



RELATED PARTY TRANSACTIONS POLICY

1. PURPOSE/OBJECTIVE

The Board of Directors (the “Board”) of Legacy Care Partners Inc. (“Legacy”) recognizes that transactions involving Legacy, its subsidiaries and affiliates (collectively, the “Company”) and related parties present a heightened risk of conflicts of interest and/or improper valuation (or the perception thereof), and, therefore, has adopted this Related Party Transactions Policy (this “Policy”) which shall be followed in connection with all related party transactions involving the Company.

2. SCOPE

This Policy applies to all Related Parties and Related Party Transactions (as each such term is defined below).

3. DEFINITIONS

“Immediate Family Member” is a person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and any other person (other than a tenant or employee) sharing the household of a specified person.

“Related Party” means:

- (1) A director or director nominee of the Company;
- (2) An executive officer of the Company, which, among others, shall include each vice president and each officer of the Company that is subject to reporting under Section 16 of the Securities Exchange Act of 1934, as amended;
- (3) A stockholder owning more than 5% of the Company or its controlled affiliates (“5% Stockholder”);
- (4) A person who is an Immediate Family Member of an executive officer, director, nominee for director or 5% Stockholder of the Company; or
- (5) An entity that is owned or controlled by someone listed above, an entity in which someone listed above has a substantial ownership interest or control of the entity or an entity in which someone listed above is an executive officer or general partner, or holds a similar position.

“Related Party Transaction” is any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which:

- (1) The aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year;



(2) The Company is a participant; and

(3) Any Related Party has or will have a direct or indirect interest.

4. APPROVAL PROCEDURES

Prior to entering into a Related Party Transaction, the Nominating/Corporate Governance Committee of the Board (the “Committee”) should review the material facts of such transaction and either approve or disapprove of the entry into such transaction, subject to the exceptions described below. If advance Committee approval of a Related Party Transaction is not feasible, then such transaction should be considered and ratified (if the Committee determines it to be appropriate) at the Committee’s next regularly scheduled meeting. In determining whether to approve or ratify a Related Party Transaction, the Committee will take into account, among other factors it deems appropriate, (1) whether the Related Party Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances, (2) the extent of the Related Party’s interest in the transaction and (3) whether the Related Party Transaction is material to the Company.

The Committee has reviewed the Related Party Transactions described below in Section 5 and determined that each of the Related Party Transactions described therein should be deemed to be pre-approved or ratified (as applicable) by the Committee under the terms of this Policy. In addition, the Board has delegated to the Committee’s Chairman the authority to pre-approve or ratify (as applicable) any Related Party Transaction with a Related Party in which the aggregate amount involved is expected to be less than \$120,000. In connection with each regularly scheduled meeting of the Committee, a summary of each new Related Party Transaction deemed pre-approved under Section 5 below and each new Related Party Transaction pre-approved by the Chairman in accordance with this paragraph should be provided to the Committee for its review.

A director should not participate in any discussion or approval of a Related Party Transaction for which he or she is a Related Party, except that the director should provide all material information concerning the Related Party Transaction to the Committee.

If a Related Party Transaction will be ongoing, the Committee may establish guidelines for the Company’s management team to follow in its ongoing dealings with the Related Party. Thereafter, the Committee, at least annually should review and assess ongoing relationships with the Related Party to confirm that they are in compliance with the Committee’s guidelines and that the Related Party Transaction remains appropriate.

5. STANDING PRE-APPROVAL FOR CERTAIN RELATED PARTY TRANSACTIONS

The Committee has reviewed the types of Related Party Transactions described below and determined that each of the following Related Party Transactions are deemed to be pre-approved or ratified (as applicable) by the Committee, even if the aggregate amount involved exceeds or will exceed \$120,000.

A. Employment of Executive Officers



Any employment by the Company of an executive officer of the Company is pre-approved or ratified (as applicable) if:

- (i) The related compensation is required to be reported in the Company's proxy statement for its annual meeting of stockholders (the "Proxy Statement") under Item 402 of Regulation S-K promulgated by the Securities and Exchange Commission (the "SEC"); or
- (ii) The executive officer is not an immediate family member of another executive officer or director of the Company, the related compensation would be reported in the Proxy Statement under Item 402 of Regulation S-K if the executive officer was a "named executive officer" and the Compensation Committee of the Board approved (or recommended that the Board approve) the compensation.

B. Director Compensation

Any compensation paid to a director is pre-approved or ratified (as applicable) if the compensation is required to be reported in the Proxy Statement under Item 402 of Regulation S-K and the compensation is approved by the Board or a committee thereof.

C. Certain Transactions with Other Companies

Any transaction with another company at which a Related Party's only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 10% of that company's shares is pre-approved or ratified (as applicable) if the aggregate amount involved does not exceed the greater of \$1.0 million or 2% of that company's total annual revenues.

D. Certain Company Charitable Contributions

Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a Related Party's only relationship is as an employee (other than an executive officer) or a director is pre-approved or ratified (as applicable) if the aggregate amount involved does not exceed the lesser of \$1.0 million or 2% of the charitable organization's total annual receipts.

E. Transactions Where All Shareholders Receive Proportional Benefits

Any transaction where the Related Party's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis (e.g., dividends) is pre-approved or ratified (as applicable).

F. Transactions Involving Competitive Bids

Any transaction involving a Related Party where the rates or charges involved are determined by competitive bids is pre-approved or ratified (as applicable).

G. Regulated Transactions



Any transaction with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority is pre-approved or ratified (as applicable).

H. Certain Banking-Related Services

Any transaction with a Related Party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services is pre-approved or ratified (as applicable).

6. OTHER POLICIES AND PROCEDURES

All transactions, including Related Party Transactions involving amounts less than \$120,000, are subject to the Company's Code of Conduct and Ethics (the "Code of Conduct"), which contains provisions regarding potential conflicts of interest. This Policy is in addition to any similar policies or procedures applicable to all employees contained in the Code of Conduct and Financial Code of Ethics or other policies, and the requirements set forth herein are in addition to, and not in substitution for, any other similar policies, procedures or requests.

7. DISCLOSURE REQUIREMENT

All Related Party Transactions that are required to be disclosed in the Company's filings with the SEC should be disclosed in accordance with applicable laws, rules and regulations. Furthermore, the material features of this Policy should be disclosed in the Company's Annual Report on Form 10-K or in the Company's Proxy Statement as required by applicable laws, rules and regulations. All Related Party Transactions of which management is aware should be disclosed to the Committee.