RESOLUTION NO. _____

PROPOSED RESOLUTION NO. 24-037

A RESOLUTION OF THE CITY OF LAKELAND, FLORIDA PROVIDING FOR THE ISSUANCE BY THE CITY OF NOT TO EXCEED $275,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS HOSPITAL REVENUE REFUNDING BONDS (LAKELAND REGIONAL HEALTH SYSTEMS), SERIES 2024 IN ONE OR MORE SERIES, AND FOR A LOAN OR LOANS BY THE CITY TO LAKELAND REGIONAL HEALTH SYSTEMS, INC. OR ITS AFFILIATES IN AN AMOUNT EQUAL TO THE PRINCIPAL AMOUNT OF SUCH SERIES 2024 BONDS FOR THE PRINCIPAL PURPOSES OF CURRENTLY REFUNDING ALL OR A PORTION OF THE CITY'S OUTSTANDING HOSPITAL REVENUE BONDS (LAKELAND REGIONAL HEALTH SYSTEMS), SERIES 2015 AND FINANCING AND REFINANCING (INCLUDING REIMBURSEMENT OF) OF ALL OR A PORTION OF THE COST OF THE ACQUISITION, IMPROVEMENT, INSTALLATION AND EQUIPPING OF CERTAIN HEALTHCARE FACILITIES FOR THE BENEFIT OF THE BORROWER OR THEIR AFFILIATES; PROVIDING FOR THE RIGHTS OF THE OWNERS OF THE SERIES 2024 BONDS AND FOR THE PAYMENT THEREOF; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2024 BONDS; AUTHORIZING A DELEGATED NEGOTIATED SALE OF THE SERIES 2024 BONDS UPON MEETING CERTAIN CONDITIONS SPECIFIED HEREIN; AUTHORIZING AND APPROVING THE USE OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH SUCH DELEGATED NEGOTIATED SALE OF THE SERIES 2024 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, BOND INDENTURE, LOAN AGREEMENT AND ESCROW DEPOSIT AGREEMENT; APPOINTING THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. AS BOND TRUSTEE AND ESCROW AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2024 BONDS AND ALL OTHER NECESSARY AND

RELATED INSTRUMENTS AND CERTIFICATES; PROVIDING FOR OTHER AGREEMENTS AND MISCELLANEOUS MATTERS IN CONNECTION WITH THE FOREGOING; AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 2. DEFINITIONS. As used herein, unless the context otherwise requires:

"Act" means Constitution and laws of the State of Florida, particularly Chapter 166, Florida Statutes, Part II of Chapter 159, Florida Statutes, and other applicable provisions of law, including the Charter of the City.

"Bond Counsel" means the law firm of Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

"Bond Indenture" means the Bond Indenture related to the Series 2024 Bonds to be executed by the City and the Bond Trustee, substantially in the form attached hereto as EXHIBIT D and incorporated herein by reference.

"Bond Purchase Agreement" means the Contract of Purchase, to be dated the date of the sale of the Series 2024 Bonds, between the City and the Underwriter, and approved by the Borrower and the Hospital, substantially in the form attached hereto as EXHIBIT A and incorporated herein by reference.

"Bond Trustee" means The Bank of New York Mellon Trust Company, N.A., and any successors or assigns, as Bond Trustee under the Bond Indenture.

"Borrower" means Systems, on behalf of itself and the other member of the Obligated Group.

"City" means the City of Lakeland, Florida.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations and rulings promulgated thereunder.

"Escrow Agent" means the Bond Trustee, acting in the capacity of Escrow Agent under the Escrow Deposit Agreement, and any successors or assigns.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement, to be executed by the City and the Escrow Agent and acknowledged by Systems and Hospital, substantially in the form attached hereto as EXHIBIT E and incorporated herein by reference.

"Hospital" means Lakeland Regional Medical Center, Inc., a Florida not-for-profit corporation, and any successor, surviving, resulting or transferee entity.

"Loan Agreement" means the Loan Agreement related to the Series 2024 Bonds, to be executed by and between the City and the Borrower substantially in the form attached hereto as EXHIBIT C and incorporated herein by reference.

"Master Indenture" means the Amended and Restated Master Trust Indenture, dated as of February 1, 2015, by and among Systems, the Hospital and the Master Trustee as amended and supplemented.

"Mayor" means the Mayor of the City or, if unavailable, the Mayor Pro-Tem of the City.

"Obligated Group" means Systems, Hospital and any other person who has satisfied the requirements set forth in the Master Indenture for becoming a member of the Obligated Group and the successors thereof until any such person or a successor or transferee person satisfies the requirements set forth in the Master Indenture for ceasing to be a member of the Obligated Group.

"Preliminary Official Statement" means the Preliminary Official Statement relating to the Series 2024 Bonds, substantially in the form attached hereto as EXHIBIT B.

"Refunded Bonds" means that portion of the City's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 selected by the Borrower to be refunded with the proceeds of the Series 2024 Bonds and other available funds.

"Refunded Bonds Projects" means, collectively, certain capital improvements to the medical facilities of the Obligated Group financed with a portion of the proceeds of the Refunded Bonds, generally including acquisition, construction and equipping of the Women and Children Pavilion, emergency department expansion, operating room expansion and inpatient rehabilitation facility, located on or contiguous to the campus of the Lakeland Regional Medical Center at 1324 Lakeland Hills Boulevard, Lakeland, Florida, and Lakeland Regional Cancer Center expansion located at 3525 Lakeland Hills Boulevard, Lakeland, Florida and various other capital improvements to the Borrower's health facilities, including but not limited to, furniture, fixtures and equipment, clinical equipment, information systems, and infrastructure replacements and upgrades, surgery room upgrades and interior renovations.

"Series 2024 Bonds" means the City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), to be issued in one or more series under the Bond Indenture in the aggregate principal amount of not to exceed $275,000,000, substantially in the form and with the rates of interest, maturity dates and other details provided for herein and in the Bond Indenture or established in accordance with the terms hereof, thereof and of the Bond Purchase Agreement, authorized hereby to be issued by the City, authenticated by the Bond Trustee and delivered under the Bond Indenture.

"Series 2024 Obligation" means the Obligated Group evidence of indebtedness, to be dated the dated date of the Series 2024 Bonds, issued in the principal amount of the Series 2024 Bonds pursuant to the Master Indenture, and evidencing the Obligated Group's indebtedness and obligation to repay the loan made by the City pursuant to the Loan Agreement, in the amounts and at the times required for the payment of the principal of, premium, if any, and interest on the Series 2024 Bonds when and as the same become due and payable.

"Series 2024 Project" means the various capital improvements to the healthcare facilities of the Obligated Group described in Section 3(B) of this Resolution and in the Loan Agreement, heretofore acquired or to be acquired, constructed and equipped in the City and owned and operated by the Obligated Group.

"State" means the State of Florida.

"Systems" means Lakeland Regional Health Systems, Inc., a Florida not-for-profit corporation, and any successor, surviving, resulting or transferee entity.

"Underwriter" means the underwriter identified in the Bond Purchase Agreement.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The City is a duly organized and validly existing municipal corporation under the Act, with the powers and authority set forth in the Act and is duly authorized and empowered by the Act to issue revenue bonds to finance or refinance the "cost" of "health care facilities," as such terms are defined in the Act, and to loan the proceeds of such bonds to qualified Borrower, such loans to be payable solely from revenues and receipts derived from the operation of "projects," as defined in the Act, or other payments received under the financing agreements with respect thereto, and secured by a pledge of said revenues and from such other sources as may be approved by the City.

(B) The Borrower has requested the City to assist the Obligated Group by issuing not exceeding $275,000,000 in aggregate principal amount of the Series 2024 Bonds, in one or more series, and loaning the proceeds thereof to the Obligated Group in order to: (1) currently refund the Refunded Bonds in order to reduce the Obligated Group's debt

service obligations; (2) finance all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Obligated Group's healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building located at 2400 Kathleen Road, Lakeland, Florida, (b) a new approximately 24,000 square foot free-standing emergency department building located at 6150 South Florida Avenue, Lakeland, Florida, and (c) other capital improvements related to existing health care facilities located on the campus of the Lakeland Regional Medical Center at 1324 Lakeland Hills Boulevard, Lakeland, Florida; (3) to fund any necessary reserves; and (4) to pay certain costs of issuance of the Series 2024 Bonds, all as provided in the Bond Indenture.

(C) In order to satisfy certain requirements of Section 147(f) of the Code, the City held a public hearing on the date hereof on the proposed issuance of the Series 2024 Bonds for the purposes herein stated, which date is at least 7 days following the publication of notice of such public hearing in a newspaper of general circulation in the City (a true and accurate copy of the affidavit of publication of such notice is attached hereto as EXHIBIT F), which public hearing was conducted in a manner that provided a reasonable opportunity for persons with differing views to be heard, both orally and in writing, on the issuance of the Series 2024 Bonds, the financing and refinancing (including reimbursement) of the costs of the Series 2024 Project and was held in a location which, under the facts and circumstances, was convenient for the residents of the City, and such notice was reasonably designed to inform residents of the City of the proposed issue, stated that the City would be the issuer of the Series 2024 Bonds, stated the time and place of the hearing and generally contained the information required by Section 147(f) of the Code and applicable regulations thereunder.

(D) The Borrower has represented to the City that it has, after consulting with its financial advisor, Kaufman Hall & Associates (the "Financial Advisor") and the Underwriter, determined that market and other conditions are now conducive to the issuance of the Series 2024 Bonds and to the application of the proceeds thereof to refund the Refunded Bonds, finance or refinance (including through reimbursement) the Series 2024 Project, fund any necessary reserves and pay the costs associated therewith.

(E) Upon consideration of the documents described herein and the information presented to the City at or prior to the adoption of this Resolution, the City based solely on representations of the Borrower has made and does hereby make the following findings and determinations:

(1) The Refunded Bonds were issued by the City for the benefit of the Borrower on February 5, 2015. The proceeds of the Refunded Bonds, together with other available funds, were applied by the Obligated Group to finance the Refunded Bonds Projects.

(2) The facilities being financed or refinanced with the proceeds of the Series 2024 Bonds are located within the geographic jurisdiction of the City and are owned and operated or will be owned and operated by the Obligated Group in its business of providing health care services in the City and surrounding areas.

(3) The Obligated Group has represented that the Refunded Bonds Projects and the Series 2024 Project, which generally includes the financing and refinancing of a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Borrower's healthcare facilities located or to be located in the City for which the proceeds of the Refunded Bonds were used (in the case of the Refunded Bonds Projects) and a portion of the proceeds of the Series 2024 Bonds shall be used (in the case of the Series 2024 Project) helped and will help to increase employment in the City, improve living conditions and health care, foster economic growth and development and the business development of the City and the State, and served and will serve other predominantly public purposes as set forth in the Act. Both the Refunded Bonds Projects and the Series 2024 Project are desirable and further the public purposes of the Act, and most effectively serve and will serve the purposes of the Act, for the City to refinance all or a portion of the costs of the Refunded Bonds Projects and to finance and refinance (including reimbursement of) costs of the Series 2024 Project, to issue and sell the Series 2024 Bonds for such purposes, all as provided in the Loan Agreement, which contain such provisions as are necessary or convenient to effectuate the purpose of the Act.

(4) As of the date hereof, and based solely on representations made by the Borrower and information provided to the City by the Borrower, the City finds that the Obligated Group is financially responsible, based on the criteria established by the Act, and the Obligated Group is fully capable and willing (a) to fulfill its obligations under the Master Indenture and the Loan Agreement, and any other agreements to be made in connection with the issuance of the Series 2024 Bonds and the use of the Series 2024 Bond proceeds for refunding the Refunded Bonds and financing the Series 2024 Project, including the obligation to make loan payments or other payments in an amount sufficient in the aggregate to pay all of the interest, principal, and redemption premiums, if any, on the Series 2024 Bonds, in the amounts and at the times required, (b) to operate, repair and maintain at its own expense the Refunded Bonds Projects and the Series 2024 Project, and (c) to serve the purposes of the Act and such other responsibilities as may be imposed under such agreements.

(5) The availability of tax-exempt financing, as authorized by the Act, is an important inducement to the Obligated Group to proceed with the refinancing of the costs of the Refunded Bonds Projects and the financing and refinancing (including reimbursement) of the Series 2024 Project.

(6) The City and other local agencies were able to cope satisfactorily with the impact of the Refunded Bonds Projects and were able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that were necessary for the construction, operation, repair and maintenance of the Refunded Bonds Projects and on account of any increase in population or other circumstances resulting therefrom and are reasonably expected to do the same with respect to the Series 2024 Project.

(7) Adequate provision is made under the Loan Agreement for the payment by Systems of the principal of, premium, if any, and interest on the Series 2024 Bonds when and as the same become due, and payment by Systems of all other costs in connection with the financing, refinancing, acquisition, construction, installation, operation, maintenance and administration of the Refunded Bonds Projects and the Series 2024 Project which are not paid out of the proceeds from the sale of the Series 2024 Bonds, the Refunded Bonds or otherwise. In making this determination, the City is relying on representations made to the City by the Obligated Group, the Obligated Group history of making timely payments on obligations heretofore issued by the City and the issuance by the Obligated Group of the Series 2024 Obligation.

(F) The principal of, premium, if any, and interest on the Series 2024 Bonds and all other pecuniary obligations under the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Master Indenture or otherwise, in connection with the refunding of the Refunded Bonds and financing (or reimbursing the Borrower for) the costs of the Series 2024 Project or otherwise in connection with the issuance of the Series 2024 Bonds, shall be payable by the City solely from (1) the loan payments and other revenues and proceeds received under the Loan Agreement, the Master Indenture, the Bond Indenture or otherwise from the operation, sale, lease or other disposition of the Obligated Group properties, including proceeds from insurance condemnation awards and proceeds of any foreclosure or other realization upon the liens or security interests under the Loan Agreement, the Bond Indenture and the Master Indenture, and (2) the proceeds of the Series 2024 Bonds and income from the temporary investment of the proceeds of the Series 2024 Bonds or of such other revenues and proceeds, as pledged for such payment to the Bond Trustee under and as provided in the Bond Indenture and the Escrow Deposit Agreement. Neither the faith and credit nor the taxing power of the City, Polk County, Florida ("Polk County"), the State or of any political subdivision or agency thereof is pledged to the payment of the Series 2024 Bonds or of such other pecuniary obligations and neither the City, Polk County, the State nor any political subdivision or agency thereof shall ever be required or obligated to levy ad valorem taxes on any property within their territorial limits to pay the principal of, premium, if any, or interest on such Series 2024 Bonds or other pecuniary obligations or to pay the same from any funds thereof other than such revenues, receipts and proceeds so pledged, and the Series 2024 Bonds shall not constitute a lien upon any property owned by the City, Polk County, the State or any political subdivision

or agency thereof, other than the City's interest in the Bond Indenture, the Escrow Deposit Agreement, and the Loan Agreement and the property rights, receipts, revenues and proceeds pledged therefor under and as provided in the Loan Agreement, the Bond Indenture, the Master Indenture, the Escrow Deposit Agreement and any other agreements securing the Series 2024 Bonds.

(G) A delegated negotiated sale of the Series 2024 Bonds is in the best interest of the Borrower and the City for the following reasons: (1) as noted in paragraph (F) above, the Series 2024 Bonds will be special and limited obligations of the City payable solely out of revenues and proceeds derived from the Bond Indenture, the Loan Agreement, the Escrow Deposit Agreement, and the Master Indenture; (2) the Obligated Group will be obligated for the payment of all costs of the City in connection with the refunding of the Refunded Bonds and financing (or reimbursing the Obligated Group for) the costs of the Series 2024 Project which are not paid out of the Series 2024 Bond proceeds or otherwise; (3) the cost of issuance of the Series 2024 Bonds, which will be borne directly or indirectly by the Obligated Group could be greater if the Series 2024 Bonds are sold at a public sale by competitive bids than if the Series 2024 Bonds are sold on a negotiated basis; (4) a public sale by competitive bids may cause undue delay in the refunding of the Refunded Bonds; (5) private activity revenue bonds having the characteristics of the Series 2024 Bonds are typically and usually sold at negotiated sale or privately placed; and (6) authorization of a negotiated sale of the Series 2024 Bonds is necessary or desirable in order to serve the purposes of the Act.

(H) The Obligated Group has been advised as to the market appropriateness of preparing for the purchase proposal of the Underwriter in light of current market levels and conditions and as to the acceptance of Bond Purchase Agreement pursuant to a delegated negotiated sale subject to the conditions provided herein. The Obligated Group's Financial Advisor has advised the Obligated Group that it may be most cost efficient and in the best interest of the Obligated Group to purchase a policy of municipal bond insurance in connection with the issuance of the Series 2024 Bonds.

(I) All requirements precedent to the adoption of this Resolution, of the Constitution and other laws of the State, including the Act, have been complied with.

SECTION 4. REFUNDING OF THE REFUNDED BONDS AND FINANCING OF THE SERIES 2024 PROJECT AUTHORIZED. Subject to the conditions set forth in Section 5(B) hereof, the refunding of the Refunded Bonds and the financing and refinancing (including reimbursement) of the costs of the Series 2024 Project in the manner provided in the Loan Agreement and Bond Indenture is hereby authorized.

SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2024 BONDS; DELEGATED NEGOTIATED SALE OF SERIES 2024 BONDS. (A) Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) below prior to the issuance of the Series 2024 Bonds, the City hereby authorizes the

issuance of one or more series of bonds to be known as "City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems)," in an aggregate principal amount not exceeding TWO HUNDRED SEVENTY-FIVE MILLION AND NO/100 DOLLARS ($275,000,000.00), for the purposes described in Section 3(B) herein. The proceeds of such Series 2024 Bonds may also be applied to fund any necessary reserves and pay costs associated with the issuance of the Series 2024 Bonds. The Series 2024 Bonds shall only be issued in accordance with the provisions hereof and of the Bond Indenture, the Loan Agreement and the Master Indenture. The proceeds of the Series 2024 Bonds used to refund the Refunded Bonds, together with other available funds and investment proceeds, shall be applied in accordance with the provisions of the Escrow Deposit Agreement. The Series 2024 Bonds may be issued in one or more series and in one or more Interest Rate Modes (as defined in the Bond Indenture) with such additional "Series" and calendar year designations as the Borrower deem appropriate for each such series of bonds and as set forth in the Bond Indenture. Based on the advice of the Underwriter and the Financial Advisor, the Bond Purchase Agreement may reflect acceptance by the Obligated Group of a commitment for a municipal bond insurance policy meeting the conditions set forth in Section 8 hereof.

The Series 2024 Bonds are authorized to be issued initially in book-entry only form in accordance with the Bond Indenture. The provisions of the City's Blanket Letter of Representations on file with The Depository Trust Company shall apply to the Series 2024 Bonds.

(B) Subject to full satisfaction of the conditions set forth in this Section 5(B), the City hereby authorizes a delegated negotiated sale of the Series 2024 Bonds to the Underwriter in accordance with the terms of the Bond Purchase Agreement to be dated the date of sale of each series of Series 2024 Bonds and to be substantially in the form attached hereto as EXHIBIT A, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Mayor in accordance with the provisions of this Section 5(B), the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section 5(B). The Bond Purchase Agreement shall not be executed by the Mayor until such time as all of the following conditions have been satisfied:

(1) Receipt by the Mayor of a written offer to purchase the Series 2024 Bonds by the Underwriter substantially in the form of the Bond Purchase Agreement, said offer to provide for, among other things, (a) the purchase by the Underwriter of not exceeding $275,000,000 initial aggregate principal amount of the Series 2024 Bonds (including any previous series of the Series 2024 Bonds previously issued pursuant to the terms of this Resolution), (b) an underwriting discount (including management fee and all expenses other than counsel fees and expenses) not in excess of 0.6% of the initial par amount of such series of the Series 2024 Bonds, (c) a true interest cost (as calculated by the Borrower's Financial

Advisor) not in excess of 6.0%, and (d) the maturities of such series of the Series 2024 Bonds with the final maturity no later than November 15, 2055.

(2) Receipt by the Mayor from the Underwriter of disclosure statements and the truth-in-bonding information complying with Section 218.385, Florida Statutes, as amended, to the extent required by such statute.

(3) The Series 2024 Bonds shall receive an investment grade rating by at least one nationally recognized rating agency.

(4) The issuance of the Series 2024 Bonds shall not exceed any debt limitation prescribed by law, and such series of the Series 2024 Bonds, when issued, will be within the limits of all constitutional or statutory debt limitations.

SECTION 6. DELEGATED NEGOTIATED SALE OF THE SERIES 2024 BONDS. Based on the findings set forth in Section 3(G) hereof, the City hereby finds and determines that the sale of one or more series of the Series 2024 Bonds on the basis of a delegated negotiated sale to the Underwriter rather than a public sale by competitive bid, pursuant to the terms and provisions of the Bond Purchase Agreement, is in the best interest of the City and the Borrower, subject to the satisfaction of all of the conditions set forth in Section 5(B) hereof.

SECTION 7. REDEMPTION PROVISIONS. The Series 2024 Bonds shall be subject to optional, mandatory and extraordinary redemption and/or tender in the manner, to the extent, in the amounts and at the times set forth in the Bond Purchase Agreement and the Bond Indenture.

