

PROMISSORY NOTE

Loan Amount: \$450,000.00

Dated: April 2, 2018

FOR VALUE RECEIVED, the undersigned, TULARE LOCAL HEALTHCARE DISTRICT dba TULARE REGIONAL MEDICAL CENTER ("Promissor"), a political subdivision of the State of California formed under the California Health and Safety Code, promises to pay to COMMUNITY MEDICAL CENTERS, a California non-profit Corporation ("holder") the principal sum of Four Hundred Fifty Thousand dollars and no cents (**\$450,000.00**), due and payable on or before May 1, 2018, on the terms and conditions set forth in this promissory note ("Note").

This Note is unsecured, but Promissor agrees and hereby promises to pay Holder the full amount due on or before May 1, 2018 from the any and all proceeds or payments that the Promissor receives during the period of the note, including tax revenue proceeds received in April 2018 by Promissor as a political subdivision of the State of California, excepting any and all funds or monies that Promissor receives the use of which funds as a source of repayment would violate any applicable Federal or California law, rule, or regulation.

Promissor will be in default on this Note if any of the following happens: (a) the undersigned fails to make any payment when due; or (b) the undersigned breaks any promise the undersigned has made to holder, or fails to perform promptly at the time and strictly in the manner provided in this Note, or any agreement related to this Note.

Upon default and the failure by Promissor to pay all amounts due pursuant to this Note, Holder may, at Holder's option, in addition to all other remedies provided by law, require immediate payment of the amount due under the Note plus interest at the highest rate permitted by applicable law, which interest Holder may continue to charge and accrue until Holder's demand is met. Promissor will reimburse Holder, subject to any limits under applicable law, any and all legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post judgment collection services. Promissor will pay any costs of court, in addition to all other sums provided by law. This Note has been delivered to holder and accepted by holder in the State of California. Amounts due under this Note are payable in lawful money of the United States.

Holder may delay or forego enforcing any of its rights or remedies under this Note without losing them. Promissor to the extent allowed by law, hereby waive any applicable statute of limitations, presentment, demand for payment, protest or notice of dishonor. Upon any change in the terms of this Note, unless otherwise expressly stated in writing, no party who signs this Note, whether as a maker, guarantor, accommodation maker or endorser shall be released from liability. All such parties agree that Holder may renew, extend (repeatedly and for any length of time) or modify this Note, or take any other action deemed necessary by Holder without the consent of or notice to anyone other than the undersigned.

TULARE LOCAL HEALTHCARE DISTRICT
dba
TULARE REGIONAL MEDICAL CENTER

By: _____

Name: Kevin B. Northcraft

Title: President

Tulare Local Healthcare District
Board of Directors