

January 24, 2014

**BY MAIL, FIRST CLASS AND ELECTRONIC MAIL**

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RE: Termination of Third Extended Tolling Agreement

Dear David:

Mr. Williams, Mr. Cox and the Norton negotiation team did not appear to meet with Dr. Dunn and his team for the agreed scheduled meeting to discuss terms for a 5-year renewable affiliation agreement at 10:00 a.m. this Tuesday, January 21. When Dr. Dunn reached Mr. Williams that morning, Mr. Williams indicated that he and his team were at Norton's offices, but that weather prevented them from coming downtown to meet with us at the Abell Building. Dr. Dunn offered to have our team drive out to Norton's offices so that we could meet as agreed, but Mr. Williams refused. Instead, the only discussion that day consisted of one telephone call between Mr. Williams and Dr. Dunn. Dr. Dunn offered to meet later in the day. He received no reply. Since Norton refused to meet, Dr. Dunn also followed up by e-mailing a summary of proposed terms for the 5-year renewable agreement to Mr. Williams.

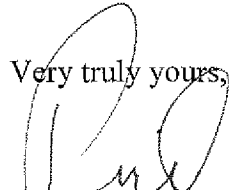
Mr. Williams then sent an e-mail at 2:39 p.m. on January 21 in which he rejected Dr. Dunn's proposal and he concluded that "we do not believe mutually acceptable agreements can be developed" and "that further discussions would not only be unproductive at this juncture, but be harmful to our future relationship." Section 3 of the Third Extended Tolling Agreement provides that "Either Party may terminate the Third Extended Tolling Period by 3 days written notice provided to the other party by e-mail and mail in the event they conclude in good faith that discussions are unlikely to lead to resolution of the issues." Mr. Williams effectively terminated the tolling agreement with his statement of January 21 refusing to conduct any further negotiations with UofL.

In a final effort to bring the parties back to the table to reach an agreement, on January 22, Dr. Dunn e-mailed Mr. Williams to invite him to participate in an in-person meeting including Dr. Dunn, Mr. Williams, the board chairs of Norton and UofL, and the Governor and Attorney General, in order to reach a fair and reasonable agreement. Mr. Williams communicated Norton's refusal to participate in such a meeting by e-mail today. As a result, this letter serves to provide clarity that the Third Extended Tolling Agreement is terminated as the

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result of Norton's written confirmation of its refusal to negotiate, effective upon the expiration of three days from today's date.

Very truly yours,



Philip W. Collier

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