is offered employment by VNA/SCC shall be referred to herein as an “*Offered Employee*”). Any offer shall be contingent on such Offered Employee (i) having background check results that are satisfactory to VNA/SCC, (ii) providing documentation to VNA/SCC required to satisfy the identification and work authorization requirements of the Immigration Reform and Control Act, and (iii) satisfying VNA/SCC’s other customary conditions to employment. Any employment offers by VNA/SCC shall be on such terms and conditions as may be determined by VNA/SCC.

(c) Nothing set forth in this Section 1.5 is intended to, and shall not be construed to, create any third party beneficiary rights of any kind or nature including, without limitation, the right of any of the employees or contractors of the Borough to seek to enforce any right to compensation, benefits or any other right or privilege of employment with VNA/SCC.

(d) The Borough shall provide COBRA continuation coverage to (i) those individuals currently receiving COBRA coverage on the Borough’s group health plan; (ii) the

Borough's employees who are terminated as a result of the consummation of the transaction contemplated herein; and (iii) anyone else who would be considered to be an M&A Qualified Beneficiary under Treasury Regulation Section 54.4980B-9.

(e) Prior to the Transition Date, the Borough shall permit Offered Employees to attend such training sessions as may be arranged by VNA/SCC in order to ensure that such Offered Employees are proficient in the use of VNA/SCC information technology systems as of the Transition Date.

1.6 Funding and Support.

(a) The Borough shall maintain, at its sole cost and expense, the current answering service used by the Naugatuck VNA through October 31, 2014.

(b) The Borough shall fund purchases of department and medical supplies of up to \$3,000 by either Naugatuck VNA or VNA/SCC. All department and medical supplies remaining at Naugatuck VNA as of the Transition Date shall be transferred to VNA/SCC.

(c) The Borough shall, on the Transition Date, transfer to VNA/SCC the ownership of five (5) refurbished desktop computers equipped with Windows 7.

(d) The Borough shall allocate from its municipal budget \$5,000 for fiscal year 2015 to be paid to VNA/SCC to cover expenses of VNA/SCC incurred in connection with the provision of services to residents of the Borough whose care is not covered by insurance ("*Supportive Care of the Ill*"). The parties shall discuss in good faith continued funding for Supportive Care of the Ill for fiscal years 2016 and beyond.

In addition, subject to negotiation of a separate services agreement on mutually agreeable terms, the Borough may contract with VNA/SCC for the provision of certain clinic services in the Borough of Naugatuck.

1.7 Regulatory Approvals. The Borough shall, at its sole cost and expense, comply with any and all regulatory requirements necessary to terminate the services of the Naugatuck VNA, including without limitation any required notices to the Department of Public Health and any required notices (including on Form 855) to the Centers for Medicare and Medicaid Services ("*CMS*"). The Borough shall use commercially reasonable efforts to so comply or before the Transition Date.

1.8 Interim Operation of Business. The Borough agrees that, from the date hereof until the Transition Date (unless VNA/SCC shall otherwise consent in writing), it shall (i) conduct the business of the Naugatuck VNA in the ordinary course consistent with past practice; (ii) use its commercially reasonable efforts to keep available the services of its employees; and (iii) continue to accept new patients; provided that patients who will require recertification after the Transition Date shall be provided with notice consistent with Section 1.3.

1.9 Press Releases and Public Announcements. The parties shall collaborate on a joint press release regarding the transactions contemplated herein. Following such joint press release, VNA/SCC may distribute additional notices to the public of its commitment hereunder without the need for any prior approval by the Borough. The parties will cooperate and consult

with one another concerning communication with employees, patients and suppliers and other persons having dealings with the Borough regarding the transactions contemplated hereby.

