

MEMORANDUM OF UNDERSTANDING

FLOW OF FUNDS

This MEMORANDUM OF UNDERSTANDING (this “MOU”), dated as of [REDACTED], 2026, is made by and between the Park Hospital District, a special tax district duly organized and validly existing under the laws of the State of Colorado (the “District”), UCHealth Estes Valley Medical Center, a Colorado non-profit corporation duly organized and validly existing under the laws of the State of Colorado (“EVMC”), and University of Colorado Health, a Colorado non-profit corporation duly organized and validly existing under the laws of the State of Colorado (“UCHealth,” and, together with EVMC, the “UCHealth Parties”). The District and the UCHealth Parties may each be referred to herein as a “Party,” and, collectively, as the “Parties.”

WHEREAS, the District and the UCHealth Parties are Parties to that certain Health System Operating Lease dated May 20, 2025, and effective December 1, 2025 (the “Operating Lease”) as well as that certain Integration and Affiliation Agreement effective December 1, 2025 (the “IAA,” and, together with the Operating Lease the “Definitive Agreements”), which lease certain real property of the District to EVMC, transfer the Estes Park Healthcare Operations to the UCHealth Parties, and allocate certain Tax Revenue to the UCHealth Parties in order to help preserve the continuation of the Estes Park Healthcare Operations;

WHEREAS, the Parties wish to set forth the Parties’ mutual understanding regarding the receipt and remittance of the Tax Revenue collected by the District and the timing and method by which said Tax Revenue will be transferred to the UCHealth Parties.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, acknowledge and agree as follows:

1. **Capitalized Terms**. Capitalized terms used but not defined herein shall have the meanings set forth in the Definitive Agreements.
2. **Excluded Liabilities**. Expenditure of the District’s reserved funds established by Section 2 of the Closing Letter in the amount of \$250,000 will not be counted as part of the Administrative Portion for any District fiscal year. The reserve funds consisted of approximately \$200,000 for severance payments and \$50,000 for retirement plan administrative fees to be paid to Ascensus.
3. **December 2025**. The Tax Revenue received by the District during December 2025 was an instalment of \$46,345.72. One month’s Administrative Portion was \$16,666.67, however the District’s cash expenditures for the month were only \$1,927.75 for excess Tax Revenue for the month and year ended December 31, 2025 of \$44,417.97. Pursuant to IAA Section 5.1, any portion of a prior year’s Administrative Portion not spent for District expenses must be transferred to the UCHealth Parties within 60 days of the start of the fiscal year. Such amount for the one-month period ended December 31, 2025 shall be remitted in its entirety to the UCHealth Parties no later than August 31, 2026.

4. **Administrative Portion.** Beginning on January 1, 2026, the District shall retain Tax Revenue received by the District up to the Administrative Portion, as defined in the IAA. In subsequent calendar years, the District shall retain initial Tax Revenue beginning on January 1 to cover the Administrative Portion of the Tax Revenue for that calendar year as adjusted pursuant to the IAA.
 - a. Provided however, that for calendar year 2026 the Administrative Portion shall be \$425,000 instead of \$200,000 as called for by the IAA Section 5.1 to accommodate higher than anticipated expenses incurred to enable the District to operate independently.
 - b. Provided further that, for purposes of determining the adjusted Administrative Portion for 2027 and all future years, the 2026 Administrative Portion shall be deemed to have been \$200,000 as established by the IAA.
5. **Remittance of Tax Revenue to UCHealth.** For Tax Revenues received in 2026 prior to the execution of this MOU in excess of the agreed upon adjusted Administrative Portion, the District shall remit such excess no later than August 31, 2026. Thereafter, all Tax Revenue received by the District in excess of the Administrative Portion for that calendar year shall be remitted to the UCHealth Parties. Said Tax Revenue shall be remitted to the UCHealth Parties no later than the last day of the month in which such Tax Revenue is received, by wire transfer to the bank account designated in writing by the UCHealth Parties.
6. **Excess Administrative Portion.** The District shall annually remit to the UCHealth Parties any part of the Administrative Portion that was not spent on approved expenses during that calendar year pursuant to the IAA.
7. **Accounting and Records.** The District shall maintain written records, to be shared with the UCHealth Parties on a monthly basis, that document the dates Tax Revenue is received by the District and the amount of Tax Revenue received each month.
8. **Entire Agreement.** This MOU and the Definitive Agreements, and the documents executed pursuant hereto and thereto, constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters. To the extent there is a conflict between the provisions of this MOU and the Definitive Agreements, the terms of the Definitive Agreements shall govern, and the terms of the Definitive Agreements shall remain in place.
9. **Controlling Law.** This MOU shall be governed by and construed and enforced in accordance with the internal laws of the State of Colorado without reference to its conflict of laws principles.
10. **Counterparts.** This MOU may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same

instrument. Facsimile or other electronically scanned and transmitted signatures, including by email attachment, shall be deemed originals for all purposes of this MOU.

IN WITNESS WHEREOF, the Parties have caused this MOU to be duly executed as of the date first above written.

UNIVERSITY OF COLORADO HEALTH:

By: _____

Name: Elizabeth Concordia

Title: President and Chief Executive Officer

Date: _____

UCHEALTH ESTES VALLEY MEDICAL CENTER:

By: _____

Name: Elizabeth Concordia

Title: President and Chief Executive Officer
of the sole member of UCHealth Estes Valley
Medical Center, University of Colorado Health

Date: _____

PARK HOSPITAL DISTRICT:

By: _____

Name: Cory Workman

Title: Chair

Date: _____