SECTION 8. MUNICIPAL BOND INSURANCE. If the Obligated Group determines, upon the advice of the Underwriter and the Financial Advisor, that all or any portion of the Series 2024 Bonds will be insured by a municipal bond insurance policy (the "Insured Bonds"), then the Obligated Group, upon the advice of the Financial Advisor and Bond Counsel, shall select either Assured Guaranty Municipal Corp. ("AGM") or Build America Mutual Assurance Company ("BAM") as the municipal bond insurer with respect to the Insured Bonds (the "Insurer") and a sufficient portion of the proceeds of the Series 2024 Bonds shall be applied to the payment of the premium for the Insurer's standard form of municipal bond insurance policy (the "Insurance Policy"). The Mayor, and in the absence or inability to act of the Mayor, any other authorized representative of the City is authorized and directed to execute or incorporate as necessary, any insurance agreement or additional provisions to the Bond Indenture (the "Bond Insurance Agreement") that is necessary to incorporate the standard municipal bond insurance provisions required by the Insurer, such Bond Insurance Agreement to be subject to the approval of the City Attorney, the Obligated Group's counsel and Bond Counsel, such approval being evidenced by the execution thereof. To the extent the City is a party to the Bond Insurance Agreement, proper indemnity from the Borrower must be incorporated. So long as the Insurance Policy

issued by the Insurer is in full force and effect and the Insurer has not defaulted in its payment obligations under the Insurance Policy, the City agrees to the extent permitted by law, to comply with the provisions of any Insurance Agreement executed in accordance with this section.

SECTION 9. PRELIMINARY OFFICIAL STATEMENT; FINAL OFFICIAL STATEMENT. (A) The form, terms and provisions of the Preliminary Official Statement relating to the Series 2024 Bonds to be substantially in the form attached hereto as EXHIBIT B, with any changes, insertions and amendments which are necessary to reflect the terms, series designation and Interest Rate Modes of the Series 2024 Bonds set forth herein and in the Bond Indenture, is hereby approved as to form, terms and substance. The information contained therein is hereby authorized and approved to be used and distributed by the Underwriter in connection with the sale of the Series 2024 Bonds.

(B) Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) hereof, the City does hereby authorize and approve the preparation, distribution and delivery of a final Official Statement (the "Official Statement"), substantially in the form of the corresponding Preliminary Official Statement, with such changes, modifications, deletions and additions as are necessary to reflect the final terms of the Series 2024 Bonds marketed pursuant to such Preliminary Official Statement. The Mayor is hereby authorized to execute and deliver the final Official Statement; the execution thereof by the Mayor shall be conclusive evidence of approval by the City of the final Official Statement.

SECTION 10. APPOINTMENT OF BOND TRUSTEE AND ESCROW AGENT. The Bank of New York Mellon Trust Company, N.A. is hereby appointed and approved to act as (A) the Bond Trustee under and pursuant to the Bond Indenture, and (B) the Escrow Agent under the Escrow Deposit Agreement.

SECTION 11. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE LOAN AGREEMENT. Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) hereof, the Loan Agreement, substantially in the form attached hereto as EXHIBIT C with such corrections, insertions and deletions as may be approved by the Mayor and the City Clerk, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized. Subject to approval by the City Attorney as to form and correctness, the City hereby authorizes and directs the Mayor to execute and the City Clerk to attest, under the official seal of the City, the Loan Agreement, and to deliver the Loan Agreement to the Borrower.

SECTION 12. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE BOND INDENTURE. Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) hereof, the Bond Indenture, substantially in the form attached hereto as EXHIBIT D with such changes, corrections, insertions and deletions as may be approved by the Mayor and the City Clerk, such approval to be evidenced conclusively by their execution and attestation thereof, is hereby approved and authorized.

Subject to approval by the City Attorney as to form and correctness, the City hereby authorizes and directs the Mayor to execute and the City Clerk to attest, under the official seal of the City, the Bond Indenture, and deliver the Bond Indenture to the Bond Trustee.

SECTION 13. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE ESCROW DEPOSIT AGREEMENT. Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) hereof, the Escrow Deposit Agreement, substantially in the form attached hereto as EXHIBIT E with such changes, corrections, insertions and deletions as may be approved by the Mayor and the City Clerk, such approval to be evidenced conclusively by their execution and attestation thereof, is hereby approved and authorized. Subject to approval by the City Attorney as to form and correctness, the City hereby authorizes and directs the Mayor to execute and the City Clerk to attest, under the official seal of the City, the Escrow Deposit Agreement, and deliver the Escrow Deposit Agreement to the Escrow Agent. All of the provisions of the Escrow Deposit Agreement, when executed and delivered by the City as authorized herein, and by the Escrow Agent, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 14. AUTHORIZATION OF EXECUTION AND DELIVERY OF AGREEMENTS, CERTIFICATES AND OTHER INSTRUMENTS. Subject to the satisfaction in all respects of the conditions set forth in Section 5(B) hereof, the Mayor and the City Clerk are hereby authorized and directed, either alone or jointly, under the official seal of the City, to execute and deliver certificates of the City certifying such facts as Bond Counsel shall require, in connection with the issuance, sale and delivery of the Series 2024 Bonds, and to execute and deliver such other agreements, instruments and certificates, including but not limited to, a tax exemption certificate relating to certain requirements set forth in the Code, assignments and financing statements, as shall be necessary or desirable to perform the City's obligations under the Loan Agreement, the Bond Indenture, the Bond Purchase Agreement, the Escrow Deposit Agreement and the Series 2024 Bonds and to consummate the transactions hereby authorized.

SECTION 15. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement, the Bond Purchase Agreement, or any certificate, agreement or other instrument to be executed on behalf of the City in connection with the issuance of the Series 2024 Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the City in his or her individual capacity, and none of the foregoing persons nor any member or officer of the City executing the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Bond Purchase Agreement, the Escrow Deposit Agreement, the final Official Statement or any certificate, agreement or other instrument to be executed in connection with the issuance of the Series

2024 Bonds shall be liable personally thereon or be subject to any personal liability of or accountability by reason of the execution or delivery thereof.

SECTION 16. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein or in the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement, or the Bond Purchase Agreement, nothing in this Resolution, or in the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement or the Bond Purchase Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the City, the Borrower, the Bond Trustee, the Escrow Agent and the owners from time to time of the Series 2024 Bonds and the Refunded Bonds any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement or the Bond Purchase Agreement, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the City, the Borrower, the Bond Trustee, the Escrow Agent and the owners from time to time of the Series 2024 Bonds and the Refunded Bonds.

SECTION 17. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this Resolution, to the issuance, sale and delivery of the Series 2024 Bonds, to the execution and delivery of the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the final Official Statement and the Bond Purchase Agreement, required by the Act or other laws of the State, to happen, exist and be performed precedent to the passage hereof, and precedent to the issuance, sale and delivery of the Series 2024 Bonds, to the execution and delivery of the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the final Official Statement and the Bond Purchase Agreement, have either happened, exist and have been performed as so required or will have happened, will exist and will have been performed prior to such execution and delivery thereof.

SECTION 18. GENERAL AUTHORITY. The officers, attorneys, engineers or other agents or employees of the City are hereby authorized to do all acts and things required of them by this Resolution, the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement and the Bond Purchase Agreement, and to do all acts and things which are desirable and consistent with the requirements hereof or of the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement and the Bond Purchase Agreement, for the full, punctual and complete performance of all the terms, covenants and agreements contained herein and in the Series 2024 Bonds, the Loan Agreement, the Bond

Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement and the Bond Purchase Agreement.

SECTION 19. THIS RESOLUTION CONSTITUTES A CONTRACT. The City covenants and agrees that this Resolution shall constitute a contract between the City and the owners from time to time of the Series 2024 Bonds then outstanding and that all covenants and agreements set forth herein and in the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Escrow Deposit Agreement, the Preliminary Official Statement, the final Official Statement and the Bond Purchase Agreement, to be performed by the City shall be for the equal and ratable benefit and security of all owners of outstanding Series 2024 Bonds, and all subsequent owners from time to time of the Series 2024 Bonds, without privilege, priority or distinction as to lien or otherwise of any of the Series 2024 Bonds over any other of the Series 2024 Bonds.

SECTION 20. LIMITED OBLIGATION. THE ISSUANCE OF THE SERIES 2024 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY, POLK COUNTY, THE STATE NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER, OR TO LEVY AD VALOREM TAXES ON ANY PROPERTY WITHIN THEIR TERRITORIAL LIMITS TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON SUCH SERIES 2024 BONDS OR OTHER PECUNIARY OBLIGATIONS OR TO PAY THE SAME FROM ANY FUNDS THEREOF OTHER THAN SUCH REVENUES, RECEIPTS AND PROCEEDS SO PLEDGED, AND THE SERIES 2024 BONDS SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OWNED BY THE CITY, POLK COUNTY OR THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE CITY'S INTEREST IN THE LOAN AGREEMENT AND THE PROPERTY RIGHTS, RECEIPTS, REVENUES AND PROCEEDS PLEDGED THEREFOR UNDER AND AS PROVIDED IN THE BOND INDENTURE AND ANY OTHER AGREEMENTS SECURING THE SERIES 2024 BONDS.

SECTION 21. LIMITED APPROVAL. The approval given herein shall not be construed as an (a) an endorsement of the creditworthiness of the Obligated Group or the financial viability of the Series 2024 Project, (b) a recommendation to any prospective purchaser to purchase the Series 2024 Bonds, (c) an evaluation of the likelihood of the repayment of the debt service on the Series 2024 Bonds, or (d) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Series 2024 Project, and the City Commission shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding or recommendation or to have waived any right of the City Commission or estopping the City Commission from asserting any rights or responsibilities it may have in such regard. Further, the approval by the City Commission of the issuance of the Series 2024 Bonds by the City shall not be construed to obligate the

City to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Series 2024 Bonds, the refunding of the Refunded Bonds or the refinancing of all or a portion of the costs of the Series 2024 Project.

SECTION 22. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions hereof or of the Series 2024 Bonds issued under the Bond Indenture.

SECTION 23. REPEALING CLAUSE. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 24. EFFECTIVE DATE. This Resolution shall become effective immediately upon its passage in the manner provided by law.

PASSED AND CERTIFIED this 17th day of June, 2024.

H. William Mutz, Mayor

ATTEST:

Kelly S. Koos, City Clerk

Approved as to form and correctness:

Palmer C. Davis, City Attorney

EXHIBIT A

FORM OF BOND PURCHASE AGREEMENT

$_____
City of Lakeland, Florida
Hospital Revenue Refunding Bonds
(Lakeland Regional Health Systems),
Series 2024

CONTRACT OF PURCHASE

July __, 2024

City of Lakeland, Florida
Lakeland, Florida

Ladies and Gentlemen:

J.P. Morgan Securities LLC (the "***Underwriter***"), hereby offers to enter into this Contract of Purchase with you (the "***Issuer***"), for the purchase by the Underwriter and sale by you of your $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***"). This offer is made subject to acceptance by the Issuer and approval by Lakeland Regional Health Systems, Inc. ("***LRHS***") and Lakeland Regional Medical Center, Inc, both Florida not-for-profit corporations (collectively, the "***Obligated Group***"), prior to 10:00 p.m., Eastern Time, on the date hereof, and upon such acceptance and approval, as evidenced by signatures in the spaces provided therefor below, this Contract of Purchase shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer, the Underwriter and the Obligated Group. If this offer is not so accepted and approved, it is subject to withdrawal by the Underwriter upon written notice delivered to the Issuer at any time prior to such acceptance and approval.

All capitalized terms used and not defined herein shall have the meanings assigned in the Bond Indenture (as hereinafter defined).

1. Upon the terms and conditions and upon the basis of the representations set forth herein and in the Letter of Representation, dated the date hereof, and executed and delivered by the Obligated Group, which Letter of Representation is attached hereto as Exhibit A (the "***Letter of Representation***"), the Underwriter hereby agrees to purchase from the Issuer and the Issuer hereby agrees to sell to the Underwriter all (but not less than all) of the Series 2024 Bonds, to be dated the date of delivery of the Series 2024 Bonds, at an aggregate purchase price of $_____ (representing par value [plus/less] a[n] [net] original issue [premium/discount] of $_____, and less an underwriting discount of $_____). The Series 2024 Bonds shall mature on the dates, bear interest at the rates and have the initial public offering prices set forth in Schedule I attached to this Contract of Purchase. The Underwriter hereby further agrees to the terms of the Letter of Representation.

The information required by Section 218.385(2), (3) and (6), Florida Statutes, to be provided to the Issuer by the Underwriter, is set forth in Schedule II hereto.

The Series 2024 Bonds shall be as described in, and shall be issued and secured under and pursuant to a Bond Indenture, dated as of August 1, 2024, (the "***Bond Indenture***"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "***Bond Trustee***") and a Loan Agreement, dated as of August 1, 2024 (the "***Loan Agreement***"), between the Issuer and LRHS, as Obligated Group Representative on behalf of itself and the other members of the Obligated Group. The Obligated Group's obligations pursuant to the Loan Agreement will be evidenced and secured by Obligation No. 9, dated the

date of delivery of the Series 2024 Bonds ("***Obligation No. 9***") issued pursuant to the Amended and Restated Master Trust Indenture, dated as of February 1, 2015, among the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee, as amended and supplemented and, in particular, as supplemented by a Supplemental Indenture for Obligation No. 9 ("***Supplement No. 9***"), dated as of August 1, 2024 (collectively, the "***Master Indenture***").

The proceeds of the Series 2024 Bonds will be used, together with other available funds of the Obligated Group, to (i) currently refund the Issuer's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the "***Series 2015 Bonds***") by depositing such proceeds and other funds with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "***Escrow Agent***"), under the Escrow Deposit Agreement, dated August 1, 2024 (the "***Escrow Agreement***"), between the Issuer and the Escrow Agent, and acknowledged by the Obligated Group, (ii) pay certain costs and expenses in connection with the issuance of the Series 2024 Bonds. The Obligated Group and Digital Assurance Certification LLC, as dissemination agent, shall enter into a Continuing Disclosure Agreement, dated the date of the issuance of the Series 2024 Bonds (the "***Disclosure Agreement***"), in order to assist the Underwriter in complying with the 15c2-12(b)(5) ("***Rule 15c2-12***") of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***").

The Underwriter agrees to make a bona fide public offering of the Series 2024 Bonds at the initial offering prices as set forth in the Official Statement (as hereinafter defined) and in Schedule I hereto, which prices may be changed from time to time by the Underwriter.

The Bond Indenture, the Loan Agreement, the Series 2024 Bonds, the Escrow Agreement and this Contract of Purchase are collectively referred to herein as the "***Issuer Documents***."

2. The Issuer and the Obligated Group by their acceptance and approval of this Contract of Purchase ratify the use and distribution by the Underwriter prior to the date hereof of the preliminary official statement (including the cover page, inside cover page and all appendices thereto) dated July __, 2024 relating to the public offer, sale and distribution of the Series 2024 Bonds (the "***Preliminary Official Statement***"). The Issuer and the Obligated Group have delivered the Preliminary Official Statement or caused it to be delivered to the Underwriter prior to the date hereof which the Issuer and the Obligated Group confirms that it deemed final as of its date for purposes of Rule 15c2-12, except for information permitted to be omitted therefrom by Rule 15c2-12; provided, however, that the foregoing representation as to the finality of the Preliminary Official Statement does not include a representation as to the finality of the statements and information contained therein concerning the Obligated Group or the DTC Book-Entry System. The Issuer hereby agrees to deliver or cause to be delivered to the Underwriter promptly after the acceptance hereof, copies of the final official statement, dated the date hereof, relating to the Series 2024 Bonds (including all information previously permitted to have been omitted by Rule l5c2-12 and any amendments or supplements thereto in connection with the offer, sale and distribution of the Series 2024 Bonds as have been approved by the Issuer and the Underwriter, the "***Official Statement***") approved on behalf of the Issuer by its Mayor (or such other authorized officers as the Underwriter shall have approved). By its approval of this Contract of Purchase, the Obligated Group confirms that it deemed final as of its date, for the purposes of Rule 15c2-12, the Preliminary Official Statement, except for information permitted to be omitted therefrom by Rule 15c2-12; provided, however, that the foregoing representation as to the finality of the Preliminary Official Statement excludes the information provided by the Issuer under the captions "THE ISSUER" and "LITIGATION – Issuer." The Issuer hereby authorizes the Obligated Group to, and the Obligated Group shall, cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, definitive copies of the Official Statement in such quantity as the Underwriter shall request.

The Official Statement will be prepared pursuant to, and approved for distribution by, a resolution of the Issuer and a joint resolution of the Obligated Group. The Issuer authorizes the use of copies of the Official Statement, the Bond Indenture, the Lease and Transfer Agreement, dated as of October 1, 1986, between LRMC and the Issuer, as amended and supplemented to date (collectively, the "***Lease Agreement***"), and the Loan Agreement in connection with the public offering and sale of the Series 2024 Bonds and the Obligated Group by its approval hereof authorizes use of copies of the Official Statement, the Loan Agreement, the Master Indenture, Obligation No. 9, the Lease Agreement, the Bond Indenture, the Escrow Agreement and the Disclosure Agreement with the public offering and sale of the Series 2024 Bonds.

3. The Issuer represents to and agrees with the Underwriter that:

(a) The Issuer is a municipal corporation of the State of Florida (the "***State***") with power and authority to issue the Series 2024 Bonds under Chapter 166, Florida Statutes, and Part II, Chapter 159, Florida statutes, as supplemented and amended (the "***Act***");

(b) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly ratified the distribution of the Preliminary Official Statement and approved the Official Statement and authorized its execution and distribution, and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Issuer Documents and the Lease Agreement and the consummation by it of all other transactions contemplated by the Official Statement and this Contract of Purchase;

(c) On the Closing Date (as hereinafter defined), the Resolution adopted by the Issuer on [June 17], 2024 (the "***Bond Resolution***") which authorizes the execution and delivery of the Issuer Documents and approves and authorizes the distribution of the Preliminary Official Statement and the Official Statement, will be in full force and constitute the legal and valid act of the Issuer and the Issuer Documents will have been duly executed and delivered by the Issuer, and, assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their authority to perform such instruments, the Issuer Documents will constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms (except to the extent that such enforceability may be limited by bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights generally and general principles of equity);

(d) The execution and delivery of the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein and in the Lease Agreement, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Bond Indenture, the Lease Agreement, the Escrow Agreement or the Loan Agreement;

(e) The Issuer is not in material breach of or default under any applicable law or administrative regulation of the State or the United States (except with respect to state securities or Blue Sky laws in connection with the distribution of the Series 2024 Bonds by the Underwriter as to which the Issuer makes no representations), or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is

a party or is otherwise subject, which could have an impact on the performance of the Issuer's obligations under the Issuer Documents or the Lease Agreement, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument;

(f) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of its knowledge, threatened against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the issuance, execution, sale or delivery of the Series 2024 Bonds or the collection by the Issuer of revenues pledged thereof, or in any way contesting or affecting the validity or due adoption of the Bond Resolution, or the validity or enforceability of the Issuer Documents or the Lease Agreement, or contesting the powers of the Issuer or its authority to issue, enter into, adopt or perform its obligations under any of the foregoing, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Issuer Documents or the Lease Agreement;

(g) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Issuer that has not been obtained is or will be required for the issue, execution, sale and delivery of the Series 2024 Bonds or the consummation by the Issuer of the other transactions contemplated by this Contract of Purchase and the Official Statement, except such as may be required under state securities or Blue Sky laws in connection with the distribution of the Series 2024 Bonds by the Underwriter;

(h) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (1) to qualify the Series 2024 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (2) to determine the eligibility of the Series 2024 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for distribution of the Series 2024 Bonds; provided, however, that in no event shall the Issuer be required to take any action which would subject it to service of process or require it to do business in any jurisdiction in which it is not now so subject and any expense related to the foregoing shall be borne by the Obligated Group;

(i) If between the date of this Contract of Purchase and the Closing Date the Issuer is notified by the Obligated Group pursuant to Paragraph (q) of the Letter of Representation or, following the Closing Date if the Issuer is notified by the Obligated Group pursuant to Paragraph (r) thereof, and is requested to amend, supplement or otherwise change the Official Statement, the Issuer hereby directs the Obligated Group, and the Obligated Group hereby agrees, to amend or supplement the Official Statement, at the request of the Underwriter and in a form and in a manner approved by the Underwriter subject to the consent of the Issuer, such consent not to be unreasonably withheld, provided all expenses thereby incurred will be paid by the Obligated Group; and

(j) After the Closing Date, for so long as the Underwriter is obligated by Rule 15c2-12 to deliver the final Official Statement to prospective purchasers, if any event relating to or affecting the Issuer shall occur as a result of which it is necessary, in the opinion of the Issuer, the Obligated Group or counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it

is delivered to a prospective purchaser, the Issuer will inform the Underwriter of such event and cooperate in the preparation and furnishing to the Underwriter (at the expense of the Obligated Group for the duration of the underwriting period, which period shall not exceed 90 days from the Closing Date, and thereafter at the expense of the Underwriter) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a prospective purchaser, not misleading. For the purposes of this paragraph and only for so long as required by this paragraph, the Issuer will furnish such information with respect to itself as the Underwriter may from time to time reasonably request. The Underwriter hereby agrees that it will deposit or cause to be deposited with the Municipal Securities Rulemaking Board a copy of the Official Statement at or prior to the time contemplated by Rule 15c2-12(b)(4).

The execution and delivery of this Contract of Purchase by the Issuer shall constitute a representation by the Issuer to the Obligated Group and the Underwriter that the representations and warranties contained in this Section 3 are true as of the date hereof, provided that no member of the governing body of the Issuer shall be individually liable for the breach of any representation or warranty made by the Issuer in this Section 3.