1.10 Maintenance of Patient Records. Unless or until transferred to VNA/SCC upon the authorization of a particular patient, the Borough shall maintain all patient records of the Naugatuck VNA as required by law. The cost of such storage and maintenance shall be borne by the Borough. In the event that a patient authorizes records to be transferred to VNA/SCC, VNA/SCC will ensure that a copy of such file remains with the Borough.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE BOROUGH

The Borough represents and warrants to VNA/SCC as of the date hereof as follows:

2.1 Organization. The Borough is duly established municipality of the State of Connecticut and has all requisite power and authority to carry on its operations as now conducted and as currently proposed to be conducted.

2.2 Authorization; Enforceability. The Borough has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. All approvals necessary for the authorization, execution and delivery of this Agreement, the performance of all obligations of the Borough hereunder and the consummation of the transactions hereunder has been taken. This Agreement has been duly and validly executed by Borough and is the legal, valid and binding obligation of the Borough, enforceable against the Borough in accordance with its terms (subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and except for limitations upon the availability of equitable remedies, including specific performance).

2.3 No Conflict. The Borough is not in, and the execution, delivery and performance by the Borough of this Agreement and the performance of its obligations hereunder do not and will not result in any, violation of or default under any provision any contract to which the Borough is a party.

2.4 Legal Compliance. The Borough is, and at all times has been, in compliance in all material respects with each Legal Requirement (as hereinafter defined) that is applicable to the conduct of the business of the Naugatuck VNA. For purposes hereof, "**Legal Requirement**" means any federal, state, local, municipal, or other statute, law, order, constitution, rule, regulation, ordinance, principle of common law, treaty or other requirement of any governmental authority.

2.5 Litigation. There is no litigation pending or, to the knowledge of the Borough, currently threatened against the Naugatuck VNA and, to the knowledge of the Borough, no basis for any litigation exists.

2.6 Employees.

(a) The Borough is and has been in material compliance with all Legal Requirements related to employment and employment practices, terms and conditions of employment and wages and hours, fair employment, safety, worker compensation,

unemployment and social security and with all contracts relating to the employment of the employees of the Naugatuck VNA. Each of the employees of the Naugatuck VNA is properly classified with respect to employment status for all purposes including, without limitation, employment, labor and tax purposes.

(b) The Borough has at all times complied with all collective bargaining agreements or other contracts with any labor organization representing any employee of the Naugatuck VNA. The Borough has not had any strike, slowdown, work stoppage, lockout, job action or threat thereof, or question concerning representation, by or with respect to any of its employees.

2.7 Healthcare Matters.

(a) The Naugatuck VNA is qualified for participation in and is a party to valid provider agreements for the federal and state health care programs (including Medicare and Medicaid) in Connecticut and for various third-party non-governmental healthcare payment programs. The Borough has not received any notice indicating that such qualification or provider agreement may be terminated or withdrawn nor does the Borough have any reason to believe that any such qualification or provider agreement may be terminated or withdrawn. The Borough is in compliance in all material respects with each provider agreement, and the Borough has properly charged and billed in accordance with the terms of the provider agreements. The Borough has filed all claims or other reports required to be filed in connection with such programs (including, without limitation, Medicare, Medicaid, and third-party non-governmental healthcare payment programs) and all such claims or reports are complete and accurate in all material respects. The Borough does not have any liability to any program or payor or their contractors, including for the recoupment of any amounts previously paid to the Borough or any predecessor thereof by such program or payor. Except for reviews or audits routinely scheduled, no review, audit or investigation in connection with such programs or payors is pending or threatened against the Borough. The Borough is in material compliance with the applicable Medicare Conditions of Participation, and other regulatory and contractual requirements of the federal and state health care programs (including Medicare and Medicaid) and of each of the third-party non-governmental healthcare payment programs in which it participates.

(b) The Borough is conducting and has conducted the business and operations of the Naugatuck VNA in compliance in all material respects with all applicable “Healthcare Laws”, including, without limitation, (i) all rules and regulations of the Medicare and Medicaid programs and any other federal or state health care program in which the Naugatuck VNA is qualified or participates, including any guidance interpreting such rules and regulations, (ii) all federal or state laws, rules, regulations and applicable guidance relating to health care fraud and abuse, including, without limitation, the Anti-Kickback Law, 42 U.S.C. § 1320a-7b, 42 C.F.R. § 1001.952, the federal civil monetary penalties statute, 42 U.S.C. § 1320a-7a, the exclusion statute, 42 U.S.C. § 1320a-7, the federal physician self-referral prohibition, 42 U.S.C. § 1395nn, 42 C.F.R. § 411.351 et seq., the criminal penalties for acts involving federal health care programs, 42 U.S.C. 1320a-7b, false statements relating to health care matters 18 U.S.C. §§ 1035 and 1347, and the False Claims Act, 31 U.S.C. § 3729 et seq., (iii) any and all state laws relating to health care fraud and abuse, (iv) any and all state laws relating to Medicaid or any other state health care or health insurance programs, (v) federal or state laws related to billing or claims for reimbursement submitted to any third party payor, (vi) any federal or state laws relating to fraudulent, abusive or unlawful practices connected with the provision of health care items or services provided to a beneficiary of any state, federal or other governmental health care or

health insurance program or any private payor and (vii) any and all federal and state laws relating to insurance, third party administrator, utilization review and risk sharing products, services and arrangements and the like and all statutes and regulations relating to the possession, distribution, maintenance and documentation of controlled substances. No third party payment program has imposed a fine, penalty, recoupment or other sanction on the Borough and the Borough has not been excluded or suspended from participation in any such program.

(c) The Borough is conducting and has conducted the business and operation of the Naugatuck VNA in compliance in all material respects with the Health Insurance Portability and Accountability Act of 1996 as amended by the American Recovery and Reinvestment Act of 2009 (“**HIPAA**”), and implementing regulations which are codified at 45 C.F.R. Part 160, 162 and 164, and all other applicable laws, rules and regulations and its own policies and procedures relating to privacy, data security and the collection and use of personal information. With respect to all personally identifiable information gathered or accessed in the course of the operations of the Naugatuck VNA, the Borough has taken and is taking all steps reasonably necessary (including implementing and monitoring compliance with adequate measures with respect to technical and physical security) to ensure that personally identifiable information gathered or accessed in the course of the operations of the Naugatuck is protected against loss and against unauthorized access, use, modification, disclosure or other misuse. To the knowledge of the Borough, there has been no “breach” (as such term is defined by HIPAA or any Connecticut equivalent), unauthorized access to or other misuse of any personally identifiable information that has been gathered or accessed in the course of the operations of the Naugatuck East or a Business Associate (as defined by HIPAA). The Borough is taking and has taken commercially reasonable actions, consistent with current industry standards, to protect the confidentiality, integrity and security of its computer systems (and all information and transactions stored or contained therein or transmitted thereby) against any unauthorized use, access, interruption, modification or corruption in conformance with industry practices.

(d) There is no material deficiency in the patient medical records of the Naugatuck VNA, and all such records have been created or maintained in material compliance with all applicable Legal Requirements governing the preparation, maintenance, confidentiality, transfer and/or destruction of such records.

2.8 Brokers’ Fees. No broker, finder, or other person is entitled to any brokerage fee, finders’ fee or other commission or payment in connection with the transactions contemplated by this Agreement based on arrangements made by the Borough.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF VNA/SCC

VNA/SCC represents and warrants to the Borough as of the date hereof as follows:

3.1 Organization. VNA/SCC is duly incorporated and validly existing under the laws of the State of Connecticut and has all requisite corporate power and authority to carry on its business as now conducted and as proposed to be conducted.