4. The Underwriter's obligations under this Contract of Purchase are and shall be subject to the receipt on or before today of (a) the Letter of Representation, (b) a letter from KPMG LLP ("***KPMG***"), independent public accountants to LRHS, dated as of the date hereof with procedures performed through a date not earlier than five business days prior to the date hereof, and substantially in the form mutually agreed upon by KPMG, LRHS, and counsel to the Underwriter (the "***Agreed Upon Procedures Letter***"), and (c) a letter from such accountants agreeing to the use of such accountants' reports dated January 23, 2024 and January 23, 2023 on the consolidated financial statements of Lakeland Regional Health Systems, Inc. and subsidiaries in the Preliminary Official Statement.

5. At 10:00 a.m., New York time, on August [20], 2024, or at such other time, or on such earlier or later date as is mutually agreed upon (the "***Closing Date***"), the Issuer will deliver or cause to be delivered to The Depository Trust Company ("***DTC***"), New York, New York, on behalf of the Underwriter, the Series 2024 Bonds. The Underwriter shall arrange for the Series 2024 Bonds so delivered to contain CUSIP identification numbers. All expenses of the issuance of such CUSIP identification numbers shall be paid by the Underwriter. The Underwriter will accept delivery of the Series 2024 Bonds and pay the purchase price thereof as set forth in Section 1 hereof in Federal Funds payable to the order of the Bond Trustee for the account of the Issuer.

6. The Underwriter hereby enters into this Contract of Purchase in reliance upon the representations and warranties of the Issuer contained herein and the representations and warranties of the Obligated Group contained in the Letter of Representation and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the Issuer, subject to the Obligated Group performing their duties hereunder, and by the Obligated Group of its respective obligations, hereunder and under the Letter of Representation. Accordingly, the Underwriter's obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the Series 2024 Bonds shall be conditioned upon the performance by the Issuer, subject to the Obligated Group performing its duties hereunder, and by the Obligated Group of its respective obligations to be performed hereunder and under the Letter of Representation and under such documents and instruments at or prior to the Closing Date, and shall also be subject to the following additional conditions:

(a) The representations and warranties of the Issuer contained herein and the representations and warranties of the Obligated Group contained in the Letter of Representation shall be true, complete and correct on the date hereof and as of the Closing Date, as if made on and at the Closing Date;

(b) As of the Closing Date, the Bond Indenture, the Loan Agreement, the Disclosure Agreement, the Letter of Representation, the Lease Agreement, the Master Indenture, the Escrow Agreement and this Contract of Purchase shall be in full force and effect and shall be in the forms previously furnished to the Underwriter except for such changes as may have been agreed to in writing by the Underwriter; and there shall be in full force and effect such resolutions as, in the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida ("***Bond Counsel***"), shall be necessary in connection with the transactions contemplated hereby;

(c) The Underwriter shall have the right to cancel its obligation to purchase the Series 2024 Bonds and to terminate this Contract of Purchase by written notice to the Issuer and the Obligated Group if, between the date hereof to and including the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "***Termination Event***"):

(i) the market price or marketability of the Series 2024 Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Series 2024 Bonds, shall be materially adversely affected by any of the following events:

(1) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Series 2024 Bonds; or

(2) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, (2) any other calamity or crisis in the financial markets of the United States or elsewhere, or escalation thereof, (3) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (4) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county or other political subdivision located in the United States having a population of over 500,000; or

(3) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and

Exchange Commission (the "***SEC***"), or any other governmental authority having jurisdiction; or

(4) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Series 2024 Bonds or any comparable securities of the Issuer, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended, or the Bond Indenture or the Master Indenture are not exempt from the registration, qualification, or other requirements of the Trust Indenture Act of 1939, as amended (the "***Trust Indenture Act***") or otherwise, or would be in violation of any provision of the federal securities laws; or

(5) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer or the Obligated Group shall have occurred; or

(6) any rating on securities issued for the benefit of the Obligated Group which are secured by a pledge or application of Gross Revenues (as defined in the Master Indenture) on a parity with the Series 2024 Bonds is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency; or

(ii) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer or the Obligated Group refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series 2024 Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2024 Bonds; or

(iii) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(iv) a material disruption in securities settlement, payment or clearance services affecting the Series 2024 Bonds shall have occurred; or

(v) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(vi) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Series 2024 Bonds, including the underlying obligations as contemplated by this Contract of Purchase or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2024 Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Series 2024 Bonds, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Contract of Purchase by the Underwriter, all obligations of the Issuer, the Obligated Group and the Underwriter under this Contract of Purchase shall terminate, without further liability, except that the Issuer and the Underwriter shall pay their respective expenses as set forth in Section 7 hereof.

(d) At or prior to the Closing Date, the Underwriter shall receive the following documents, in each case satisfactory in form and substance to the Underwriter and its counsel:

(i) The approving opinion, dated as of the Closing Date, of Bond Counsel, substantially in the form attached to the Official Statement as Appendix D, accompanied by a supplementary opinion of Bond Counsel, dated as of the Closing Date, substantially in the form attached hereto as Exhibit B;

(ii) The opinion of the City Attorney of the City of Lakeland, Florida, Counsel for the Issuer, dated as of the Closing Date, substantially in the form attached hereto as Exhibit C;

(iii) The opinion of Peterson & Myers, P.A., Lakeland, Florida, Counsel for the Obligated Group, dated as of the Closing Date, substantially in the form attached hereto as Exhibit D;

(iv) The opinion of Norton Rose Fulbright US LLP, Dallas, Texas, counsel for the Underwriter, dated as of the Closing Date, substantially in the form attached hereto as Exhibit E;

(v) The opinion of counsel for the Bond Trustee, the Master Trustee and the Escrow Agent, dated as of the Closing Date, to the effect that (a) the Bond Trustee, the Master Trustee and the Escrow Agent each have the corporate trust authority to act as trustee or escrow agent, as applicable, under the respective documents, and paying agent and bond registrar for and in connection with the Series 2024 Bonds and have requisite trust powers to carry out their duties under the Bond Indenture, the Master Indenture and the Escrow Agreement, respectively; and (b) the Bond Indenture, Supplement No. 9 and the Escrow Agreement have each been duly and validly authorized, executed and delivered by the Bond Trustee, the Master Trustee and the Escrow Agent, respectively, and assuming due authorization, execution and delivery thereof by the Issuer and Obligated Group, as applicable, each constitutes a valid and legally binding obligation of the Bond Trustee, the Master Trustee and the Escrow Agent, enforceable in accordance with their respective terms, except to the extent that the enforceability and the binding effect (but not the validity) thereof may be limited by (i) bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, from time to time in effect and (ii) to general principles of equity;

(vi) A certificate or certificates, dated as of the Closing Date, signed by an authorized officer of the Issuer satisfactory to the Underwriter, and in form and substance satisfactory to the Underwriter, to the effect that, (i) the Issuer is a municipal corporation of the State, duly created and validly existing under the laws of the State, with the lawful power and authority set forth in the Act to issue the Series 2024 Bonds under the Act, (ii) the Series 2024 Bonds have been duly authorized, executed, issued and delivered and constitute valid and binding special obligations of the Issuer of the character permitted to be issued by the Act, in conformity with, and entitled to the benefit and security of, the Bond Indenture, and (iii) to the best knowledge of the officer of the Issuer executing said certificate, no litigation, proceeding, or investigation, at law or in equity, before or by any court, any governmental agency or any public board or body is pending or threatened (a) to restrain or enjoin the issuance or delivery of any of the Series 2024 Bonds or the collection by the Issuer of revenues pledged under the Bond Indenture, (b) in any way contesting or affecting the authority of the Issuer for the issuance of the Series 2024 Bonds or the validity of the Issuer Documents or the Lease Agreement, or (c) in any way contesting the existence or powers of the Issuer;

(vii) The Obligated Group's certificate signed by the Chief Financial Officer or such other officer as is acceptable to the Underwriter, dated as of the Closing Date, to the effect that (a) since September 30, 2023, no material adverse change has occurred in the financial position or results of operations of the Obligated Group other than as set forth in the Official Statement; (b) the Obligated Group has not, since September 30, 2023, incurred any material liability other than as set forth in or contemplated by the Official Statement; (c) no litigation, proceeding, or investigation, at law or in equity, before or by any court, any governmental agency, or any public board or body is pending or threatened (i) to restrain or enjoin the issuance or delivery of any of the Series 2024 Bonds or the collection of revenues pledged under the Bond Indenture, the Loan Agreement or the Master Indenture; (ii) in any way contesting or affecting the authority for the issuance of the Series 2024 Bonds or the validity of the Series 2024 Bonds, the Lease Agreement, the Bond Indenture, the Loan Agreement, the Master Indenture, the Disclosure Agreement, this Contract of Purchase, the Escrow Agreement or the Letter of Representation, or (iii) in any way contesting the corporate existences or powers of any of the Members of the Obligated Group; (d) no proceedings are pending or threatened (i) in any way contesting or affecting the status of each of the Members of the Obligated Group as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "***Code***"), or (ii) to subject any income (except for taxation of unrelated business income under Section 511 of the Code) of the Obligated Group to federal income taxation; (e) no event affecting the Obligated Group or any matter described in the Official Statement has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading; and (f) the representations and warranties of the Obligated Group contained in the Letter of Representation are true and correct in all material respects as of the Closing Date;

(viii) Executed copies of the Bond Indenture, the Loan Agreement, the Master Indenture, Supplemental Indenture No. 9, the Escrow Agreement and the Lease Agreement;

(ix) Specimen copies of the Series 2024 Bonds and Obligation No. 9.

(x) A certificate of the Bond Trustee to the effect that all conditions precedent contained in the Bond Indenture for the issuance of the Series 2024 Bonds have been met, and the Series 2024 Bonds are entitled to the benefit and security of the Bond Indenture;

(xi) A definitive copy of the Official Statement, executed on behalf of the Obligated Group by an authorized officer of LRHS, as Obligated Group Representative, and on behalf of the Issuer by its Mayor, and an inclusion letter of KPMG, certified public accountants, agreeing to the use of their reports included in Appendices B-1 and B-2 thereto;

(xii) A copy of the resolution of the Issuer, certified by the City Clerk or Deputy Clerk of the Issuer, authorizing the execution and delivery of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Escrow Agreement and this Contract of Purchase, and authorizing the distribution of the Preliminary Official Statement and the execution and distribution of the Official Statement;

(xiii) A copy, certified by the Secretary or Assistant Secretary of LRHS to be a true and correct copy, of the resolutions of the Board of Directors of LRHS approving (or delegating to an authorized officer the authority to approve) the Preliminary Official Statement and the distribution thereof, approving (or delegating to an authorized officer the authority to approve) the execution and distribution of the Official Statement, approving (or delegating to an authorized officer the authority to approve) the execution and delivery of the Loan Agreement, the Disclosure Agreement, Supplement No. 9, Obligation No. 9 and the Letter of Representation, and its approving (or delegating to an authorized officer the authority to approve) the Bond Indenture, the Escrow Agreement and this Contract of Purchase, and approving the transactions contemplated by the Bond Indenture, the Loan Agreement, the Disclosure Agreement, Supplement No. 9, Obligation No. 9, the Letter of Representation, the Escrow Agreement and this Contract of Purchase;

(xiv) Copies, certified by the Secretary of State of the State to be true and correct copies, of the Articles of Incorporation, including all amendments thereto through the Closing Date, of each of the Members of the Obligated Group, together with a certificate of Good Standing of the Secretary of State of recent date for each of the Members of the Obligated Group;

(xv) Copies, certified by the Secretary or Assistant Secretary of LRHS to be true and correct copies of the bylaws, including any amendments thereto through the Closing Date, of each Member of the Obligated Group;

(xvi) A "bring-down" letter from KPMG LLP and addressed to the Underwriter, confirming, as of a date not earlier than five (5) business days prior to the Closing Date, all of their findings contained in their letter delivered pursuant to Section 4 hereof;

(xvii) A copy of the determination letters of the Internal Revenue Service of the United States Department of the Treasury to the effect that each Member of the Obligated Group is exempt from federal income taxation pursuant to Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code and is not a "private foundation" as defined under Section 509(a) of the Code;

(xviii) Verification report of Causey Demgen & Moore P.C. relating to the Series 2015 Bonds;

(xix) Defeasance opinion of Nabors, Giblin & Nickerson, P.A.;

(xx) Evidence to the effect that the requirements of the Code have been satisfied by the filing of Internal Revenue Service Form 8038 entitled "Information Return for Private Activity Bond Issuer";

(xxi) Evidence of acceptance by DTC of a letter of representations from the Issuer addressed to DTC as securities depository for the Series 2024 Bonds;

(xxii) Evidence that Moody's Investor's Services has issued an "___" rating for the Series 2024 Bonds;

(xxiii) Evidence that the Members of the Obligated Group have filed financing statements in respect of the security interests granted pursuant to the Master Indenture; and

(xxiv) Such additional legal opinion, consents, certificates, proceedings, instruments and other documents as the Underwriter, its counsel or Bond Counsel may reasonably request to evidence compliance by the Issuer and the Obligated Group with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer herein and of the Obligated Group, in the Letter of Representation and the due performance or satisfaction by the Issuer and the Obligated Group at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer and the Obligated Group.

If either the Issuer or the Obligated Group shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Contract of Purchase or if the Underwriter's obligations shall be terminated for any reasons permitted herein, this Contract of Purchase shall terminate and neither the Underwriter nor the Issuer shall have any further obligation hereunder.

7. All expenses and costs of the Issuer incident to the performance of its obligations in connection with the authorization, issuance and sale of the Series 2024 Bonds to the Underwriter, including but not limited to the cost of printing of the Series 2024 Bonds (and full execution thereof), the Preliminary Official Statement, the Official Statement, fees of the rating agencies, and the fees and expenses of the counsel to the Bond Trustee, the Master Trustee and the Escrow Agent, Bond Counsel, the Issuer, counsel to the Issuer, counsel to the Obligated Group, and counsel to the Underwriter, the fees and expenses of the Bond Trustee, the Master Trustee, the Escrow Agent, the accountants and the financial advisor shall be paid by the Obligated Group. All expenses to be paid by the Obligated Group pursuant to this Contract of Purchase may be paid from Series 2024 Bond proceeds to the extent permitted by the Bond Indenture and the Code. Except as indicated above, all out-of-pocket expenses of the Underwriter, including its travel, and expenses incurred on behalf of the Issuer's employees which are incidental to implementing this Contract of Purchase, including, but not limited to, meals, transportation and lodging of those employees shall be included in the expense component of the underwriting spread as set forth in Schedule II hereto.

8. The Underwriter agrees to assist the Issuer and the Obligated Group in establishing the issue price of the Series 2024 Bonds and shall execute and deliver to the Issuer on the Closing Date an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit F, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2024 Bonds.

(a) Except as otherwise set forth in Schedule I attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2024 Bonds (the "***10% test***") is sold to the public as of the sale date as the issue price of that maturity. At or promptly after the execution of this Contract of Purchase, the Underwriter shall report to the Issuer the price or prices at which the Underwriter has sold to the public each maturity of the Series 2024 Bonds. For purposes of this *Section 8*, if Series 2024 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2024 Bonds.

(b) The Underwriter confirms that it has offered the Series 2024 Bonds to the public on or before the date of this Contract of Purchase at the offering price or prices (the "***initial offering price***"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Contract of Purchase, the maturities, if any, of the Series 2024 Bonds for which the 10% test has not been satisfied as of the sale date. The Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply to each such maturity, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "***hold-the-offering-price rule***"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2024 Bonds, the Underwriter will neither offer nor sell unsold Series 2024 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

(c) The Underwriter confirms that:

(i) any selling group agreement and each retail or other third-party distribution agreement relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail or other third-party distribution agreement, as applicable:

(1) (1) to report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2024 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, *provided* that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (2) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter;

(2) to promptly notify the Underwriter of any sales of Series 2024 Bonds that, to its knowledge, are made to a purchaser who is a related party to an

underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below); and

(3) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a retail or other third-party distribution agreement to be employed in connection with the initial sale of the Series 2024 Bonds to the public to require each broker-dealer that is a party to such retail or other third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2024 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, *provided* that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(d) The Issuer acknowledges that, in making the representations set forth in this *Section 8*, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event a retail or other third-party distribution agreement was employed in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in the retail or other third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail or other third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds.

(e) The Underwriter acknowledges that sales of any Series 2024 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this *Section 8*. Further, for purposes of this *Section 8*:

(i) "***public***" means any person other than an underwriter or a related party;

(ii) "***underwriter***" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in

clause (A) to participate in the initial sale of the Series 2024 Bonds to the public (including a member of a selling group or a party to a retail or other third-party distribution agreement participating in the initial sale of the Series 2024 Bonds to the public);

(iii) a purchaser of any of the Series 2024 Bonds is a "***related party***" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) "***sale date***" means the date of execution of this Contract of Purchase by all parties.

9. This Contract of Purchase may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original and all together shall constitute but one and the same instrument.

10. Any notice or other communication to be given under this Contract of Purchase may be given by delivering the same in writing as follows:

Issuer:	City of Lakeland, Florida 228 S. Massachusetts Avenue Lakeland, Florida 33801 Attention: City Attorney
Obligated Group:	Lakeland Regional Health Systems, Inc. Lakeland Regional Medical Center, Inc. 230 South Florida Avenue, 4th Floor Lakeland, Florida 33801 Attention: Chief Financial Officer
Underwriter:	J.P. Morgan Securities LLC 383 Madison Avenue, Floor 3 New York, New York 10179 Attention: David Gettemy, Executive Director

The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by J.P. Morgan Securities LLC and delivered to you.

11. The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2024 Bonds pursuant to this Contract of Purchase is an arm's-length, commercial transaction among the Issuer, the Obligated Group and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor (within the meaning of Section 15B of the Exchange Act), financial advisor or fiduciary to the Issuer, (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Issuer with respect to this Contract of Purchase, the offering of the Series 2024 Bonds and the

discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter, has provided other services or is currently providing other services to the Issuer on other matters), (iii) the only obligations the Underwriter has to the Issuer with respect to the transactions contemplated hereby are set forth in this Contract of Purchase, (iv) the Underwriter has financial and other interests that differ from those of the Issuer, and (v) the Issuer has consulted with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

12. This Contract of Purchase is made solely for the benefit of the Issuer, the Obligated Group and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the Issuer and the Obligated Group in this Contract of Purchase shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Series 2024 Bonds. This Contract of Purchase shall be governed by the laws of the State.

[Balance of page intentionally left blank.]

Please confirm that the foregoing correctly sets forth the agreement between us.

J.P. MORGAN SECURITIES LLC

By: _____
Name: _____
Title: _____

Accepted and Agreed to this ____ day of _____, 2024 as of ____ a.m./p.m.:

ATTEST:

CITY OF LAKELAND, FLORIDA

_____

Kelly Koos
City Clerk

By: _____

H. William Mutz
Mayor

APPROVED AS TO FORM AND CORRECTNESS:

_____

Palmer C. Davis
City Attorney

Approved:

LAKELAND REGIONAL HEALTH SYSTEMS, INC.

By: _____
Lance Green
Executive Vice President and Chief Financial Officer

LAKELAND REGIONAL MEDICAL CENTER, INC.

By: _____
Lance Green
Executive Vice President and Chief Financial Officer

SCHEDULE I-1

$_____
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS)
SERIES 2024

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND PRICES

$_____ SERIAL BONDS

Maturity (November 15)	Principal Amount	Interest Rate	Yield	Price
	$	%	%	

[A] Represents a maturity which satisfies the 10% test.
[B] Represents a maturity that is subject to the hold-the-offering-price rule.
[C] Priced to first call date of _____, 20__ at par.

SCHEDULE I-2

Redemption

Optional Redemption. The Series 2024 Bonds maturing on and after November 15, 20[__] are subject to redemption prior to their Maturity Date, at the option of LRHS, in whole or in part, in such amounts as may be designated by LRHS, on any date on and after [____], 20[_], at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

Extraordinary Optional Redemption. The Series 2024 Bonds are subject to redemption prior to their stated maturity, at the option of LRHS in whole or in part on any Business Day in such amounts as are designated by LRHS, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the Obligated Group Members and deposited in the Optional Redemption Fund, at a Redemption Price equal to the principal amount thereof, plus accrued interest thereon, if any, to the date fixed for redemption, without premium.

Capitalized terms used in this Schedule I-2 and not otherwise defined in this Contract of Purchase have the meanings ascribed thereto in the Bond Indenture.

SCHEDULE II

DISCLOSURE STATEMENT

The undersigned, as Underwriter, proposes to negotiate with the City of Lakeland, Florida (the "***Issuer***"), for the sale of its $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***"), to be completed on this date. The Underwriter is acting as investment banker to the Issuer for the public offering of the Series 2024 Bonds. Prior to the award of the Series 2024 Bonds, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2024 Bonds:

		(Per $1,000)
Dalcomp	$	$
NetRoadshow		
Day Loan		
CUSIP		
DTC		
DAC		
Underwriter's Counsel Fee		
Travel / Meals		
Total	$_____	$_____[(1)]

(1) Numbers may not add due to rounding.

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Series 2024 Bonds to any person not regularly employed or retained by the Underwriter (including any "finder" as defined in Section 218.386(l)(a), Florida Statues), except as specifically enumerated as expenses to be incurred by the Underwriter, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Underwriter, or to the knowledge of the Underwriter, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Underwriter or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2024 Bonds.