3.2 Authorization; Enforceability. VNA/SCC has full corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. All corporate

action on the part of VNA/SCC, its officers, directors and members necessary for the authorization, execution and delivery of this Agreement, the performance of all obligations of VNA/SCC hereunder and the consummation of the transactions hereunder has been taken. This Agreement has been duly and validly executed by VNA/SCC and is the legal, valid and binding obligation of VNA/SCC, enforceable against VNA/SCC in accordance with its terms (subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and except for limitations upon the availability of equitable remedies, including specific performance).

3.3 No Conflict. VNA/SCC is not in, and the execution, delivery and performance by VNA/SCC of this Agreement and the performance of its obligations hereunder do not and will not result in any, violation of or default under any provision any contract to which VNA/SCC is a party.

3.4 Legal Compliance. VNA/SCC is, and at all times has been, in compliance in all material respects with each Legal Requirement that is applicable to it or to the conduct of its business.

3.5 Litigation. There is no litigation pending or, to the knowledge of VNA/SCC, currently threatened against VNA/SCC that questions the validity of this Agreement or the right of VNA/SCC to enter into or to consummate the transactions contemplated hereby.

3.6 Healthcare Matters.

(a) VNA/SCC is qualified for participation in and is a party to valid provider agreements for the federal and state health care programs (including Medicare and Medicaid) in Connecticut and for various third-party non-governmental healthcare payment programs. VNA/SCC has not received any notice indicating that such qualification or provider agreement may be terminated or withdrawn for failure on the part of VNA/SCC to comply with any of the terms thereof, nor does VNA/SCC have any reason to believe that any such qualification or provider agreement may be so terminated or withdrawn. VNA/SCC is in compliance in all material respects with each provider agreement, and VNA/SCC has properly charged and billed in accordance with the terms of the provider agreements. VNA/SCC has filed all claims or other reports required to be filed in connection with such programs (including, without limitation, Medicare, Medicaid, and third-party non-governmental healthcare payment programs) and all such claims or reports are complete and accurate in all material respects. Except in connection with reviews or audits routinely scheduled, VNA/SCC does not have any liability to any program or payor or their contractors, including for the recoupment of any amounts previously paid to VNA/SCC or any predecessor thereof by such program or payor. Except for reviews or audits routinely scheduled, no review, audit or investigation in connection with such programs or payors is pending or threatened against VNA/SCC. VNA/SCC is in material compliance with the applicable Medicare Conditions of Participation, and other regulatory and contractual requirements of the federal and state health care programs (including Medicare and Medicaid) and of each of the third-party non-governmental healthcare payment programs in which it participates.

(b) VNA/SCC is conducting and has conducted its business and operations in compliance in all material respects with all applicable "Healthcare Laws", including, without limitation, (i) all rules and regulations of the Medicare and Medicaid programs and any other federal or state health care program in which VNA/SCC is qualified or participates, including

any guidance interpreting such rules and regulations, (ii) all federal or state laws, rules, regulations and applicable guidance relating to health care fraud and abuse, including, without limitation, the Anti-Kickback Law, 42 U.S.C. § 1320a-7b, 42 C.F.R. § 1001.952, the federal civil monetary penalties statute, 42 U.S.C. § 1320a-7a, the exclusion statute, 42 U.S.C. § 1320a-7, the federal physician self-referral prohibition, 42 U.S.C. § 1395nn, 42 C.F.R. § 411.351 et seq., the criminal penalties for acts involving federal health care programs, 42 U.S.C. 1320a-7b, false statements relating to health care matters 18 U.S.C. §§ 1035 and 1347, and the False Claims Act, 31 U.S.C. § 3729 et seq., (iii) any and all state laws relating to health care fraud and abuse, (iv) any and all state laws relating to Medicaid or any other state health care or health insurance programs, (v) federal or state laws related to billing or claims for reimbursement submitted to any third party payor, (vi) any federal or state laws relating to fraudulent, abusive or unlawful practices connected with the provision of health care items or services provided to a beneficiary of any state, federal or other governmental health care or health insurance program or any private payor and (vii) any and all federal and state laws relating to insurance, third party administrator, utilization review and risk sharing products, services and arrangements and the like and all statutes and regulations relating to the possession, distribution, maintenance and documentation of controlled substances. No third party payment program has imposed a penalty or sanction on VNA/SCC (for purposes hereof, routine recoupments and adjustments shall not be considered penalties or sanctions) and VNA/SCC has not been excluded or suspended from participation in any such program.