3. The amount of the fee expected to be realized by the Underwriter is $_____, which includes the following:

		(Per $1,000)
Underwriter's Expenses	$	$
Average Takedown		
Total	$	$

4. The Management Fee to be charged by the Underwriter is $0.00.

5. The name and address of the Underwriter connected with the Series 2024 Bonds is as follows:

J.P. Morgan Securities LLC
383 Madison Avenue, Floor 3
New York, New York 10179

6. The Issuer is proposing to issue the Series 2024 Bonds in the aggregate principal amount of $_____. The Series 2024 Bonds are expected to be repaid over a period of approximately ___ years. At an all-in true interest cost of _____% per annum, total interest paid over the life of the Series 2024 Bonds will be $_____. The source of repayment or security for the Series 2024 Bonds will be payments by Lakeland Regional Health Systems, Inc. as Obligated Group Representative, pursuant to a Loan Agreement, dated as of August 1, 2024 (the "***Loan Agreement***"). Authorizing this debt will result in no monies of the Issuer not being available to finance other services of the Issuer in any year. This statement is provided by the Underwriter in accordance with Section 218.385, Florida Statutes, and is for informational purposes only and shall not affect or control the actual terms and conditions of the Series 2024 Bonds, the Bond Indenture dated as of August 1, 2024, the Loan Agreement or the Contract of Purchase dated July __, 2024, between the Issuer and the Underwriter.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Statement on behalf of the Underwriter this ____ day of July, 2024.

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Officer

EXHIBIT A

LETTER OF REPRESENTATION

August __, 2024

City of Lakeland, Florida
Lakeland, Florida

J.P. Morgan Securities LLC
New York, New York

Dear Ladies and Gentlemen:

Pursuant to a Contract of Purchase, dated July __, 2024 (the "***Contract of Purchase***"), between J.P. Morgan Securities LLC (the "***Underwriter***"), Lakeland Regional Health Systems, Inc. ("***LRHS***"), Lakeland Regional Medical Center, Inc. ("***LRMC***," and along with LRHS, the "***Obligated Group***") and the City of Lakeland, Florida (the "***Issuer***"), which Contract of Purchase has been approved by the Obligated Group, the Issuer proposes to sell $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***") to the Underwriter. The Series 2024 Bonds will be issued and secured pursuant to a Bond Indenture, dated as of August 1, 2024 (the "***Bond Indenture***"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "***Bond Trustee***"). Pursuant to the Bond Indenture, the Issuer has assigned to the Bond Trustee, for the benefit of the holders of the Series 2024 Bonds, the Issuer's rights under the Loan Agreement, dated as of August 1, 2024 (the "***Loan Agreement***"), between the Issuer and LRHS, as Obligated Group Representative. The Obligated Group's obligation pursuant to the Loan Agreement will be evidenced and secured by Obligation No. 9 ("***Obligation No. 9***") issued pursuant to the Amended and Restated Master Trust Indenture, dated as of February 1, 2015, among the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee, as supplemented and amended, particularly by a Supplemental Indenture for Obligation No. 9, dated as of August 1, 2024 (collectively, the "***Master Indenture***"). The Obligated Group and Digital Assurance Certification LLC, as dissemination agent, shall enter into a Continuing Disclosure Agreement, dated as of the date of the issuance of the Series 2024 Bonds (the "***Disclosure Agreement***"), in order to assist the Underwriter of the Series 2024 Bonds in complying with the l5c2-12(b)(5) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"). The Obligated Group will also acknowledge an Escrow Deposit Agreement, to be dated the date of delivery of the Series 2024 Bonds (the "***Escrow Agreement***"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as escrow agent, relating to the refunding of the outstanding City of Lakeland, Florida Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 . The Series 2024 Bonds and the security therefor are more fully described in the Official Statement of the Issuer, dated the date hereof, as the same may be amended as required by the Contract of Purchase (the "***Official Statement***").

In order to induce the Issuer and the Underwriter to enter into the Contract of Purchase and the Underwriter to make the offering and sale of the Series 2024 Bonds therein contemplated, the Obligated Group hereby represents, warrants and agrees with the Issuer and the Underwriter as follows:

(a) Each of the Members of the Obligated Group has been duly organized and is validly existing as a not for profit corporation under the laws of the State of Florida and is in good standing under said laws;

(b) The Obligated Group has and had full legal right, power and authority to execute and deliver the Loan Agreement, the Master Indenture, the Disclosure Agreement, the Lease and Transfer

Agreement, dated as of October 1, 1986, between LRMC and the Issuer, as amended and supplemented to date (the "***Lease Agreement***"), and this Letter of Representation, and to approve and acknowledge the Contract of Purchase and the Escrow Agreement, and to carry out and consummate all transactions contemplated thereby;

(c) By official action of the Obligated Group prior to or concurrently with the execution hereof, the Obligated Group has duly approved and authorized the distribution of the Preliminary Official Statement, dated July __, 2024 (the "***Preliminary Official Statement***"), the execution and distribution of the Official Statement and any amendments or supplements thereto and duly approved the Contract of Purchase;

(d) The Loan Agreement, the Master Indenture, the Disclosure Agreement, the Lease Agreement and this Letter of Representation have been or will be on or prior to the Closing Date referred to in the Contract of Purchase (the "***Closing Date***") duly and validly authorized, executed and delivered by the Obligated Group and do or will constitute valid, binding and enforceable agreements of the Obligated Group in accordance with their respective terms, except as the enforceability and the binding effect (but not the validity) thereof may be limited by (i) bankruptcy, insolvency, moratorium, reorganization or similar laws affecting creditors' rights generally, from time to time in effect and (ii) general principles of equity;

(e) The Bond Indenture will create the legal, valid and binding pledge, lien and security interests in favor of the Bond Trustee, for the benefit of the holders of the Series 2024 Bonds, which it purports to create, free and clear of and from any and all liens and encumbrances, except as permitted therein;

(f) Each of the Members of the Obligated Group is exempt from federal income taxation under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "***Code***"), except for taxation of unrelated trade or business income under Section 511 of the Code, as an organization described in Section 501(c)(3) of the Code and is not a "private foundation" as defined in Section 509(a) of the Code, and it is in compliance with the terms, conditions and limitations of such Code sections and the regulations promulgated thereunder to the extent necessary to maintain such status; and the Obligated Group has made all filings required to maintain such status and has not taken or failed to take any action which would jeopardize such status;

(g) Each of the Members of the Obligated Group is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual within the meaning of Section 3(a)(4) of the Securities Act of 1933, as amended;

(h) To the best knowledge of the undersigned, each of the Members of the Obligated Group is not in any material way in breach of or default under (i) any applicable law or administrative regulation of the state in which it conducts business or the United States or any applicable judgment or decree or (ii) any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which any Member of the Obligated Group is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument, except as expressly set forth in the Preliminary Official Statement and the Official Statement; and neither the execution and delivery of the Loan Agreement, the Lease Agreement, the Disclosure Agreement, the Official Statement, the Master Indenture, Obligation No. 9 or this Letter of Representation, nor the approval and acknowledgment of the Contract of Purchase and the Escrow Agreement, nor the consummation of the transactions contemplated thereby or hereby, nor the fulfillment of or compliance with the terms and conditions thereof or hereof, nor the Bond Indenture or the Series 2024 Bonds conflicts with or constitutes a material breach of or a material default under (i) any applicable law, administrative

regulation, judgment or decree, or (ii) the Articles of Incorporation or bylaws of an Obligated Group Member, or (iii) any loan agreement, indenture, bond, note, resolution, agreement or instrument to which any Member of the Obligated Group is a party or is otherwise subject; nor will any such execution, delivery, adoption, fulfillment or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Obligated Group (A) under the terms of any such law, administrative regulation, judgment or decree or (B) any such loan agreement, indenture, bond, note, resolution, agreement or other instrument;

(i) Since September 30, 2023, the Obligated Group has not incurred any material liabilities, direct or contingent, nor has there been any material adverse change in the financial position results of operation or condition, financial or otherwise, of the Obligated Group which is not described in the Preliminary Official Statement and the Official Statement, other than in the ordinary course of business;

(j) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute a condition precedent to or would materially adversely affect the performance by the Members of the Obligated Group of their obligations under the Master Indenture, the Loan Agreement, the Disclosure Agreement, Obligation No. 9, the Lease Agreement, this Letter of Representation, the Contract of Purchase or the Escrow Agreement, or the consummation of the transactions contemplated thereby or hereby, have been duly obtained and remain currently in full force and effect except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2024 Bonds;

(k) Each Member of the Obligated Group has substantially complied with all applicable requirements of the United States and the State of Florida (together with their respective agencies and instrumentalities) to operate such Obligated Group Member's present facilities substantially as they are being operated and is fully qualified by all necessary permits, licenses, certifications, accreditations and qualifications to conduct its business as it is presently being conducted and to be compensated (to the extent such compensation is available under the applicable statutes, regulations and administrative practices) for services rendered under all third party payer programs expected to account for a significant portion of its gross revenues, including, without limitation, Medicare and Medicaid. Each of the Obligated Group Members has in full force and effect, and is in substantial compliance in all material respects with its obligations under, each material agreement providing for payment (to the extent set forth in such agreement) to it for its charges to patients enrolled in such program;

(l) Each Member of the Obligated Group will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Series 2024 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Series 2024 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2024 Bonds; provided, however, that no Member of the Obligated Group shall be required to execute a general consent to service of process or qualify to do business in connection with any such qualification in any such jurisdiction;

(m) Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or threatened against any Member of the Obligated Group, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2024 Bonds, the Bond Indenture, the Master Indenture, the Loan Agreement, Obligation No. 9, the Disclosure Agreement, the Lease Agreement, the Contract of Purchase, the Escrow

Agreement or this Letter of Representation or would materially adversely affect the operations or financial condition of the Obligated Group;

(n) Between the date of this Letter of Representation and the Closing Date, no Member of the Obligated Group will, without the prior written consent of the Underwriter, except as described in or contemplated by the Preliminary Official Statement and the Official Statement, incur any material contractual liabilities, direct or contingent, other than in the ordinary course of business;

(o) All approvals required for the issuance of the Series 2024 Bonds that are or will be required by Florida law, if any, have been obtained and are in effect;

(p) Each Member of the Obligated Group is fully qualified by all necessary certifications to receive payments from all third party payors, including, but not limited to, Medicare and Medicaid, which provide a significant portion of the revenues of such Obligated Group Member;

(q) If between the date hereof and the Closing Date any event shall occur and be discovered which would cause the information contained in the Official Statement to contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Obligated Group shall forthwith notify the Issuer and the Underwriter of such an event and if in the opinion of the Underwriter, the Issuer or the Obligated Group such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Obligated Group will request the Issuer to cooperate in supplementing or amending the Official Statement in a manner approved by the Underwriter, the Issuer and Obligated Group, at the expense of the Obligated Group;

(r) On or after the Closing Date, the Obligated Group will (i) not participate in the issuance of any amendment of or supplement to the Official Statement without prior consultation with the Underwriter and its counsel and (ii) if any event relating to or affecting the Issuer, the Obligated Group, the Series 2024 Bonds or any matter described in the Official Statement shall occur as a result of which it is necessary, in the opinion of the Issuer, the Obligated Group, counsel for the Underwriter or Bond Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, forthwith notify the Issuer and the Underwriter of such event and prepare and furnish to the Underwriter (at the expense of the Obligated Group for 90 days from the Closing Date) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter, the Issuer and Obligated Group), which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading; for the purposes of this section, the Obligated Group will furnish such information with respect to the Obligated Group as the Underwriter may from time to time request;

(s) The Obligated Group hereby authorizes the use of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2024 Bonds and ratifies and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2024 Bonds;

(t) The Preliminary Official Statement, at the date thereof, did not contain, and as of the date hereof, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date of the Contract of Purchase and on the Closing Date, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to

make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Obligated Group makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the Obligated Group by or on behalf of the Underwriter specifically for inclusion therein;

(u) No Obligated Group Member has any knowledge of any action, ruling, regulation, or official statement taken, issued, or made by or on behalf of the Securities and Exchange Commission to the effect that the issue, offering, or sale of obligations of the general character of the Series 2024 Bonds, or the execution, delivery, and performance of the Bond Indenture, the Loan Agreement, the Master Indenture, the Disclosure Agreement, the Lease Agreement, the Escrow Agreement or Obligation No. 9 in the manner contemplated, is in violation or would be in violation, unless registered or otherwise qualified, of any provision of the Securities Act of 1933, as amended (the "***Securities Act***"), or the Trust Indenture Act of 1939, as amended (the "***Trust Indenture Act***");

(v) The audited consolidated financial statements of LRHS and its subsidiaries which appear in Appendices B-1 and B-2 of the Preliminary Official Statement and the Official Statement were audited by KPMG LLP, independent auditors, and its opinions thereto appear in Appendices B-1 and B-2 to the Preliminary Official Statement and the Official Statement, and such financial statements fairly state in all material respects the financial position of LRHS as of the fiscal years ended September 30, 2023 and 2022 and have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects. The summary consolidated balance sheets of the Obligated Group as of September 30, 2023, 2022 and 2021, and as of March 31, 2024, and the related summary of revenues and expenses for the fiscal years ended September 30, 2023, 2022 and 2021 and the six-month periods ended March 31, 2024 and March 31, 2023, included in Appendix A to the Preliminary Official Statement and the Official Statement, present fairly the consolidated financial position of the Obligated Group as of the dates indicated and the consolidated statement of activities for the periods specified and have been prepared in accordance with generally accepted accounting principles consistently applied in all material respects, except for the omission of footnotes;

(w) As of the Closing Date, real property comprising the current operating facilities of each Obligated Group Member will be free and clear of any material adverse claim, deed of trust, mortgage, lien, charge or encumbrance, except for permitted encumbrances referred to in the Master Indenture;

(x) Except as may be disclosed in the Preliminary Official Statement and the Official Statement under "CONTINUING DISCLOSURE – Compliance with Prior Undertakings," the Obligated Group hereby represents and warrants that it has not previously failed to materially comply with its undertakings pursuant to Rule 15c2-12 in the past five (5) years;

(y) The Obligated Group agrees to indemnify and hold harmless the Issuer and the Underwriter, and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Issuer or the Underwriter, and their directors, officers, agents and employees, against any and all losses, claims, damages, liabilities and expenses to which the Issuer or Underwriter may become subject, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof), arise out of or are based upon (i) a claim in connection with the public offering of the Series 2024 Bonds to the effect that the Series 2024 Bonds or any related security are required to be registered under the Securities Act or any indenture is required to be qualified under the Trust Indenture Act, or (ii) any statement or information in the Preliminary Official Statement or in the Official Statement, or any amendment or supplement thereto (except, with respect to the Underwriter, for any statement made in the section entitled "UNDERWRITING" or in the initial offering prices of the Series 2024 Bonds and, with respect to the Issuer only, any statement made in the section entitled "THE ISSUER" (the "***Excluded***

Sections") alleged to be untrue or incorrect in any material respect) that is or is alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in the Preliminary Official Statement or the Official Statement (other than in the Excluded Sections) which is necessary in order to make the statements therein not misleading. The foregoing indemnity agreement shall be in addition to any liability that the Obligated Group otherwise may have;

(z) The Underwriter will indemnify and hold harmless the Issuer and the Obligated Group, each of their members, directors, officers and employees, and each person who controls the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Obligated Group to the Underwriter, but only with reference to the statements under the caption "UNDERWRITING" in the Preliminary Official Statement and the Official Statement;

(aa) In case any claim shall be made or action brought against an indemnified party for which indemnity may be sought against any indemnifying party, as provided above, the indemnified party shall promptly notify the indemnifying party in writing setting forth the particulars of such claim or action; but the omission to so notify the indemnifying party (i) shall not relieve it from liability under paragraph (y) or (z) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) shall not relieve it from any liability which it may have to any indemnified party otherwise than under paragraph (y) or (z) above. The indemnifying party shall assume the defense thereof, including the retention of counsel acceptable to such indemnified party and the payment of all expenses and shall have the right to negotiate and consent to settlement. An indemnified party shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of such indemnified party unless the employment of such counsel has been specifically authorized by the indemnifying party or the indemnifying party shall not have employed counsel reasonably acceptable to the indemnified party to have charge of the defense of such action or proceeding or the indemnified party shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to direct the defense of such action or proceeding on behalf of the indemnified party), in any of which events, such legal or other expenses shall be borne by the indemnifying party. No party shall be liable for any settlement of any action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any action with or without written consent of the indemnifying party, the indemnifying party agrees to indemnify and hold harmless the indemnified parties to the extent of the indemnities set forth above from and against any loss or liability by reason of such settlement or judgment. Any such settlement must include an unconditional release of each indemnified party from all liability arising out of such action;

(bb) If the indemnification provided for above is unenforceable, or is unavailable to an indemnifying party in respect of any losses, claims, damages or liabilities (or actions in respect thereof) of the type subject to indemnification herein, then the indemnifying party shall, in lieu of indemnifying such person, contribute to the amount paid or payable by such person as a result of such losses, claims, damages, or liabilities (or actions in respect thereof). In the case of the Obligated Group and the Underwriter, contribution shall be in such proportion as is appropriate to reflect the relative benefits received by the Obligated Group, on the one hand, and the Underwriter, on the other, from the sale of the Series 2024 Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Obligated Group, on the one hand, and the Underwriter, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or action in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by

the Issuer, the Obligated Group and the Underwriter, respectively, shall be deemed to be in the same proportion as the total net proceeds of sale of the Series 2024 Bonds paid to the Issuer pursuant to the Contract of Purchase (before deducting expenses) bear to the underwriting discount or commission received by the Underwriter. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Obligated Group or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Obligated Group and the Underwriter agree that it would not be just and equitable if contribution pursuant to this paragraph were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this paragraph. The amount paid or payable by any person as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this paragraph, however, the Underwriter shall not be required to contribute an amount in excess of the amount of the underwriting discount or commission applicable to the purchase of the Series 2024 Bonds. No person guilty of fraudulent misrepresentation (within the meaning of Section 10(b) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Further notwithstanding the foregoing, it is hereby recognized that the Issuer is a conduit issuer and as such the Issuer does not receive any benefits from the offering of the Series 2024 Bonds, and therefore it deserves priority in the receipt of contribution;

(cc) The Obligated Group hereby agrees to pay the expenses described in Section 7 of the Contract of Purchase, and to pay any expenses incurred in amending or supplementing the Official Statement pursuant to the Contract of Purchase or this Letter or Representation;

(dd) The Obligated Group confirms that the Preliminary Official Statement, which has been delivered to the Underwriter, was "deemed final" as of its date for purposes of Rule 15c2-12 (as defined in the Contract of Purchase), except for information permitted to be omitted therefrom by Rule 15c2-12; and

(ee) The Obligated Group acknowledges and agrees that (i) the purchase and sale of the Series 2024 Bonds pursuant to the Contract of Purchase is an arm's-length, commercial transaction between the Issuer, the Obligated Group and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor (within the meaning of Section 15B of the Exchange Act), financial advisor or fiduciary to the Obligated Group, (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Obligated Group with respect to the Contract of Purchase, the offering of the Series 2024 Bonds and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter, has provided other services or is currently providing other services to the Obligated Group on other matters), (iii) the only obligations the Underwriter has to the Obligated Group with respect to the transactions contemplated hereby are set forth in the Contract of Purchase and this Letter of Representation, (iv) the Underwriter has financial and other interests that differ from those of the Obligated Group, and (v) the Obligated Group has consulted with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

(ff) Neither any Obligated Group Member nor any director, officer, or employee of any Obligated Group Member nor, to the knowledge of any Obligated Group Member, any agent, affiliate or other person associated with or acting on behalf of any Obligated Group Member has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any government or regulatory official or employee, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977,

as amended, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Obligated Group Members have instituted, and maintain and enforce, policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(gg) The operations of the Obligated Group Members are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where any Obligated Group Member conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "***Anti-Money Laundering Laws***"), and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving any Obligated Group Member with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of any Obligated Group Member, threatened.

(hh) Neither any Obligated Group Member, nor any directors, officers or employees, nor, to the knowledge of any Obligated Group Member, any agent, or affiliate or other person associated with or acting on behalf of any Obligated Group Member is currently the subject or the target of any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("***OFAC***") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), or other relevant sanctions authority (collectively, "***Sanctions***"), nor is any Obligated Group Member located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria (each, a "***Sanctioned Country***"); and the Obligated Group Members will not directly or indirectly use the proceeds of the offering of the Series 2024 Bonds, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past ten years, no Obligated Group Member has knowingly engaged in or is now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

The representations, warranties, agreements and indemnities contained herein shall survive the Closing Date under the Contract of Purchase any investigation made by or on behalf of the Issuer or the Underwriter or any person who controls (as aforesaid) the Issuer or the Underwriter of any matters described in or related to the transactions contemplated hereby and by the Contract of Purchase and the Official Statement.

This Letter of Representation shall be binding upon and inure solely to the benefit of the Issuer, the Underwriter and the Obligated Group and, to the extent set forth herein, persons controlling the Issuer, the Underwriter or the Obligated Group, and their respective personal representatives, successors and assigns, and no other person or firm shall acquire or have any right under or by virtue of this Letter of Representation. No recourse under or upon any obligation, covenant or agreement contained in this Letter of Representation shall be had against any officer or director of the Obligated Group as an individual, except as caused by an intentional misrepresentation or an intentional failure to disclose a material fact.

If the foregoing is in accordance with your understanding of the agreement between us kindly sign and return to the Obligated Group the enclosed duplicate of this Letter of Representation whereupon this will constitute a binding agreement among the Obligated Group, the Issuer and the Underwriter in accordance with the terms hereof.

Very truly yours,

LAKELAND REGIONAL HEALTH SYSTEMS, INC.

By: _____
Lance Green
Executive Vice President and Chief Financial Officer

LAKELAND REGIONAL MEDICAL CENTER, INC.