(c) VNA/SCC is conducting and has conducted its business and operation in compliance in all material respects with HIPAA and implementing regulations which are codified at 45 C.F.R. Part 160, 162 and 164, and all other applicable laws, rules and regulations and their own policies and procedures relating to privacy, data security and the collection and use of personal information. With respect to all personally identifiable information gathered or accessed in the course of the operations of VNA/SCC, VNA/SCC has taken and is taking all steps reasonably necessary (including implementing and monitoring compliance with adequate measures with respect to technical and physical security) to ensure that personally identifiable information gathered or accessed in the course of the operations of VNA/SCC is protected against loss and against unauthorized access, use, modification, disclosure or other misuse. To the knowledge of VNA/SCC, there has been no “breach” (as such term is defined by HIPAA or any state equivalent), unauthorized access to or other misuse of any personally identifiable information that has been gathered or accessed in the course of the operations of VNA/SCC or a Business Associate (as defined by HIPAA). VNA/SCC is taking and has taken commercially reasonable actions, consistent with current industry standards, to protect the confidentiality, integrity and security of its computer systems (and all information and transactions stored or contained therein or transmitted thereby) against any unauthorized use, access, interruption, modification or corruption in conformance with industry practices.

3.7 Brokers’ Fees. No broker, finder, or other Person is entitled to any brokerage fee, finders’ fee or other commission or payment in connection with the transactions contemplated by this Agreement based on arrangements made by VNAHC or any of its Affiliates.

ARTICLE IV

LIABILITIES; INSURANCE

4.1 No Assumption of Liabilities. All liabilities of the Borough shall remain with the Borough; other than as expressly set forth herein, VNA/SCC does not assume, and shall not be deemed to have assumed or be liable for, any liability of the Borough of any nature whatsoever. Without limiting the foregoing, the Borough expressly agrees that it has sole responsibility for:

(a) all services provided by and billed by the Naugatuck VNA, including without limitation any claims for recoupment or other amounts due in connection with audits performed by third party payors (including Medicare and Medicaid);

(b) any and all claims of any employees of the Borough arising out of or relating to their employment by the Borough or their termination in connection with this Agreement, including without limitation claims relating to employee benefits, employment practices, and wage and hour requirements; and

(c) any vendor arrangements or other contracts entered into by the Borough, whether or not relating expressly to the Naugatuck VNA.

4.2 Insurance. The Borough acknowledges and agrees that at all times prior to the Transition Date, Borough has maintained and will maintain through the Transition Date, professional liability insurance, general liability insurance and workers compensation insurance with respect to the operation of the Naugatuck VNA, all on an occurrence (not a “claims made”) basis.

4.3 Cooperation in the Event of Lawsuits, Audits or Investigations. In the event that any claim, demand, suit or other legal proceeding arising out of any matter relating to this Agreement is made or instituted by any person or entity against a party to this Agreement, or in the event that an audit or investigation is initiated relating to services provided by either party, the other shall provide such party with all reasonable information and assistance in the defense or other disposition thereof.

ARTICLE V

TERMINATION

5.1 Termination Events. This Agreement may be terminated:

(a) by either party by providing written notice to the other if a material breach of any provision of this Agreement has been committed by the other; *provided, however*, that, if such breach is capable of being cured, a party may not terminate this Agreement under this Section 5.1(a) until a period of twenty-one (21) days has expired from the date of notice of such breach without such breach having been cured; or

(b) by mutual written consent of the parties.