By: _____
Lance Green
Executive Vice President and Chief Financial Officer

[Signature Page to Lakeland Series 2024 Bonds Letter of Representation]

Accepted and confirmed as of the date first above written

J.P. MORGAN SECURITIES LLC

By:_____
Authorized Officer

CITY OF LAKELAND, FLORIDA

By: _____
H. William Mutz
Mayor

APPROVED AS TO FORM AND CORRECTNESS:

_____
Palmer C. Davis
City Attorney

EXHIBIT B

[FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL]

Tampa, Florida

August __, 2024

J.P. Morgan Securities LLC
New York, New York

City of Lakeland, Florida
Lakeland, Florida

Re: $_____ City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the issuance and sale by the City of Lakeland, Florida (the "***Issuer***") of its $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***") to J.P. Morgan Securities LLC (the "***Underwriter***") pursuant to the Contract of Purchase dated July __, 2024 between the Issuer and the Underwriter (the "***Purchase Agreement***") and we have participated in various proceedings related thereto. Capitalized terms used herein which are defined in said Purchase Agreement shall have the meanings specified therein.

We have examined, among other things, the Act, the Bond Resolution, the proceedings of the Issuer with respect to the authorization and issuance of the Series 2024 Bonds, the Preliminary Official Statement for the Series 2024 Bonds dated July __, 2024 (the "***Preliminary Official Statement***"), the Official Statement for the Series 2024 Bonds dated July __, 2024 (the "***Official Statement***") and the Purchase Agreement, and have made such other examination of applicable Florida and other laws as we have deemed necessary in giving this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Bond Resolution and the Purchase Agreement, the certified proceedings and other certifications of public officials furnished to us, and certifications furnished to us by or on behalf of the Issuer, without undertaking to verify the same by independent investigation.

Based on the foregoing, under existing law, we are of the opinion that:

1. You are hereby entitled to rely on the Bond Counsel Opinion as though such opinion was addressed to you.

2. The information contained in the Preliminary Official Statement and the Official Statement under the captions "INTRODUCTORY STATEMENT – The Series 2024 Bonds," "– Security of the Series 2024 Bonds" and "– Security Under the Master Indenture," "DESCRIPTION OF THE SERIES 2024 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS," and "Appendix C-1 – Forms of Principal Documents," (other than the financial, statistical and demographic information included therein, as to all of which no opinion is expressed) insofar as such statements purport to be summaries of certain provisions of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture or the Escrow Agreement constitute a fair summary of the information purported to

be summarized therein. The statements in the Preliminary Official Statement and Official Statement on the cover relating to our opinion and under the caption "TAX TREATMENT" are accurate statements or summaries of the matters therein set forth. It should be noted that such summaries do not purport to summarize all of the provisions of, and are qualified in their entirety by, the complete documents or provisions which are summarized.

3. The execution of Supplemental Indenture for Obligation No. 9, dated as of August 1, 2024, among Lakeland Regional Health Systems, Inc. and Lakeland Regional Medical Center, Inc. (collectively, the "***Obligated Group***"), and The Bank of New York Mellon Trust Company, N.A. (the "***Master Trustee***"), is authorized by the Amended and Restated Master Trust Indenture, dated as of February 1, 2015 (as amended and supplemented, the "***Master Indenture***"), between the Obligated Group and the Master Trustee.

4. Obligation No. 9 is entitled to the benefits of the Master Indenture.

We express no opinion as to the information contained in the Preliminary Official Statement or Official Statement other than as provided in paragraph (a) above. The opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation or duty to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Of even date herewith we have delivered our approving opinion with respect to the Series 2024 Bonds. This letter shall confirm that you may rely on such opinion as if it were addressed to you; provided, however, no attorney-client relationship has existed or exists between our firm and you in connection with the Series 2024 Bonds and by virtue of this opinion letter or our Bond Counsel Opinion.

We are furnishing this letter to you, as Underwriter of the Series 2024 Bonds, solely for your benefit. The letter is not to be used, circulated, quoted or otherwise referred to for any other purpose.

Sincerely,

NABORS, GIBLIN & NICKERSON, P.A.

EXHIBIT C

[FORM OF OPINION OF COUNSEL FOR THE ISSUER]

August __, 2024

J.P. Morgan Securities LLC
New York, New York

City of Lakeland, Florida
Lakeland, Florida

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

Re: $_____ City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024

Ladies and Gentlemen:

I have acted as counsel to the City of Lakeland, Florida (the "***Issuer***"), and in such capacity I am familiar with (i) the minutes of the meetings of the Issuer and (ii) such other documents and matters of law as I have deemed necessary in connection with the following. All capitalized terms used herein shall have the meanings ascribed to such terms in the Contract of Purchase, dated July __, 2024 (the "***Contract of Purchase***"), between the Issuer and the Underwriter named therein.

Based upon the foregoing, I am of the opinion that:

1. The Issuer is a municipal corporation of the State of Florida duly created and validly existing under the laws of the State of Florida. The Issuer has the power and authority to issue its $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***").

2. The information and statements in the Official Statement dated July __, 2024 relating to the Series 2024 Bonds (the "***Official Statement***") under the headings "THE ISSUER" and "LITIGATION – Issuer" and any other information or statements pertaining to the Issuer contained in the Official Statement are true, correct and complete in all material respects.

3. The Issuer duly adopted Resolution No. ___ on [June 17], 2024 (the "***Bond Resolution***"), authorizing the issuance of the Series 2024 Bonds and various transactions related thereto, and said resolution has not been amended or supplemented and is a legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms.

4. The Bond Indenture, the Loan Agreement, the Official Statement, the Escrow Agreement and the Contract of Purchase have been duly authorized, executed and delivered by the Issuer and, assuming the due authorization, execution and delivery by the other parties thereto, constitute binding agreements of the Issuer enforceable in accordance with their terms, except to the extent that enforceability and the binding effect (but not the validity) thereof may be limited by (A) applicable securities laws, bankruptcy, reorganization, moratorium, insolvency or other similar laws affecting the enforcement of creditors' rights generally, from time to time in effect or (B) general principles of equity and judicial discretion.

5. There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or to the best of my knowledge, threatened against or affecting the Issuer, challenging the creation, existence or powers of the Issuer or the title to his or her office of any officer thereof, the validity of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Lease Agreement, the Escrow Agreement or the Contract of Purchase, or the transactions contemplated thereby, or the collection of revenues pledged under the Bond Indenture or challenging the accuracy or completeness of the Preliminary Official Statement relating to the Series 2024 Bonds dated July __, 2024, (the "***Preliminary Official Statement***") or the Official Statement or the validity of the transactions described therein.

6. The execution and delivery of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Official Statement, the Lease Agreement, the Escrow Agreement and the Contract of Purchase and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with the Act and do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, deed of trust, mortgage, agreement, or other instrument to which the Issuer is a party, or conflict with, violate, or result in a breach of any existing law, public administrative rule or regulation, judgment, court order or consent decree to which the Issuer is subject.

7. The distribution of the Preliminary Official Statement has been duly authorized by the Issuer. The form of the Official Statement has been duly approved by the Issuer and the use of the Official Statement by the Underwriter in connection with sale of the Series 2024 Bonds has been duly authorized.

The opinions set forth above, as to the enforceability of the legal obligations of the Issuer, are subject to the effect of, and restrictions and limitations imposed by or resulting from, bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights and general principles of equity.

The opinions set forth herein are based solely on and are limited in all respects to the substantive laws of the State of Florida in force and effect on the date hereof. Accordingly, I express no opinion as to matters governed by the laws of any other state or jurisdiction, except with respect to paragraph 7, with respect to Federal securities laws. No opinion expressed as to the exclusion of interest on the Series 2024 Bonds from gross income for Federal or state income taxes. In addition, no opinion is expressed herein as to compliance with federal or state securities registration laws.

My opinion is limited in all respects to the laws existing on the date hereof. By providing this opinion to you, I do not undertake to advise you of any changes in the law which may occur after the date hereof or to revise, update or modify this opinion subsequent to the date hereof.

No one, other than the addressees named above, is entitled to rely upon the statements made and conclusions expressed within this opinion.

Respectfully submitted,

EXHIBIT D

[FORM OF OPINION OF COUNSEL TO THE OBLIGATED GROUP]

August __, 2024

J.P. Morgan Securities LLC
New York, New York

City of Lakeland, Florida
Lakeland, Florida

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

Re: $_____ City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024

Ladies and Gentlemen:

We have acted as counsel for Lakeland Regional Health Systems, Inc. and Lakeland Regional Medical Center, Inc. (collectively, the "***Obligated Group***" and each a "***Member***" of the Obligated Group), in matters relating to the issuance by the City of Lakeland, Florida (the "***Issuer***") of its $_____ Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***").

In connection with our representation of the Obligated Group, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, records and other instruments as we have deemed necessary or appropriate for the purposes of this opinion. All capitalized terms used herein shall have the meanings ascribed to such terms in the Contract of Purchase, dated July __, 2024 (the "***Contact of Purchase***"), between the Issuer and the Underwriter named therein.

Based on the foregoing, we are of the opinion that:

1. Each Member of the Obligated Group has been duly organized and is validly existing as a not-for-profit corporation in good standing under the laws of the State of Florida; each Member of the Obligated Group has the corporate power and authority (a) to conduct its business as described in the Official Statement and to own or lease, as applicable, and operate its health care facilities, (b) to execute and deliver the Loan Agreement, Supplement No. 9, Obligation No. 9, the Disclosure Agreement, the Lease Agreement and the Letter of Representation and to approve and acknowledge the Contract of Purchase and the Escrow Agreement, (c) to execute the Official Statement in order to signify its approval thereof, and (d) to consummate the transactions contemplated by such instruments;

2. The Loan Agreement, the Master Indenture, Supplement No. 9, Obligation No. 9, the Disclosure Agreement, the Lease Agreement and the Letter of Representation have been duly authorized and executed, and, except for the Master Indenture, delivered by the Members of the Obligated Group party thereto and, assuming due authorization, execution and delivery by the other parties thereto, constitute binding agreements of such Members of the Obligated Group enforceable in accordance with their terms, other than with respect to any limitations by reason of public policy considerations on the enforceability under certain circumstances of the Letter of Representation and except to the extent that enforceability and the binding effect (but not the validity) thereof may be limited by (A) applicable securities laws, bankruptcy,

reorganization, moratorium, insolvency or other similar laws affecting the enforcement of creditors' rights generally, from time to time in effect or (B) general principles of equity and judicial discretion;

3. The Obligated Group has duly approved the Preliminary Official Statement, dated July __, 2024 (the "***Preliminary Official Statement***") and the Official Statement and has duly executed the Official Statement; the Obligated Group has duly authorized the use by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with sale of the Series 2024 Bonds;

4. No approval or other action is required by any governmental authority or agency in connection with the execution by each Member of the Obligated Group party thereto of the Loan Agreement, Supplement No. 9, Obligation No. 9, the Disclosure Agreement, the Lease Agreement or the Letter of Representation, or its approval and acknowledgment of the Contract of Purchase, the Official Statement and the Escrow Agreement, which has not already been obtained or taken, except that the offer and sale of the Series 2024 Bonds in certain jurisdictions may be subject to the provisions of the securities or Blue Sky laws of such jurisdictions;

5. The execution and delivery of the Loan Agreement, Supplement No. 9, Obligation No. 9, the Disclosure Agreement, the Lease Agreement and the Letter of Representation and the approval and acknowledgment of the Contract of Purchase, the Official Statement and the Escrow Agreement, and compliance with the provisions thereof and in the Lease Agreement and the Master Indenture under the circumstances contemplated thereby, do not and will not conflict with the Articles of Incorporation or bylaws of any Member of the Obligated Group and do not and will not in any material respect constitute on the part of any Member of the Obligated Group a breach of or default under any indenture, deed of trust, mortgage, agreement, or other instrument of which such counsel has knowledge and to which such Member of the Obligated Group is a party, or, to such counsel's knowledge, do not materially conflict with, violate, or result in a breach of any existing law, public administrative rule or regulation, judgment, court order or consent decree to which any Member of the Obligated Group is subject;

6. There is no action, suit, proceeding, or governmental investigation at law or in equity before or by any court, public board or body, pending or, to such counsel's knowledge, threatened against any Member of the Obligated Group (a) challenging the validity of the Bond Indenture, the Master Indenture, Supplement No. 9, Obligation No. 9, the Loan Agreement, the Disclosure Agreement, the Letter of Representation, the Lease Agreement, the Contract of Purchase, the Escrow Agreement or the Series 2024 Bonds, or the transactions contemplated thereby, or (b) the collection or application of revenues pledged under the Bond Indenture, or (c) challenging the accuracy or completeness of the Preliminary Official Statement or the Official Statement or the validity of the transactions described therein, or (d) except as described in the Official Statement, wherein an unfavorable decision, rule or finding would have a materially adverse effect on the financial condition of the Obligated Group;

7. Each Member of the Obligated Group is exempt from federal income taxation (except for taxation of unrelated trade or business income under Section 511 of the Internal Revenue Code of 1986, as amended (the "***Code***")) under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code and is not a "private foundation" as defined in Section 509(a) of the Code, to the best of our knowledge, no Member of the Obligated Group has taken any actions or has failed to take any action which would impair such status, and no Member of the Obligated Group will, as a result of any of the transactions contemplated by the Loan Agreement or the Official Statement use such Member's facilities in any activity constituting an unrelated trade or business determined in applying Section 513(a) of the Code;

8. The information and statements in the Preliminary Official Statement and the Official Statement with respect to all legal matters relating to the organization and incorporation of each Member of the Obligated Group and the corporate power and authority of each Member of the Obligated Group to

conduct its health care activities are true, correct and complete in all material respects and do not omit any information known to such counsel which, in such counsel's opinion, should be included or referred to therein and the information and statements in the Preliminary Official Statement and the Official Statement under the headings "PLAN OF FINANCE" and Appendix A – "Lakeland Regional Health Systems, Inc. and Affiliated Entities" (except for the financial and statistical data included therein, as to which no view is expressed) fairly and accurately present the information purported to be summarized therein and do not omit any information known to such counsel which, in such counsel's opinion, should be included or referred to therein; and

9. Each Member of the Obligated Group has obtained all licenses, approvals and permits that are now required under federal, state and local laws to own and operate its facilities, which are material to such activities, and each Member of the Obligated Group has in full force and effect contracts or other agreements as are necessary for such Member of the Obligated Group to receive payments from all third party payors which provide a significant portion of the Obligated Group's revenues (for the purpose of this clause, significant portion shall mean five per centum or more).

10. The security interest granted by each Member of the Obligated Group pursuant to the Master Indenture in the Gross Revenues and/or Accounts (as defined in the Master Indenture) has been duly created, and is effective and perfected, within the meaning of the Florida Uniform Commercial Code, as to all such property in which (a) such Member of the Obligated Group now has rights and (b) a security interest may be perfected by filing with the Secretary of State of the State of Florida under such code.

In the course of our participation in the preparation of the Preliminary Official Statement and the Official Statement and our representation of the Obligated Group, and without having undertaken to determine independently the accuracy and completeness of the statements contained in the Preliminary Official Statement and the Official Statement nothing has come to our attention that would lead us to believe that the Preliminary Official Statement (except as completed by the Official Statement) or the Official Statement (except in either case for the financial and statistical data included therein and the information contained under the captions "BOOK-ENTRY SYSTEM" and "UNDERWRITING," as to which no view is expressed), as of its date or on the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

Respectfully submitted,

EXHIBIT E

[FORM OF OPINION OF COUNSEL TO THE UNDERWRITER]

August __, 2024

J.P. Morgan Securities LLC
383 Madison Avenue, 8th Floor
New York, New York 10179

Ladies and Gentlemen:

We have acted as your counsel in connection with the purchase by you on this date from the City of Lakeland, Florida (the "***Issuer***") of its Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***"), pursuant to the Contract of Purchase, dated July __, 2024 (the "***Contract of Purchase***"), between the Issuer and you, and approved by Lakeland Regional Health Systems, Inc. ("***LRHS***") and Lakeland Regional Medical Center, Inc. (collectively, the "***Obligated Group***"). This opinion is issued pursuant to *Section 6(d)(iv)* of the Contract of Purchase. Unless otherwise expressly provided herein, capitalized terms used herein have the respective meanings assigned to them in the Contract of Purchase.

As your counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such records, corporate and other, of the Obligated Group and the Issuer, certificates of public officials and representatives of the Obligated Group and the Issuer, and such other documents as we have deemed necessary or advisable as a basis for the opinions hereinafter expressed.

On the basis of the foregoing and in reliance thereon, we are of the opinion that the Series 2024 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

Assuming the enforceability of the Disclosure Agreement, in our opinion you may reasonably conclude that the continuing disclosure undertaking by the Obligated Group therein satisfies the requirements contained in paragraph (b)(5) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended.

In the course of our representation, we have reviewed and discussed information set forth in the Preliminary Official Statement and the Official Statement relating to the Series 2024 Bonds with officers and other representatives of the Obligated Group, the independent public accountants of LRHS, and you. Although we are not passing upon and do not assume any responsibility for the accuracy, completeness, or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, we advise you that, on the basis of the foregoing, no facts have come to our attention that lead us to believe that the Preliminary Official Statement (except as completed by the Official Statement) or the Official Statement (except in either case as to any financial statements, financial or statistical data, or forecasts, numbers, estimates, assumptions or expressions of opinion included therein or in the Appendices thereto, and information concerning The Depository Trust Company and its book entry only system, as to which we are not called upon to express any view), as of their respective dates or on the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This opinion may be relied upon only by you, any member of a selling group formed by you, and other persons to whom we grant written permission to do so.

Very truly yours,

EXHIBIT F

FORM OF ISSUE PRICE CERTIFICATE

City of Lakeland, Florida
Hospital Revenue Refunding Bonds
(Lakeland Regional Health Systems),
Series 2024

The undersigned J.P. Morgan Securities LLC ("***J.P. Morgan***"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "***Series 2024 Bonds***").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which 10% of such Maturity of the General Rule Maturities was sold to the Public is the respective price listed in *Schedule A*.

[1.2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) J.P. Morgan offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the "***Initial Offering Prices***") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series 2024 Bonds is attached to this certificate as *Schedule B*.

(b) As set forth in the Contract of Purchase for the Series 2024 Bonds, J.P. Morgan has agreed in writing that (i) for each Maturity of the Hold-the-Offering Price Maturities it would neither offer nor sell any of the Series 2024 Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "***hold-the-offering-price rule***") and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail or other third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail or other third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any unsold Series 2024 Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Series 2024 Bonds during the Holding Period.]

2. ***Defined Terms***.

(a) "***General Rule Maturities***" means those Maturities of the Series 2024 Bonds listed in *Schedule A* hereto as the "General Rule Maturities."

[(b) "***Hold-the-Offering-Price Maturities***" means those Maturities of the Series 2024 Bonds listed in *Schedule A* hereto as the "Hold-the-Offering-Price Maturities."]

[(c) "***Holding Period***" means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of the following: (i) the close of the fifth (5th) business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the Offering-Price Maturity.]

(d) "***Issuer***" means the Florida Development Finance Corporation.

(e) "***Maturity***" means Series 2024 Bonds with the same credit and payment terms. Series 2024 Bonds with different maturity dates, or Series 2024 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) "***Obligated Group***" means Lakeland Regional Health Systems, Inc. and Lakeland Regional Medical Center, Inc., collectively.

(g) "***Public***" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "***related party***" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[(h) "***Sale Date***" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2024 Bonds. The Sale Date of the Series 2024 Bonds is July __, 2024.]

(i) "***Underwriter***" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in *clause (i)* of this paragraph to participate in the initial sale of the Series 2024 Bonds to the Public (including a member of a selling group or a party to a retail or other third-party distribution agreement participating in the initial sale of the Series 2024 Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer and the Obligated Group with respect to certain of the representations set forth in tax certificates for the Series 2024 Bonds and with respect to compliance with the federal income tax rules affecting the Series 2024 Bonds, and by Nabors, Giblin & Nickerson, P.A., as bond counsel, in connection with rendering its opinion that the interest on the Series 2024 Bonds is excludable from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038, and other federal income tax advice it may give to the Issuer and the Obligated Group from time to time relating to the Series 2024 Bonds. The representations set forth in this certificate are limited to factual matters. Nothing in this certificate represents J.P. Morgan's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder.

Dated: _____, 2024

J.P. MORGAN SECURITIES LLC

By:_____
Authorized Representative

SCHEDULE A

Sale Prices of the Series 2024 Bonds

Maturity Date (November 15)	Principal Amount	Interest Rate	Yield	Initial Public Offering Price
	$	%	%	

_____

A General Rule Maturity.

B Hold-the-Offering Price Maturity.

C Priced to result in the stated yield to the optional par call date of _____, 20__.

[SCHEDULE B

Pricing Wire or Equivalent Communication]

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED JULY __, 2024

NEW ISSUE: Book-Entry Only

RATING: Moody's "[__]"
(See "RATING" herein)

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX TREATMENT," interest on the Series 2024 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX TREATMENT," and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2024 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. See "TAX TREATMENT" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

[INSERT LOGO]

**$_____*
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2024
(FIXED MODE)**

Dated: Date of Delivery **Due: November 15, as shown on inside cover**

This Official Statement has been prepared to provide information in connection with the execution and delivery of the bonds listed above (the "***Series 2024 Bonds***") issued by the City of Lakeland, Florida (the "***Issuer***"), pursuant to a Bond Indenture, dated as of August 1, 2024 (the "***Bond Indenture***"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "***Bond Trustee***"). The Series 2024 Bonds are limited obligations of the Issuer and will be payable from Loan Repayments (as defined herein) made by Lakeland Regional Health Systems, Inc., a Florida not-for-profit corporation ("***LRHS***"), as Obligated Group Representative (as defined herein), under the Loan Agreement, dated as of August 1, 2024 (the "***Loan Agreement***"), and from certain funds held under the Bond Indenture. The obligation of LRHS to make payments under the Loan Agreement is evidenced and secured by Obligation No. 9 ("***Obligation No. 9***), under the Master Indenture described herein. Under the Master Indenture, LRHS and certain of its affiliates (collectively, the "***Obligated Group***") jointly and severally are obligated to make payments on Obligation No. 9 in amounts sufficient to pay when due the principal, Redemption Price, and Purchase Price of, and interest on the Series 2024 Bonds. All Obligations issued under the Master Indenture are joint and several obligations of the members of the Obligated Group secured by a security interest in the Gross Revenues and Accounts (as each are defined herein). As additional security for the Series 2024 Bonds, the Issuer will assign substantially all of its right, title and interest in and to the Loan Agreement and Obligation No. 9 (except for certain reserved rights described herein) to the Bond Trustee. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein

The Series 2024 Bonds are initially being issued as Fixed Bonds in the Fixed Mode, bearing interest at the respective Fixed Rates set forth on the inside cover page hereof for the initial Fixed Period (which commences on the date of issuance of the Series 2024 Bonds to their respective maturity dates, subject to prior redemption or conversion). Interest on the Series 2024 Bonds is payable by the Bond Trustee on May 15 and November 15 of each year, commencing November 15, 2024. See "DESCRIPTION OF THE SERIES 2024 BONDS" herein.

The Series 2024 Bonds are being issued as fully registered bonds without coupons in the denomination of $5,000 and any integral multiple thereof while in the Fixed Mode, and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("***DTC***"). See "BOOK-ENTRY SYSTEM" herein.

Proceeds of the Series 2024 Bonds will be loaned to the Obligated Group (as defined herein) and used, together with other available funds of the Obligated Group, for the purpose of (i) refunding the Issuer's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015, (ii) financing all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Obligated Group's healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building, (b) a new approximately 24,000 square foot free-standing emergency department building and (c) other capital improvements related to existing health care facilities, (iii) funding any required reserves and (iv) paying certain of the costs and expenses relating to the issuance of the Series 2024 Bonds. See "PLAN OF FINANCE" herein.

The sources of payment of, and security for, the Series 2024 Bonds are more fully described in this Official Statement. The Series 2024 Bonds are subject to optional, extraordinary and mandatory redemption and purchase in

* Preliminary, subject to change.

lieu of optional redemption prior to their respective maturities as set forth herein. The Series 2024 Bonds will not be subject to optional tender for purchase during the initial Fixed Period. During the period the Series 2024 Bonds are subject to optional redemption, the Series 2024 Bonds are also subject to mandatory tender for purchase upon conversion to a new Fixed Period to bear interest at new Fixed Rates, or a different Interest Rate Mode. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption" herein.

This Official Statement summarizes certain terms of the Series 2024 Bonds only while the Series 2024 Bonds bear interest at Fixed Rates in the initial Fixed Period. During the period in which the Series 2024 Bonds are subject to optional redemption, LRHS may elect to convert all or a portion of the Series 2024 Bonds to a different Interest Rate Mode or to a new Fixed Period. Should all or a portion of the Series 2024 Bonds be converted to operate in a different Interest Rate Mode or to a new Fixed Period, the Series 2024 Bonds to be converted would be subject to mandatory tender for purchase and it is expected that a reoffering circular or a supplement to this Official Statement or other disclosure document would be prepared at that time in connection with the remarketing and conversion of such Series 2024 Bonds.

The Series 2024 Bonds are subject to optional and extraordinary optional redemption prior to maturity as described herein. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption" herein.

THE SERIES 2024 BONDS AND THE INTEREST PAYABLE THEREON DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF FLORIDA (THE "*STATE*") OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS IN THE BOND INDENTURE PROVIDED THEREFOR. NEITHER THE STATE NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL, PURCHASE PRICE OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS EXCEPT FROM REVENUES AND THE OTHER ASSETS PLEDGED UNDER THE BOND INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS. THE ISSUANCE OF THE SERIES 2024 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT.

The Obligated Group has contracted with Digital Assurance Certification LLC, to serve as dissemination agent with respect to the Series 2024 Bonds. Such services may be discontinued at any time. See "CONTINUING DISCLOSURE" herein.

[DAC Logo]

All of the Series 2024 Bonds are offered in book-entry form, when, as and if issued by the Issuer and received by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice, under certain conditions, and to receipt of the legal opinion with respect to the Series 2024 Bonds by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the Issuer by its counsel, the City Attorney of the City of Lakeland, Florida, for the Obligated Group by its counsel, Peterson & Myers, P.A., Lakeland, Florida, and for the Underwriter by its counsel, Norton Rose Fulbright US LLP, Dallas, Texas. Kaufman, Hall & Associates, LLC, Skokie, Illinois, is acting as financial advisor to the Obligated Group in connection with the issuance of the Series 2024 Bonds. It is expected that delivery of the Series 2024 Bonds will be made through the facilities of DTC in New York, New York, on or about August [__], 2024.

[JPMorgan Logo]

This Official Statement is dated August __, 2024.

$_____[*]

CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2024

MATURITY SCHEDULE[*]

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS

Maturity (November 15)	Principal Amount	Interest Rate	Yield	Price	CUSIP[†]

[C Priced to result in the stated yield to the optional par call date of November 15, 20__].

[*] Preliminary, subject to change.

[†] CUSIP is a registered trademark of the American Bankers Association (the "***ABA***"). CUSIP data is provided by CUSIP Global Services ("***CGS***"), which is managed on behalf of the ABA by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of the holders of the Series 2024 Bonds only at the time of issuance of the Series 2024 Bonds, and none of the Issuer, the Obligated Group members, the Bond Trustee or the Underwriter make any representation with respect to such CUSIP numbers or undertake any responsibility for the accuracy now or at any time in the future.

No dealer, salesman or any other person has been authorized by the Issuer, the Obligated Group or the Underwriter to give any information or to make any representation (other than those contained in this Official Statement and the appendices hereto) in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon. This Official Statement does not constitute an offer to sell the Series 2024 Bonds or a solicitation of an offer to buy, nor shall there be any sale of the Series 2024 Bonds by any person, in any state or other jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

The information set forth herein under the captions "THE ISSUER" and "LITIGATION – Issuer" have been furnished by the Issuer. All other information contained in this Official Statement has been obtained from the Obligated Group and other sources which the Issuer, the Obligated Group and the Underwriter believe to be reliable. Such other information is not guaranteed as to accuracy or completeness by, and is not to be relied upon as or construed as a promise or representation by, the Issuer or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

References to web site addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not a part of, this Official Statement.

This Official Statement is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expressions of opinion set forth herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, DTC or the Obligated Group or affiliates since the date of the information set forth herein. This Official Statement does not constitute a contract among or between the Issuer, the Obligated Group or the Underwriter and any purchaser of the Series 2024 Bonds.

The Series 2024 Bonds and Obligation No. 9 have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "***Securities Act***"), and are being issued in reliance on exemptions under the Securities Act. The Series 2024 Bonds are not exempt in every jurisdiction in the United States; some jurisdictions' securities laws (the "***blue sky laws***") may require a filing and a fee to secure the Series 2024 Bonds' exemption from registration. The registration, qualification or exemption of the Series 2024 Bonds in accordance with the applicable blue sky laws of the jurisdictions in which these securities have been registered, qualified or exempted should not be regarded as a recommendation thereof. Neither these jurisdictions nor any of their agencies have guaranteed or passed upon the safety of the Series 2024 Bonds as an investment, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense. Neither the Bond Indenture nor the Master Indenture has been qualified under the Trust Indenture Act of 1939, as amended (the "***Trust Indenture Act***"), in reliance upon an exemption contained in the Trust Indenture Act.

There are risks associated with the purchase of the Series 2024 Bonds. For a discussion of certain risks, see "BONDHOLDERS' RISKS" herein.

The Bank of New York Mellon Trust Company, N.A., in each of its capacities including but not limited to Bond Trustee, Master Trustee, Paying Agent and Bond Registrar, has not participated in the preparation of this Official Statement and assumes no responsibility for its content.

Certain statements included or incorporated by reference in this Official Statement constitute "forward looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," or similar words. The achievement of certain results or other expectations contained in such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. The Obligated Group does not plan to issue any updates or revisions to those forward looking statements if or when their expectations, or events, conditions or circumstances upon which such statements are based, occur. Investors should not place undue reliance on such forward looking statements. Please review the factors described below under "BONDHOLDERS' RISKS" which could cause actual results to differ from expectations.

The cover page contains certain information for general reference only and is not intended as a summary of this offering. Investors should read the entire Official Statement, including all appendices attached hereto, to obtain information essential to the making of an informed investment decision.

Table of Contents

Table of Contents

OFFICIAL STATEMENT

$_____[*]
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2024

INTRODUCTORY STATEMENT

The following introductory statement is subject in all respects to the more complete information set forth in this Official Statement. All descriptions and summaries of documents referred to herein do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each such document. All capitalized terms used in this Official Statement and not otherwise defined herein have the same meaning as in the Bond Indenture and Master Indenture, as each is defined herein. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS" attached hereto.

This Official Statement, including the cover page, the inside cover page and the appendices hereto, is provided to furnish information in connection with the sale and delivery of $_____[*] aggregate principal amount of Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "***Series 2024 Bonds***"), to be issued by the City of Lakeland, Florida (the "***Issuer***"). The Series 2024 Bonds will be issued pursuant to and secured by a Bond Indenture, dated as of August 1, 2024 (the "***Bond Indenture***"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "***Bond Trustee***").

The Series 2024 Bonds

The Series 2024 Bonds will be dated the date of delivery and will mature as shown on the inside cover page of this Official Statement. The Series 2024 Bonds are initially being issued as Fixed Bonds in the Fixed Mode, bearing interest at the respective Fixed Rates set forth on the inside cover page of this Official Statement for the initial Fixed Period (which commences on the date of issuance of the Series 2024 Bonds to their respective maturity dates, subject to prior redemption or conversion). Interest on the Series 2024 Bonds is payable by the Bond Trustee on May 15 and November 15 of each year, commencing November 15, 2024. See "DESCRIPTION OF THE SERIES 2024 BONDS" herein.

The Series 2024 Bonds are being issued as fully registered bonds without coupons in the denomination of $5,000 and any integral multiple thereof while in the Fixed Mode, and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("***DTC***"). DTC will act as Securities Depository for the Series 2024 Bonds. Purchases of beneficial ownership interests will be made in book-entry only form in denominations of $5,000 or any integral multiple thereof. Purchasers ("***Beneficial Owners***") will not receive certificates representing their beneficial interest in the Series 2024 Bonds. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to Bondholders or registered owners shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2024 Bonds. See "BOOK-ENTRY SYSTEM" herein.

The Series 2024 Bonds are subject to optional, extraordinary and mandatory redemption and purchase in lieu of optional redemption prior to their respective maturities as set forth herein. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption" herein.

Authorization

The Series 2024 Bonds will be issued under the Constitution of the State of Florida, the Issuer's Charter, Chapter 166, Florida Statutes, as amended, Part II, Chapter 159, Florida Statutes, as amended, and other applicable provisions of law, in conformity with the provisions, restrictions and limitations thereof, a resolution adopted by the City Commission of the Issuer on [June 17], 2024 (the "***Resolution***"), and pursuant to the Bond Indenture.

[*] Preliminary, subject to change.

The Obligated Group

The Series 2024 Bonds are being issued for the benefit of the Lakeland Regional Health Systems, Inc. ("***LRHS***") and Lakeland Regional Medical Center, Inc. ("***LRMC***"), which together with any entities that may become a member of the obligated group in the future pursuant to the hereinafter defined Master Indenture, and subject to the permitted withdrawal of members therefrom, are collectively referred to herein as the "***Obligated Group***." The proceeds of the Series 2024 Bonds will be loaned to LRHS pursuant to a Loan Agreement, dated as of August 1, 2024 (the "***Loan Agreement***"), between the Issuer and LRHS, as Obligated Group Representative, and used, together with other available funds of the Obligated Group, for the purpose of (i) refunding the Issuer's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the "***Refunded Bonds***"), (ii) financing all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Obligated Group's healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building, (b) a new approximately 24,000 square foot free-standing emergency department building, and (c) other capital improvements related to existing health care facilities (collectively, the "***2024 Project***"), (iii) funding any required reserves and (iv) paying certain of the costs and expenses relating to the issuance of the Series 2024 Bonds. See "PLAN OF FINANCE" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Lease and Transfer Agreement

LRMC entered into a Lease and Transfer Agreement, dated as of October 1, 1986, as supplemented and amended from time to time (the "***Lease and Transfer Agreement***"), with the Issuer. The Lease and Transfer Agreement grants control of all operations of Lakeland Regional Medical Center, an 864 licensed bed acute care hospital facility (the "***Hospital***") to LRMC, unless the Lease and Transfer Agreement is otherwise terminated in accordance with its terms. Pursuant to the Ninth Amendment to the Lease and Transfer Agreement entered into March 5, 2021, the Issuer and LRMC agreed to a lump sum of $215 million to satisfy LRMC's rent obligations in perpetuity commencing with the fiscal year ending September 30, 2022. As a result of the agreement, no rent is due for the next 16 years and then, beginning in 2041, the annual rent will be $10.00 in perpetuity. See APPENDIX A – "OVERVIEW AND BACKGROUND – Lease and Transfer Agreement" attached hereto and APPENDIX C-2 – "SUMMARY OF LEASE AND TRANSFER AGREEMENT" attached hereto.

Security for the Series 2024 Bonds

The Series 2024 Bonds are secured under the provisions of the Bond Indenture and will be payable from payments made by LRHS under the Loan Agreement (the "***Loan Repayments***"), from payments made by the members of the Obligated Group on Obligation No. 9 (described below) and from certain funds held under the Bond Indenture.

In order to secure the obligation of LRHS to make the payments under the Loan Agreement, LRHS, on behalf of itself and the other members of the Obligated Group, will deliver to the Bond Trustee Obligation No. 9 ("***Obligation No. 9***") issued pursuant to an Amended and Restated Master Trust Indenture, dated as of February 1, 2015, among the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee, as amended and supplemented and, in particular, as amended and supplemented by Supplemental Indenture for Obligation No. 9 ("***Supplement No. 9***"), dated as of August 1, 2024 (collectively, the "***Master Indenture***"). Pursuant to the Master Indenture, the members of the Obligated Group agree to make payments on Obligation No. 9 in an amount sufficient to pay, when due, the payments required to be paid by LRHS under the Loan Agreement and, thus, the principal, Redemption Price, and Purchase Price (when required) of and interest on the Series 2024 Bonds. Each member of the Obligated Group is jointly and severally obligated to make payments on all Obligations issued under the Master Indenture, including Obligation No. 9. Obligation No. 9 will entitle the Bond Trustee, as the holder thereof, to the benefit of the covenants, restrictions and other obligations imposed on the Obligated Group under the Master Indenture. For further information concerning the security for the Series 2024 Bonds, see the information under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein and APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS" attached hereto.

Security under the Master Indenture

All Obligations issued under the Master Indenture, including Obligation Nos. 7 and 8 (hereinafter defined) and Obligation No. 9, are the joint and several obligations of the Obligated Group and are secured on a parity basis

by a security interest in the Gross Revenues and Accounts (as each are described herein) of the Obligated Group. Under the circumstances set forth in the Master Indenture, members of the Obligated Group (including LRHS) may cease such status and be released from their obligations with respect to the Obligations, the Loan Agreement and the Series 2024 Bonds, and entities not now members of the Obligated Group may join the Obligated Group. The financial results of the members of the Obligated Group will be combined, together with the financial results of the Restricted Affiliates, if any (of which currently there are none), for financial reporting purposes and will be used in determining whether certain covenants and tests in the Master Indenture are satisfied. See "BONDHOLDERS' RISKS – Certain Matters Relating to Enforceability of the Master Indenture" herein for a description of certain potential limitations as to the enforceability of the Master Indenture and the modification of the covenants and pledges therein. So long as Obligation No. 9 remains outstanding, the Obligated Group has agreed that LRMC will remain a member of the Obligated Group and will not withdraw from the Obligated Group. Additionally, as long as Obligation No. 9 is outstanding, the Obligated Group has waived any right to adopt a replacement Master Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein, and APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS" attached hereto.

THE SERIES 2024 BONDS AND THE INTEREST PAYABLE THEREON DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF FLORIDA (THE "*STATE*") OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS IN THE BOND INDENTURE PROVIDED THEREFOR. NEITHER THE STATE NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL, PURCHASE PRICE OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS EXCEPT FROM REVENUES AND THE OTHER ASSETS PLEDGED UNDER THE BOND INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE, OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS. THE ISSUANCE OF THE SERIES 2024 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. See "DESCRIPTION OF THE SERIES 2024 BONDS" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein.

Other Outstanding Obligations. In 2016, the Issuer issued its Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2016 in the original aggregate principal amount of $83,245,000, currently outstanding in the principal amount of $[_____] (the "***Series 2016 Bonds***"), for the purpose of refunding certain bonds previously issued by the Issuer for the benefit of the Obligated Group. The payment of the Obligated Group's obligations relating to the Series 2016 Bonds are secured by Obligation No. 7 issued under the Master Indenture ("***Obligation No. 7***").

In 2021, the Florida Development Finance Corporation, as conduit bond issuer, issued its Healthcare Facilities Revenue Bonds (Lakeland Regional Health Systems), Series 2021 in the original aggregate principal amount of $225,710,000, currently outstanding in the principal amount of $[_____] (the "***Series 2021 Bonds***"), for the purpose of paying the Issuer in connection with amending the Lease and Transfer Agreement to provide the Obligated Group the right to maintain operation and control of the hospital facilities subject to the Lease and Transfer Agreement in perpetuity, financing the acquisition, design, construction and equipping of a new behavioral health center, and refunding certain bonds previously issued by the Issuer for the benefit of the Obligated Group. The payment of the Obligated Group's obligations relating to the Series 2021 Bonds are secured by Obligation No. 8 issued under the Master Indenture ("***Obligation No. 8***")

After giving effect to the issuance of the Series 2024 Bonds and the defeasance of the Refunded Bonds, the Obligated Group will have approximately $[____] million* of Obligations outstanding, of which Obligation No. 9 would represent approximately [___]%* of the principal amount of outstanding Obligations.

* Preliminary, subject to change.

Possible Bond Insurance

LRHS has requested a commitment from a municipal bond insurance company (an "***Insurer***") to provide a municipal bond insurance policy to insure all or any portion of the Series 2024 Bonds. If such commitment is received from an Insurer, all or any portion of the Series 2024 Bonds may be insured by such Insurer, but there is no assurance that such commitment will be received from such Insurer or that LRHS will elect to insure any of the Series 2024 Bonds in the event such commitment is received. For more information, see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Possible Bond Insurance" herein.

Bondholders' Risks

For a description of certain risks associated with ownership of the Series 2024 Bonds, see "BONDHOLDERS' RISKS" herein.

Principal Documents

This Official Statement contains descriptions of, among other things, the Series 2024 Bonds, the Loan Agreement, the Bond Indenture, the Master Indenture, Obligation No. 9, the Lease and Transfer Agreement and the Continuing Disclosure Agreement. These descriptions do not purport to be comprehensive or definitive. The forms of the Master Indenture, Supplement No. 9, the Bond Indenture and the Loan Agreement are contained in APPENDIX C-1 to this Official Statement, and a summary of the terms of the Lease and Transfer Agreement is contained in APPENDIX C-2 hereto. Definitions of certain words and terms used in this Official Statement are also set forth in APPENDIX C-1. All references herein to such documents are qualified in their entirety by reference to such documents, and references herein to the Series 2024 Bonds are qualified in their entirety by reference to the forms thereof included in the Bond Indenture. Until the issuance and delivery of the Series 2024 Bonds, copies of the Master Indenture, the Bond Indenture, the Loan Agreement, the Lease and Transfer Agreement and other documents herein described may be obtained from LRHS by written request at 230 South Florida Avenue, 4th Floor, Lakeland, Florida 33801 Attention: Chief Financial Officer. Copies of such documents will be available for inspection at the principal corporate trust office of the Bond Trustee at 4655 Salisbury Road, Suite 300, Jacksonville, Florida 32256, after delivery of the Series 2024 Bonds.

THE ISSUER

THE SERIES 2024 BONDS ARE NOT A GENERAL OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE ISSUER AND POLK COUNTY, FLORIDA, AND ARE ONLY PAYABLE FROM THE SOURCES DESCRIBED IN THIS OFFICIAL STATEMENT.

General

The Issuer is a city located in Polk County, Florida ("***Polk County***") at the geographic center of the State along the I-4 corridor between the cities of Tampa and Orlando. The Issuer is the largest municipality in Polk County. It covers an area of approximately 75 square miles. The Issuer was incorporated in 1885 as a political subdivision of the State.

City Commission

The Issuer is operated using a commission-manager form of government. This system provides a centralized professional administration and a seven-member City Commission. The commissioners and mayor serve four-year terms of service with elections held in odd numbered years. The mayor is elected by popular vote and is recognized as the head of city government for all ceremonial occasions. Four commissioners are elected from single member districts. The remaining two members are elected at large. The City Commission appoints, and the Issuer employs a full-time City Manager as the chief executive and administrative officer of the Issuer.