5.2 Effect of Termination. If this Agreement is terminated pursuant to Section 5.1, all further obligations of the parties under this Agreement shall terminate without liability of any

party (or any member, partner, director, manager, officer, employee, agent, consultant or representative of such party) to the other party to this Agreement, except that provisions that by their terms survive termination shall survive such termination. If this Agreement is terminated by a party because of the breach of this Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all remedies under this Agreement, applicable law and otherwise shall survive such termination.

ARTICLE VI

MISCELLANEOUS

6.1 Expenses. Except as otherwise provided herein, each of the parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

6.2 Notices. All notices, consents, waivers and deliveries under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (against receipt), or (b) when received by the addressee, if sent by a nationally recognized express delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a party may hereafter designate by similar notice to the other parties):

If to the Borough:

Borough of Naugatuck
Naugatuck Town Hall
229 Church Street
Naugatuck, CT 06770
Attention: Mayor

With a copy to:

Fitzpatrick, Mariano & Santos, PC
203 Church Street
Naugatuck, CT 06770
Attention: Edward Fitzpatrick, Esq.

If to VNA/SCC:

Visiting Nurse Association of South Central Connecticut, Inc.
One Long Wharf Drive
New Haven, CT 06511
Attention: President

With a copy to:

Wiggin and Dana LLP
265 Church Street
New Haven, CT 06510

6.3 Consent to Jurisdiction. Any proceeding brought with respect to this Agreement must be brought in any court of competent jurisdiction sitting in the State of Connecticut and, by execution and delivery of this Agreement, each party (a) accepts, generally and unconditionally, the exclusive jurisdiction of such courts and any related appellate court and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement and (b) irrevocably waives any objection it may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH THEY ARE PARTIES INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT.

6.4 Further Assurances. The parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents and (c) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions contemplated by this Agreement. After the Closing, if the Borough receives any payment, refund or other amount that is properly due and owing to VNA/SCC, the Borough shall promptly remit or shall cause to be remitted, such amount to VNA/SCC. Similarly, if VNA/SCC receives any payment, refund or other amount that is properly due and owing to the Borough, VNA/SCC shall promptly remit or shall cause to be remitted, such amount to the Borough.

6.5 Amendments and Waivers. This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions hereof may be waived, only by a written instrument signed by each of the parties hereto or, in the case of a waiver, by the party waiving compliance. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

6.6 Entire Agreement. This Agreement supersedes all prior agreements among the parties with respect to its subject matter (including, without limitation, the letter to the Borough from VNA/SCC dated January 14, 2014) and constitutes, together with any other agreements to be executed in connection herewith, a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter; *provided, however*, that the Confidentiality Agreement, dated as of September 24, 2013, by and between the Borough and VNA/SCC shall not be superseded by this Agreement and shall remain in effect in accordance with its terms. The exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full.

6.7 Assignments, Successors and No Third-Party Rights. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other. Subject to the foregoing, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the parties. Except as expressly set forth in this Agreement, no person other than the parties hereto has any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

6.8 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

6.9 No Merger or Continuation. The parties hereto acknowledge and agree that this Agreement and the transactions contemplated hereby shall in no way constitute a merger or consolidation of the Naugatuck VNA and VNA/SCC. The Borough shall be responsible for the operation of its business, including the business of the Naugatuck VNA, through the Transition Date, and VNA/SCC shall not be a continuation of the Naugatuck VNA.

6.10 Headings; Construction.

(a) The captions, titles and headings used in this Agreement are for convenience of reference only, shall not be deemed part of this Agreement and shall not affect its construction or interpretation. Except where otherwise expressly provided, all references to “Articles” or “Sections” refer to the corresponding Articles or Sections in the body of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word “including” does not limit the preceding words or terms and the word “or” is disjunctive but not exclusive.

(b) The parties have participated jointly in the drafting of this Agreement and each party was represented by counsel in the negotiation of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.11 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CONNECTICUT, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES.