The City Commission is the principal governing body of the Issuer. The current members of the City Commission and their expiration of terms of office are:

Commissioner	Office	Term Expires
H. William Mutz	Mayor	December 2025
Stephanie Madden	Commissioner	December 2025
Sara Roberts McCarley	Commissioner	December 2025
Chad McLeod	Commissioner	December 2027
Mike Musick	Commissioner	December 2025
Bill "Tiger" Read	Commissioner	December 2027
Guy Lalonde Jr.	Commissioner	December 2027

Disclosure Required by Section 517.051, Florida Statues

Section 517.051, Florida Statutes, as amended, provides for the exemption from registration of certain governmental securities, provided that if an issuer or guarantor of governmental securities has been in default at any time after December 31, 1975 as to principal and interest on any obligation, its securities may not be offered or sold in Florida pursuant to the exemption except by means of an offering circular containing full and fair disclosure, as prescribed by the rules of the Florida Department of Banking and Finance (the "***Department***"). Rule 69W-400.003, Rules for Government Securities, promulgated by the Financial Services Commission ("***Rule 69W-400.03***"), requires the Issuer to disclose each and every default as to the payment of principal and interest with respect to an obligation issued by the Issuer after December 31, 1975. Rule 69W-400.03 further provides, however, that if the Issuer in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The Issuer, in the case of the Series 2024 Bonds, is merely a conduit for payment, in that the Series 2024 Bonds do not constitute a general debt, liability or obligation of the Issuer, but are instead secured by and payable solely from payments of LRHS under the Loan Agreement and by other security discussed herein. The Series 2024 Bonds are not being offered on the basis of the financial strength or condition of the Issuer. The Issuer believes, therefore, that disclosure of any default related to a financing not involving LRHS would not be material to a reasonable investor. Accordingly, the Issuer has not taken affirmative steps to contact any trustee of any other conduit bond issue of the Issuer not involving LRHS to determine the existence of prior defaults. LRHS has advised the Issuer that LRHS has not defaulted in the payment of principal or interest on any obligations since its formation.

THE OBLIGATED GROUP

The Obligated Group consists of LRHS, a Florida not-for-profit corporation exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "***Code***"), as an organization described in Section 501(c)(3) of the Code and not a private foundation as defined in Section 509(a) of the Code (as such, a "***Tax-Exempt Organization***"), and LRMC, also a Tax-Exempt Organization. LRHS was created in 1986 as part of a corporate reorganization which created LRMC as a corporation and LRHS as its parent. Lakeland Regional Medical Center Foundation, Inc., a not-for-profit fundraising corporation, is another operating affiliate of LRHS, but is not currently a member of the Obligated Group.

For a more complete description of LRHS and LRMC and their facilities, services, businesses and financial affairs, see APPENDIX A attached hereto.

PLAN OF FINANCE

General

The proceeds of the sale of the Series 2024 Bonds will be loaned by the Issuer to LRHS, as Obligated Group Representative, pursuant to the Loan Agreement to be used, along with other available funds of the Obligated Group, for the purpose of (i) refunding the Refunded Bonds, (ii) financing all or a portion of the costs (including reimbursement for prior related expenditures) of the 2024 Project, (iii) funding any required reserves and (iv) paying certain of the costs and expenses relating to the issuance of the Series 2024 Bonds.

Refunding of Refunded Bonds

A portion of the proceeds of the Series 2024 Bonds, together with other available funds of the Obligated Group, will be irrevocably deposited in an escrow deposit trust fund established pursuant to an escrow deposit agreement. The funds deposited in the escrow deposit trust fund will be sufficient, as verified by the Verification

Agent (as hereinafter defined), to pay the principal of and interest on the Refunded Bonds on and prior to their redemption and to redeem the Refunded Bonds at a redemption price of 100% of the principal amount thereof on November 15, 2024. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein. Upon such irrevocable deposit, the Refunded Bonds will be deemed paid and no longer outstanding. The funds deposited in the escrow deposit fund will not be available to make payments on the Series 2024 Bonds. The deposit of moneys into the escrow deposit fund will constitute an irrevocable deposit for the benefit of the holders of the Refunded Bonds.

See APPENDIX A – "LEGAL" for information relating to an inquiry by the Internal Revenue Service (the "***IRS***") relating to the Refunded Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the sale of the Series 2024 Bonds, together with other available funds of the Obligated Group, are expected to be used as follows:

Sources:	
Par Amount	$_____
[Net] Original Issue [Premium][Discount]	_____
Obligated Group Contribution/Trustee-Held Funds	_____
Total Sources of Funds	**$_____**
Uses:	
2024 Project Costs	$_____
[Capitalized Interest]	_____
Defeasance of Refunded Bonds	_____
Costs of Issuance[(1)]	_____
Total Uses of Funds	**$_____**

(1) Includes Underwriter's discount and fees and expenses of bond counsel, counsel to the Obligated Group, counsel to the Underwriter and the financial advisor, the Issuer's issuance fee, costs of accounting services, printing, rating agency, miscellaneous expenses and additional proceeds.

[*Remainder of This Page Intentionally Left Blank*]

OBLIGATED GROUP PRO FORMA LONG TERM DEBT SERVICE

The following table sets forth, for each fiscal year of the Obligated Group ending September 30, the estimated amounts required for the payment of principal of the Series 2024 Bonds at stated maturity and interest thereon on the noted assumptions. Under "Other Outstanding Indebtedness," the table also shows the pro forma total debt service due in each fiscal year with respect to the currently outstanding long-term indebtedness of the Obligated Group which will remain outstanding after the issuance of the Series 2024 Bonds.

Fiscal Year Ending September 30,	Series 2024 Bonds		Other Outstanding Indebtedness[(1)]	Total Long-Term Debt Service and Other Obligations
	Principal	Interest		
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				
Total				

(1) Includes the Series 2016 Bonds and the Series 2021 Bonds. Excludes the Refunded Bonds and scheduled payments under the Lease and Transfer Agreement. See "FINANCIAL INFORMATION – Liquidity, Capitalization and Debt Service Coverage" in APPENDIX A attached hereto for a table describing the Obligated Group's outstanding long-term debt and capitalization.

[*Remainder of This Page Intentionally Left Blank*]

DESCRIPTION OF THE SERIES 2024 BONDS

The following is a summary of certain provisions of the Series 2024 Bonds. Reference is made to the Series 2024 Bonds for the complete text thereof and to the Bond Indenture for all of the provisions relating to the Series 2024 Bonds included in APPENDIX C-1 hereto. The discussion herein is qualified by such reference.

The Series Bonds are initially issued in the Fixed Mode in one Series. The Series 2024 Bonds may bear interest in a Fixed Mode, Long-Term Mode, FRN Mode, Short-Term Mode, Two Day Mode, VRO Mode, Window Mode, Daily Mode, Weekly Mode, Flexible Mode or Direct Purchase Mode (as such terms are defined and more fully described in the Bond Indenture). This Official Statement summarizes certain terms of the Series 2024 Bonds only while the Series 2024 Bonds operate in the Fixed Mode in the initial Fixed Period. There are significant differences in the terms of the Series 2024 Bonds if they are in any other Interest Rate Mode or a new Fixed Period. During the period in which the Series 2024 Bonds are subject to optional redemption, LRHS may elect to convert the Series 2024 Bonds to a different Interest Rate Mode or to a new Fixed Period. Should the Series 2024 Bonds or portion thereof be converted to operate in a different Interest Rate Mode or to bear interest in a new Fixed Period, the Series 2024 Bonds to be converted will be subject to mandatory tender for purchase and, at that time, it is expected that a reoffering circular or a supplement to this Official Statement or other disclosure document would be prepared in connection with any such Conversion.

General

The Series 2024 Bonds will be dated the date of delivery and will mature on the dates, and be issued in the aggregate principal amounts as set forth on the inside cover page of this Official Statement. The Series 2024 Bonds are being issued in the Fixed Mode to bear interest at the respective Fixed Rates indicated on the inside cover of this Official Statement for the initial Fixed Period (which period extends, subject to prior redemption or, subject to conversion to operate in a different Interest Rate Mode or a new Fixed Period, to the respective maturity dates of the Series 2024 Bonds). On any date on which the Series 2024 Bonds are subject to optional redemption, LRHS may elect to convert the Series 2024 Bonds, or portions thereof, to another Interest Rate Mode or a new Fixed Period, all as defined in the Bond Indenture.

Interest on the Series 2024 Bonds (based on a 360-day year consisting of twelve 30-day months) will be payable on May 15 and November 15 of each year (each, an "***Interest Payment Date***"), commencing November 15, 2024. The day next succeeding the last day of a Fixed Period and any Conversion Date is also an Interest Payment Date with respect to the Series 2024 Bonds. Interest shall be payable on each Interest Payment Date for the period commencing on (and including) the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. "***Interest Accrual Date***" means the first day of the initial Fixed Period and, thereafter, each Interest Payment Date during such period, other than the last such Interest Payment Date.

The Series 2024 Bonds will be subject to optional, extraordinary and mandatory redemption and purchase in lieu of optional redemption prior to their respective maturities as described below.

The Series 2024 Bonds will be made available to Beneficial Owners in book-entry form only, and, as initially issued, in Authorized Denominations of $5,000 and any integral multiple thereof. Beneficial Owners of the Series 2024 Bonds will not receive certificates representing their interests in the Series 2024 Bonds, except as described below. So long as Cede & Co. is the registered owner of the Series 2024 Bonds, the principal, Redemption Price and Purchase Price of, and interest on, the Series 2024 Bonds will be payable by wire transfer by the Bond Trustee to Cede & Co., as nominee for DTC which, in turn, will remit such amounts to DTC Participants for subsequent disbursement to the Beneficial Owners. So long as all records of ownership of the Series 2024 Bonds are maintained through the book-entry only system, all payments to the Beneficial Owners of the Series 2024 Bonds will be made in accordance with the procedures described under "BOOK-ENTRY SYSTEM" herein.

If the book-entry only system for the Series 2024 Bonds is discontinued, the principal or Redemption Price of the Series 2024 Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Bond Trustee upon surrender of the Series 2024 Bonds to the Bond Trustee for cancellation; provided that the Bond Trustee may agree with the Holder of any Series 2024 Bond that such Holder may, in lieu of surrendering the same for a new Series 2024 Bond, endorse on such Series 2024 Bond a record of partial payment, in accordance with the terms of the Bond Indenture. Interest on the Series 2024 Bonds shall be payable on each Interest Payment

Date by the Bond Trustee by check mailed on the date on which due to the Holders of Series 2024 Bonds at the close of business on the 15th calendar day of month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day (each, a "***Record Date***") in respect of such Interest Payment Date at the registered addresses of Holders as shall appear on the registration books of the Bond Trustee as of the close of business on such Record Date. In the case of any Holder of Series 2024 Bonds in an aggregate principal amount in excess of $1,000,000 as shown on the registration books of the Bond Trustee who, prior to the Record Date next preceding any Interest Payment Date, shall have provided the Bond Trustee with written wire transfer instructions containing the wire transfer address within the continental United States, interest payable on such Series 2024 Bonds shall be paid in accordance with the wire transfer instructions provided by the Holder of such Series 2024 Bond.

If available funds are insufficient on any Interest Payment Date to pay the interest then due on the Series 2024 Bonds, interest shall continue to accrue thereon but shall cease to be payable to the Holder on such Record Date. If sufficient funds for the payment of such overdue interest thereafter become available, the Bond Trustee shall establish a "special interest payment date" for the payment of the overdue interest and a Special Record Date (which shall be a Business Day) for determining the Bondholders entitled to such payment as further described in the Bond Indenture. Notice of each such date so established shall be mailed to each Bondholder at least 10 days prior to the Special Record Date but not more than 30 days prior to the special interest payment date. The overdue interest shall be paid on the special interest payment date to the Holders, as shown on the registration books of the Bond Trustee as of the close of business on the Special Record Date.

The Series 2024 Bonds will be transferable and exchangeable as set forth in the Bond Indenture and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Series 2024 Bonds. One fully-registered bond will be issued for each interest rate and maturity of the Series 2024 Bonds, each in the aggregate principal amount of each such interest rate and maturity of the Series 2024 Bonds, and will be deposited with DTC or its agent. Ownership interests in the Series 2024 Bonds may be purchased in book-entry form only, in the denominations set forth above. See "BOOK-ENTRY SYSTEM" herein.

Subject to the limitations and conditions of the Bond Indenture and as further described under the caption "– Conversion and Mandatory Purchase" below, the Series 2024 Bonds may be converted, in whole or in part, in Authorized Denominations, to operate in a different Interest Rate Mode or a new Fixed Period on any day on which the Series 2024 Bonds otherwise would be subject to optional redemption. All Series 2024 Bonds shall be in the same Interest Rate Mode and operate in the same Interest Rate Period, subject to future designations as separate Sub-Series, in which case all Series 2024 Bonds of a Sub-Series shall be in the same Interest Rate Mode and operate in the same Interest Rate Period.

Conversion and Mandatory Purchase

At the option of LRHS, all or a portion of the Series 2024 Bonds may be converted to operate in one or more of a new Fixed Mode, a Long-Term Mode, a FRN Mode, a Short-Term Mode, a Two Day Mode, a VRO Mode, a Window Mode, a Daily Mode, a Weekly Mode, a Flexible Mode or a Direct Purchase Mode on any date when the Series 2024 Bonds are subject to optional redemption as described in "– Redemption – *Optional Redemption*" below. Any Conversion of the Series 2024 Bonds shall be in whole or in part in Authorized Denominations. The Bond Trustee shall give Electronic Notice of the Conversion and mandatory tender to the holders of the Series 2024 Bonds, not fewer than 20 days prior to the proposed Conversion Date. Interest shall accrue on such Series 2024 Bonds subject to conversion at the new interest rate commencing on such Conversion Date, whether or not a Business Day.

The Series 2024 Bonds are subject to mandatory tender for purchase on a Conversion Date, at the Purchase Price, payable in immediately available funds. "***Purchase Price***" means, an amount equal to the principal amount thereof plus accrued interest to, but not including, the Purchase Date; provided, however, that if the Purchase Date is an Interest Payment Date, the Purchase Price thereof shall be the principal amount thereof, and interest on such Series 2024 Bond shall be paid to the Holder of such Series 2024 Bond pursuant to the Bond Indenture.

Rescission of Conversion. In connection with any proposed Conversion of Series 2024 Bonds (or a portion of the Series 2024 Bonds, as applicable), LRHS shall have the right to deliver, on or prior to 10:00 a.m., New York City time, on the second Business Day prior to the proposed effective date of any such Conversion or prior to the date on which the interest rate for the new Interest Rate Mode is to be determined, whichever is earlier, a notice to the effect that LRHS elects to rescind its election to implement any such Conversion. If LRHS rescinds its election to

implement any such Conversion, then such Conversion shall not occur, the mandatory tender shall not occur, and, the Series 2024 Bonds shall continue to bear interest in the current Interest Rate Mode and the current interest rate in effect immediately prior to such proposed Conversion Date. If LRHS rescinds the proposed Conversion, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, on the Business Day next succeeding the date of its receipt of LRHS' notice of rescission, to the Holders of such Series 2024 Bonds at their addresses as they appear on the registration books of the Bond Trustee as of the date Electronic Notice of the rescission is received by the Bond Trustee from LRHS.

Conditions to Conversion. No Conversion shall take effect under the Bond Indenture unless the following conditions have been satisfied: (i) in the case of any Conversion with respect to which there shall be no Liquidity Facility or Credit Facility in effect to provide funds for the purchase of Series 2024 Bonds to be converted on the Conversion Date, the remarketing proceeds and funds in LRHS Purchase Account and available on the Conversion Date shall not be less than the amount required to purchase all of the Series 2024 Bonds to be converted at the applicable Purchase Price, (ii) in the case of any Conversion of Series 2024 Bonds to any Interest Rate Mode (except a Direct Purchase Mode), prior to the Conversion Date, the LRHS shall have appointed a Remarketing Agent and there shall have been executed and delivered a Remarketing Agreement, (iii) if such Conversion is with respect to less than all of the Series 2024 Bonds, the Series 2024 Bonds shall be designated as separate Sub-Series, and (iv) delivery of a Favorable Opinion of Bond Counsel. In addition, such Conversion shall not take effect if (i) the Remarketing Agent fails to determine, when required, the interest rate for the new Interest Rate Mode or new Interest Rate Period, as applicable; (ii) the notice to Holders of Series 2024 Bonds of the Conversion is not given when required, (iii) sufficient funds are not available by 2:45 p.m., New York City time, on the Conversion Date to purchase all of the Series 2024 Bonds required to be purchased on such Conversion Date, or (iv) not all of the Series 2024 Bonds are remarketed in the new Interest Rate Mode or new Interest Rate Period, as applicable, on the applicable Conversion Date. If, on a Conversion Date, any condition precedent to a proposed Conversion shall not have been satisfied, then such Conversion shall not occur and the Series 2024 Bonds or portion thereof to have been converted shall continue to bear interest in the current Interest Rate Mode and at the current interest rate as in effect immediately prior to such proposed Conversion Date, and the Series 2024 Bonds or portion thereof, shall not be subject to mandatory tender for purchase on the proposed Conversion Date.

If Fixed Bonds are not purchased on a Purchase Date related to a Conversion of such Series 2024 Bonds, then such Fixed Bonds shall continue to bear interest at the interest rate in effect prior to such proposed Conversion. Failure to purchase Series 2024 Bonds on a Conversion from a Fixed Period shall not constitute an Event of Default under the Bond Indenture.

Undelivered Bond. If any Holder of a Series 2024 Bond subject to mandatory tender for purchase shall fail to deliver such Series 2024 Bond to the Bond Trustee at the place and on the applicable Purchase Date and at the time specified in the notice provided to the Holder, or shall fail to deliver such Series 2024 Bond properly endorsed, such Series 2024 Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Holder thereof on the Purchase Date and at the time specified, from and after the Purchase Date and time of that required delivery, (1) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding; (2) interest shall no longer accrue thereon; and (3) funds in the amount of the Purchase Price of the Undelivered Bond shall be held by the Bond Trustee for the benefit of the Holder thereof (provided that the Holder shall have no right to any investment earnings thereon), to be paid on delivery of the Undelivered Bond to the Bond Trustee at its Corporate Trust Office. Any funds held by the Bond Trustee as described in clause (3) of the preceding sentence shall be held uninvested and not commingled.

Redemption

Optional Redemption. The Series 2024 Bonds in the initial Fixed Period maturing on and after November 15, 20__ are subject to redemption prior to their Maturity Date, at the option LRHS, in whole or in part, in such amounts as may be designated by LRHS, on any date on and after _____, 20__, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

Extraordinary Optional Redemption. The Series 2024 Bonds are subject to redemption prior to their stated maturity, at the option of LRHS in whole or in part on any Business Day, in such amounts as may be designated by LRHS, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the Obligated

Group members and deposited in the Optional Redemption Fund, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Series 2024 Bonds maturing on November 15, 20__ are subject to redemption prior to their Maturity Date (or payment at maturity, as the case may be) by application of Sinking Fund Installments on November 15 in the years and in the principal amounts as set forth below, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium:

Sinking Fund Installment/Maturity Date (November 15)	**Sinking Fund Installment**
	$

_____

† Final Maturity

Purchase in Lieu of Optional Redemption

Notwithstanding the redemption provisions of the Bond Indenture, any Series 2024 Bonds subject to optional redemption as described under "– Redemption – *Optional Redemption*" above shall also be subject to optional call for purchase by LRHS and, at the option of LRHS, holding, resale or cancellation by LRHS (i.e., a so called purchase in lieu of redemption), at the same times as they would be subject to optional redemption and at the same purchase price equal to the Redemption Prices as are applicable to the optional redemption of such Series 2024 Bonds. To exercise such option, LRHS shall give the Bond Trustee a Written Request exercising such option as though such Written Request were a written request for redemption, and the Bond Trustee shall thereupon give the holders of the Series 2024 Bonds to be purchased notice of such purchase in the manner specified, and within the time period specified, under the heading "– Notice of Redemption" below as though such purchase by LRHS were a redemption and the purchase of such Series 2024 Bonds shall be mandatory and enforceable against the Bondholders. On the date fixed for purchase pursuant to any exercise of such option, LRHS or its assignee shall pay the purchase price of the Series 2024 Bonds then being purchased to the Bond Trustee in immediately available funds on the purchase date, and the Bond Trustee shall pay the same to the sellers of such Series 2024 Bonds against delivery thereof. Following such purchase, the Bond Trustee shall cause such Series 2024 Bonds to be registered in the name of LRHS or its assignee and shall deliver them to LRHS or its assignee. In the case of the purchase of less than all of the Series 2024 Bonds, the particular Bonds to be purchased shall be selected in accordance with the provisions summarized under the heading "– Selection of Series 2024 Bonds for Redemption" below. No purchase of any Series 2024 Bonds as described in this paragraph shall operate to extinguish the indebtedness of the Issuer evidenced thereby (subject to all the terms and limitations contained in the Bond Indenture). Notwithstanding the foregoing, no purchase shall be made as described in this paragraph unless a Favorable Opinion of Bond Counsel has been delivered.

Selection of Series 2024 Bonds for Redemption

Whenever provision is made in the Bond Indenture for the redemption of less than all of the Series 2024 Bonds or any given portion thereof, the Bond Trustee shall select the Series 2024 Bonds to be redeemed, from all Series 2024 Bonds subject to redemption or such given portion thereof not previously called for redemption, as directed in writing by LRHS, or in the absence of direction, by lot.

Notice of Redemption

Notice of redemption shall be mailed by the Bond Trustee, not less than 30 days nor more than 60 days prior to the redemption date to the Issuer and the respective Holders of Series 2024 Bonds called for redemption at their addresses appearing on the registration books of the Bond Trustee as of the date of the giving of such notice. Each notice of redemption shall state the date of such notice, the date of issuance of the Series 2024 Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses

of the Bond Trustee), the maturity date, the CUSIP numbers, if any, and, in the case of Series 2024 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice of redemption shall also state that, subject to the deposit of sufficient funds with the Bond Trustee on or prior to the redemption date to effect the redemption and to prior rescission as described in "– *Conditional Notice and Rescission of Notice*" below, on that date there will become due and payable on each of the Series 2024 Bonds, the Redemption Price thereof or of the specified portion of the principal amount thereof in the case of a Series 2024 Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Series 2024 Bonds be then surrendered.