6.12 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto may be delivered by facsimile or electronic transmission which shall be sufficient to bind the parties.

[Signature Page Follows]

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

BOROUGH OF NAUGATUCK

By: _____
Name: Robert A. Mezzo
Title: Mayor

**VISITING NURSE ASSOCIATION OF SOUTH
CENTRAL CONNECTICUT, INC.**

By: _____
Name: John R. Quinn
Title: President and Chief Executive Officer

Exhibit A

Form of Patient Letter

June 18, 2014

Dear [Insert Name]:

As a current patient of the Naugatuck VNA, we are writing to inform you that we plan to cease operations as of September 30, 2014. We have been pleased and honored to serve our community for over 90 years.

We would like to assure you that we will assist in the transition of your services and ensure that your care will not be inconvenienced in any way. The Borough of Naugatuck has arranged to have Visiting Nurse Association of South Central Connecticut, Inc. (VNA/SCC) provide services in Naugatuck and maintain an office in our community, and it will be available to provide your care if you desire to transfer to it.

VNA/SCC shares our similar mission to provide quality, compassionate and professional nursing and clinical services in your home. As VNA/SCC celebrates its 110th Anniversary year in 2014, you can be assured of a seamless transition of home care services.

Please ask that your physician call the VNA/SCC referral number at 203-859-6070. Ask your physician to mention that you are currently under the care of Naugatuck VNA and wish to transition your care to VNA/SCC. At that point, the VNA/SCC will contact you to arrange for an in-home assessment and start your home visits and coordinate with the Naugatuck VNA the transfer of your medical information.

To learn more about VNA/SCC, you may visit their website at www.VNA/SCC.org or call their Vice President of Clinical Services, Carla Giugno, RN BSN at 203-777-5521 or their President, John R. Quinn, MS at 203-777-5521.

Please note: All patients have a choice in the selection of their home health care and hospice provider. Therefore, if you wish to have services provided by a home health care or hospice provider other than VNA/SCC, you may request a transfer to such other provider. Please notify your primary care physician before August 15, 2014 (or as soon as possible) if you want to use another provider.

Be assured that your medical records will remain with the Borough at 600 Rubber Avenue in Naugatuck or at another Borough location for ten (10) years, or such shorter time as may be permitted by law. Copies will be provided to VNA/SCC or another provider at your direction.

As always, if you have any questions, we are available to you by phone at 203-729-8321.

Sincerely,

Theresa Stieber, RN MS (OR OTHER SIGNATORY)

Exhibit B

Form of Provider Letter

June 18, 2014

Dear [Insert Name]:

We are writing to inform you that the Naugatuck VNA plans to cease operations as of September 30, 2014. The Borough of Naugatuck has arranged to coordinate the transition of services to Visiting Nurse Association of South Central Connecticut, Inc. (VNA/SCC). VNA/SCC will maintain an office at 600 Rubber Avenue in Naugatuck and will maintain service availability seven (7) days per week.

The Naugatuck VNA will continue to provide services into September, but expects to cease accepting new patients after August 15, 2014. The Naugatuck VNA will transition patients to VNA/SCC (or another agency a patient may choose) at the time that plans of care are recertified.

The VNA/SCC referral number is 203-859-6070 and you may feel free to make referrals to VNA/SCC anytime.

VNA/SCC utilizes Allscripts Care Management and all field nurses and therapists are equipped with laptops and i-phones. Intake responses are within minutes of transmittal or immediately with verbal orders.

To learn more about the Visiting Nurse Association of South Central CT (VNA/SCC), you may visit their website at www.VNA/SCC.org or call their Vice President of Clinical Services, Carla Giugno, RN BSN 203-859-6100 or their President, John R. Quinn, MS at 203-777-5521.

As always, if you have any questions, we are available to you by phone at 203-729-8321.

Sincerely,

Theresa Stieber, RN MS (OR OTHER SIGNATORY)