Conditional Notice and Rescission of Notice. Any notice of optional redemption or extraordinary optional redemption shall state (i) that it is conditioned upon the deposit with the Bond Trustee on or prior to the redemption date of moneys in an amount equal to the amount necessary to effect the redemption and may also be conditioned on any other conditions as may be set forth in the notice of redemption, and (ii) that the notice may be rescinded by written notice given to the Bond Trustee by LRHS on or prior to the date specified for redemption, and in either of such cases such notice and redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in the Bond Indenture. Any Series 2024 Bond for which a notice of redemption has been rescinded or for which sufficient funds to pay the Redemption Price thereof have not been deposited with the Bond Trustee on or prior to the redemption date shall remain outstanding and neither the rescission of the notice nor the failure to fund the Redemption Price shall constitute an Event of Default under the Bond Indenture. The Bond Trustee shall give notice of such rescission or failure to fund the Redemption Price as soon thereafter as practicable in the same manner, and to the same Persons, as notice of such optional redemption was given.

Failure by the Bond Trustee to give notice to any one or more of the securities information services or depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. Failure by the Bond Trustee to mail notice of redemption to any one or more of the respective Holders of any Series 2024 Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Holders of Series 2024 Bonds to whom such notice was mailed.

Effect of Redemption

Notice of redemption having been given, and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Series 2024 Bonds (or portions thereof) so called for redemption being held by the Bond Trustee, on the redemption date designated in such notice, the Series 2024 Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon to the redemption date, interest on the Series 2024 Bonds so called for redemption shall cease to accrue from and after the redemption date, said Series 2024 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Bond Indenture and the Holders of the Series 2024 Bonds shall have no rights in respect of such Series 2024 Bonds except to receive payment of said Redemption Price and accrued interest to the date fixed for redemption from funds held by the Bond Trustee for such payment. All Series 2024 Bonds redeemed as described under "– Redemption" shall be canceled upon surrender thereof (and if applicable credited against Sinking Fund Installments), unless resold at the direction of LRHS as described under "– Purchase In Lieu of Optional Redemption."

Registration, Transfer and Exchange

For a description of the procedure to transfer ownership of a Series 2024 Bond while in the book-entry system, see "BOOK-ENTRY SYSTEM" herein. The Series 2024 Bonds, if not then in book-entry only registration, are subject to the limitations in the Bond Indenture, some of which are described below.

Upon surrender for transfer or exchange of any Series 2024 Bond at the Corporate Trust Office of the Bond Trustee, the Issuer shall execute, and the Bond Trustee shall authenticate and deliver, in the name of the designated transferee or transferees one or more new Series 2024 Bonds of the same maturity and of any Authorized Denominations and of a like aggregate principal amount. Every Bond presented or surrendered for transfer or exchange shall (if so required by the Bond Trustee, as bond registrar) be duly endorsed, or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Trustee, as bond registrar, duly executed by the Owner thereof or his attorney or legal representative duly authorized in writing.

No service charge shall be imposed for any registration, transfer or exchange of Series 2024 Bonds, but the Bond Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2024 Bonds, and such charge shall be paid before any such new Bond shall be delivered.

The Bond Trustee shall not be required to (a) transfer or exchange any Series 2024 Bond (other than a Series 2024 Bond tendered for purchase in connection with a Conversion) during a period beginning 15 days before the day of the mailing of a notice of redemption of such Bond and ending at the close of business on the day of such mailing, or (b) transfer or exchange any Series 2024 Bond so selected for redemption in whole or in part, during a period beginning at the opening of business on any Record Date for such Series 2024 Bonds and ending at the close of business on the relevant Interest Payment Date therefor.

BOOK-ENTRY SYSTEM

The information in this caption concerning DTC and DTC's book-entry system has been obtained from DTC and neither the Issuer, the Obligated Group nor the Underwriter make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Series 2024 Bonds, each in the aggregate principal amount of each such maturity of the Series 2024 Bonds, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("***Direct Participants***") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("***DTCC***"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("***Indirect Participants***"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bond ("***Beneficial Owner***") is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their beneficial ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024 Bonds with DTC and their registration in the name

of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Trustee and request that copies of notices be provided directly to them.

Redemption and tender notices shall be sent to DTC. If less than all of the Series 2024 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity of Series 2024 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Bond Trustee, on a payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC, the Bond Trustee, the Issuer, or the Obligated Group, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments on the Series 2024 Bonds made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Trustee, the Issuer or the Obligated Group, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

A Beneficial Owner of the Series 2024 Bonds shall give notice to elect to have its Series 2024 Bonds purchased or tendered, through its Direct or Indirect Participant, to the Bond Trustee and the Remarketing Agent, and shall effect delivery of such Series 2024 Bonds by causing the Direct Participant to transfer the Direct or Indirect Participant's interest in such Series 2024 Bonds, on DTC's records, to the Bond Trustee. The requirement for physical delivery of Series 2024 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2024 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of the tendered Series 2024 Bonds to the Bond Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Issuer or the Bond Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the Obligated Group believe to be reliable, but neither the Issuer nor the Obligated Group takes responsibility for the accuracy thereof.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2024 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDER OF THE SERIES 2024 BONDS OR REGISTERED OWNERS OF THE SERIES 2024 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2024 BONDS.

The Issuer, the Obligated Group and the Underwriter cannot and do not give any assurances that DTC will distribute to Participants or that Participants or others will distribute to the Beneficial Owners payments of principal of, premium, if any, and interest on the Series 2024 Bonds paid, or any redemption or other notices of that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. None of the Issuer, the Obligated Group or the Underwriter is responsible or liable for the failure of DTC or any Direct Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Series 2024 Bonds or any error or delay relating thereto.

None of the Issuer, the Obligated Group, the Underwriter or the Bond Trustee will have any responsibility or obligation to Direct Participants, to Indirect Participants or to any Beneficial Owner with respect to (i) the accuracy of any records maintained by DTC, any Direct Participant, or any Indirect Participant; (ii) the payment by DTC or any Direct Participant or Indirect Participant of any amount with respect to the principal of or premium, if any, or interest on the Series 2024 Bonds; (iii) any notice that is permitted or required to be given to Holders under the Bond Indenture; (iv) the selection by DTC, any Direct Participant or any Indirect Participant of any person to receive payment in the event of a partial redemption of the Series 2024 Bonds; (v) any consent given or other action taken by DTC as Bondholder; or (vi) any other procedures or obligations of DTC, Direct Participants or Indirect Participants under the book-entry system.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

General

Pursuant to the Bond Indenture, the payment of the principal, Redemption Price and Purchase Price (when required) of, and interest on the Series 2024 Bonds are payable solely from the Revenues which consist primarily of Loan Repayments required to be paid by LRHS to the Issuer under the Loan Agreement, from payments by the members of the Obligated Group under Obligation No. 9, and from other funds held under the Bond Indenture (other than the Rebate Fund and the Bond Purchase Fund). Under the Loan Agreement, LRHS agrees, subject to the provisions of the Bond Indenture, to make payments to the Bond Trustee (as assignee of the Issuer) which, in the aggregate, are required to be in an amount sufficient to pay the principal, Redemption Price, Purchase Price (when required) of, and interest on the Series 2024 Bonds on the dates and at the places and in the manner specified in the Bond Indenture, including payments at the times and in the amounts equal to the amounts to be paid as principal, Redemption Price, Purchase Price (when required) of or interest on such Series 2024 Bonds, whether due at maturity, upon redemption, by declaration of acceleration or otherwise, and certain fees and expenses (consisting generally of fees and charges of the Bond Trustee, taxes, accountants' fees and any fees and expenses of the Issuer and the Bond Trustee associated with such Series 2024 Bonds (the "***Additional Payments***"), less any amounts available for the payment of such expenses as provided in the Bond Indenture and the Loan Agreement.

The Issuer, pursuant to the Bond Indenture, will pledge to the Bond Trustee, and grant to the Bond Trustee a security interest in and lien on, all of its right, title, and interest, in, to, and under all of the Revenues and any other assets pledged under the Bond Indenture, and assign to the Bond Trustee all of its right, title and interest in the Loan Agreement (except for (i) the right to receive certain administrative fees and expenses to the extent payable to the Authority, (ii) any rights of the Issuer to be indemnified, held harmless and defended and rights to inspection and to receive notices, certificates and opinions, (iii) express rights to give approvals, consents or waivers, and (iv) the obligation of LRHS to make deposits pursuant to the Tax Agreement) and Obligation No. 9.

As security for its obligation to make the Loan Repayments, concurrently with the issuance with the Series 2024 Bonds, Obligation No. 9 will be issued to the Bond Trustee in accordance with the Master Indenture and pursuant to which the members of the Obligated Group, jointly and severally, agree to make payments to the Bond Trustee in amounts sufficient to pay, when due, the principal, Redemption Price and Purchase Price (when required) of and interest on the Series 2024 Bonds. See "– Obligation No. 9" below.

Pursuant to the Master Indenture and subject to the provisions thereof relating to the ability of the Obligated Group to transfer and pledge its Gross Revenues and Accounts free of the lien of the Master Indenture, all Obligations issuable under the Master Indenture, including Obligation No. 9, shall be secured by a pledge of and security interest in the Gross Revenues and Accounts of the Obligated Group and any Restricted Affiliate. The Obligated Group previously has issued Obligation Nos. 7 and 8 in order to secure its obligations with respect to the Series 2016 Bonds and the Series 2021 Bonds, respectively. The security interest in Gross Revenues and Accounts is subject to a number of exceptions and limitations, as described below in this section. As of the date of issuance of the Series 2024 Bonds, LRHS and LRMC are the sole members of the Obligated Group established under and in accordance with the Master Indenture, and LRHS is the Obligated Group Representative (as such terms are defined in the Master Indenture). The Master Indenture permits certain additional parties to become members of the Obligated Group and any member of the Obligated Group, including LRHS and LRMC, may cease to be a member of the Obligated Group in the future upon the satisfaction of certain requirements set forth therein. NOTWITHSTANDING THE FOREGOING, LRMC HAS AGREED THAT SO LONG AS OBLIGATION NO. 9 IS OUTSTANDING, IT SHALL NOT WITHDRAW AS A MEMBER OF THE OBLIGATED GROUP. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.11. Parties Becoming Members of the Obligated Group" and "– Section 3.12. Withdrawal from the Obligated Group" attached hereto.

The obligations of the members of the Obligated Group to pay all amounts due under Obligation No. 9 and each other Obligation that may be issued by the members of the Obligated Group from time to time under the Master Indenture (including previously issued Obligation Nos. 7 and 8) are secured on a parity with one another as provided in the Master Indenture. Upon the terms and conditions specified in the Master Indenture, the Master Indenture permits the members of the Obligated Group to issue additional Obligations, which additional Obligations will not constitute part of the pledged security for Series 2024 Bonds, but will be equally and ratably secured under the Master Indenture with Obligation No. 9, except as described therein. For a detailed description of the requirements for issuance of such additional Obligations see APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.06. Limitations on Indebtedness." All Obligations issued under the Master Indenture are joint and several obligations of all members of the Obligated Group. The accounts and revenues of the members of the Combined Group, which currently consists of only the Obligated Group, will be combined for financial reporting purposes and will be used in determining whether certain covenants and tests in the Master Indenture are satisfied.

Obligations issued under the Master Indenture, including Obligation No. 9, are secured on parity by a security interest in the Gross Revenues and Accounts of the Obligated Group and any Restricted Affiliate (presently there are none) including any subsequently assigned or pledged collateral, if any, and all proceeds and products of any of the foregoing (the "***Pledged Collateral***"). The Pledged Collateral may be limited by a number of factors, including: (i) rights of third parties in the Pledged Collateral converted to cash and not in the possession of the Bond Trustee or the Master Trustee; (ii) statutory liens; (iii) rights arising in favor of the United States or any agency thereof; (iv) present or future prohibitions against assignment of amounts due under the Medicare or Medicaid programs contained in federal or State law; (v) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction; (vi) federal bankruptcy laws or State laws respecting bankruptcy, insolvency or creditors' rights; (vii) claims that might arise if appropriate financing or continuation statements are not filed in accordance with the Uniform Commercial Code of the State as from time to time in effect; (viii) State fraudulent conveyance laws; (ix) rights of parties with prior perfected security interests, including Permitted Liens; and (x) the inability of the Master Trustee to perfect a security interest in those components of the Pledged Collateral that can be perfected only by possession or that represent proceeds of prior perfected security interests.

If an Event of Default shall have occurred under the Master Indenture, the Obligated Group shall pay directly to the Master Trustee for deposit to the credit of the "Hospital Revenue Bonds (Lakeland Regional Medical Center Project) Revenue Fund" (the "***Revenue Fund***"), all Gross Revenues immediately upon receipt. Except as otherwise provided in the Master Indenture, all moneys received by the Master Trustee in such event shall be transferred on the fifteenth day of each month (or at such other times as the Obligated Group and the Master Trustee may agree) to the credit of the following Funds and Accounts or to the following Persons in the following order:

(a) first by deposit into the "Hospital Revenue Bonds (Lakeland Regional Medical Center Project) Operating Fund" (the "***Operating Fund***"), an amount equal to one twelfth (1/12) of the amount provided in the Annual Budget of the Obligated Group for such Fiscal Year for Operating Expenses;

(b) then by deposit into any Rebate Account established pursuant to a Related Bond Indenture, one twelfth (1/12) of the estimated Rebate Amount as described therein; provided, however, that such deposit requirements may be adjusted monthly to insure that the appropriate Rebate Amount required under each Related Bond Indenture is accumulated for each applicable period described therein;

(c) then by transfer to each respective Related Bond Trustee under Related Bond Indentures, and to accounts established by Supplements under the Master Indenture for Obligations issued directly under the Master Indenture for which no Related Bonds are issued, amounts required to pay the Obligations and Related Bonds then due and owing;

(d) then by payment to the Master Trustee, from amounts remaining on deposit in the Revenue Fund, such amounts as may be necessary to pay the fees, charges and expenses of the Master Trustee as provided therein; and

(e) then by payment to each respective member of the Combined Group, its respective portion of all remaining funds for use by such members for any lawful purpose.

The above provisions shall continue to apply until the events giving rise to an Event of Default under the Master Indenture have been cured.

Prior to an Event of Default under the Master Indenture, LRHS is required pursuant to the Loan Agreement to make its payments of principal and interest to the Bond Trustee in sufficient amounts to satisfy the debt service on all outstanding Series 2024 Bonds on or prior to the first Business Day preceding the payment dates for such Series 2024 Bonds.

For a description of certain risks associated with financings utilizing master indentures, see "BONDHOLDERS' RISKS – Certain Matters Relating to Enforceability of the Master Indenture" herein.

Limited Liability of the Issuer

THE SERIES 2024 BONDS AND THE INTEREST PAYABLE THEREON DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS IN THE BOND INDENTURE PROVIDED THEREFOR. NEITHER THE STATE NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL, PURCHASE PRICE, OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS EXCEPT FROM REVENUES AND THE OTHER ASSETS PLEDGED UNDER THE BOND INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE, OR REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THE SERIES 2024 BONDS. THE ISSUANCE OF THE SERIES 2024 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. See "DESCRIPTION OF THE SERIES 2024 BONDS" herein.

Possible Bond Insurance

LRHS has requested a commitment from an Insurer to provide a municipal bond insurance policy to insure all or any portion of the Series 2024 Bonds. If such commitment is received from an Insurer, all or any portion of the Series 2024 Bonds may be insured by such Insurer, but there is no assurance that such commitment will be received from such Insurer or that LRHS will elect to insure any of the Series 2024 Bonds in the event such commitment is received. The decision of LRHS whether to purchase a policy if a commitment is received will be made at or about

the time of the pricing of the Series 2024 Bonds and will be based upon, among other things, market conditions at the time of such pricing. If a commitment is received and LRHS decides to purchase a policy, it will be a condition to the issuance of the Series 2024 Bonds that such policy be issued concurrently with the issuance of the Series 2024 Bonds. If a commitment is received and a policy is purchased from an Insurer, LRHS may agree to certain additional covenants and restrictions solely for the benefit of such Insurer, which covenants will be described in the final Official Statement and would be in addition to, and in certain cases could be more restrictive than, the covenants in the Master Indenture. Any such additional covenants may be subject to waiver, modification, or amendment by such Insurer in its sole discretion and without notice to or consent by the Bond Trustee, the Master Trustee, the holders of any Series 2024 Bonds, the holders of Obligation No. 9, or any other person. Such Insurer will be deemed the sole holder of the Series 2024 Bonds insured by the policy, if any, for purposes of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of such Series 2024 Bonds are entitled to take pursuant to the Bond Indenture, except that bondholder consent may also be required for any action requiring the unanimous consent of bondholders under the Bond Indenture. If a commitment is received and a policy is purchased from an Insurer, the final Official Statement for the Series 2024 Bonds will contain applicable information with respect to such Insurer and the policy.

Obligation No. 9

Pursuant to Supplement No. 9, LRHS and LRMC will issue to the Bond Trustee Obligation No. 9 to secure the obligations of the Obligated Group to make the payments required to be paid by LRHS under the Loan Agreement. Obligation Nos. 7, and 8 and any other Obligations issued under the Master Indenture will be general obligations of LRHS, LRMC and/or any future member of the Obligated Group and are secured on parity by a pledge of, and security interest in, the Pledged Collateral of the Obligated Group and any Restricted Affiliates.

The Master Indenture

General. Upon issuance of the Series 2024 Bonds, LRHS and LRMC will be the only members of the Obligated Group. Additional Obligations may be issued on a parity with Obligation Nos. 7, 8 and 9 under and in accordance with the terms of the Master Indenture. For a detailed description of the requirements for issuance of such additional Obligations, see APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.06. Limitations on Indebtedness." Any such additional Obligations may be secured by collateral in addition to that generally provided for all Obligations.

Payments on the Obligations will be joint and several obligations of the members of the Obligated Group. Notwithstanding uncertainties as to the enforceability of the covenant of each member of the Obligated Group in the Master Indenture to be jointly and severally liable for each Obligation and of the obligation of the members to cause each Restricted Affiliate to make transfers to the Obligated Group as required to enable the Obligated Group to make payments on the Obligations (as described herein under "BONDHOLDERS' RISKS – Certain Matters Relating to Enforceability of the Master Indenture"), the financial results of the members of the Combined Group will be combined in determining whether various covenants and tests contained in the Master Indenture are met. See "Certain Covenants of the Members of the Obligated Group and the Restricted Affiliates" below.

The Master Indenture imposes certain restrictions on the actions of the members of the Obligated Group and on the Restricted Affiliates for the benefit of all holders of Obligations issued under the Master Indenture. Such terms include, among others, restrictions on Liens on the Property of the Obligated Group, maintenance of certain rates and charges for services provided by the Obligated Group and limitations on the incurrence of indebtedness by the members of the Obligated Group. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.05. Limitations on Creation of Liens" and "– Section 3.07. Long-Term Debt Service Coverage Ratio; Rate Covenant" attached hereto. In general, only the covenants as to merger and consolidation, entry and withdrawal from the Combined Group, and preparation of financial statements apply to Restricted Affiliates. The incurrence of indebtedness or the pledge of assets by the Restricted Affiliates is not limited. There are currently no Restricted Affiliates.

While the Master Indenture requires the Obligated Group to demonstrate for each fiscal year that the Obligated Group's Long-Term Debt Service Coverage Ratio is not less than 1.10 to 1, the sole remedy for a failure by the Obligated Group to maintain such ratio in any particular fiscal year is the requirement that the Obligated Group retain a consultant to make recommendations with respect to the operations of the Obligated Group in order to increase

such ratio to at least 1.10 to 1 in the next succeeding fiscal year. The Obligated Group must follow such recommendations to the extent permitted by law. In the event that the Obligated Group's Long-Term Debt Service Coverage Ratio falls below 1.0 for two consecutive years, it will be an event of default. Although Restricted Affiliates are not covered directly by the rate covenant, the calculation of the Obligated Group's Income Available for Debt Service will include each Restricted Affiliate's Income Available for Debt Service. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.07. Long-Term Debt Service Coverage Ratio; Rate Covenant" attached hereto.

The Master Indenture provides that no member of the Obligated Group will create or incur or permit to be created or incurred any Lien on any Property of any member of the Obligated Group except Permitted Liens which are broadly defined. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS –AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 1.01. Definitions" for definition of Permitted Liens and "–Section 3.05. Limitations on Creation of Liens" attached hereto. The Master Indenture does, however, permit, under certain circumstances, Additional Indebtedness including additional Obligations to be secured by collateral in addition to that generally provided for all Obligations, if such Lien securing the collateral is a Permitted Lien, which includes Liens on the health care facilities or other Property of any member of the Combined Group, letters or lines of credit or insurance or security interests in depreciation reserve, debt service reserve, debt service or similar funds, such additional security or Permitted Liens need not be extended to secure any other Obligations (including Obligation No. 9).

LRHS has been designated as the Obligated Group Representative for purposes of the Master Indenture.

Parties Becoming Members of the Obligated Group

Persons which are not members of the Obligated Group and corporations which are successor corporations to any member of the Obligated Group through a merger or consolidation may, with the prior written consent of the Obligated Group Representative, become members of the Obligated Group, if:

(a) The person or successor corporation which is becoming a member of the Obligated Group shall execute and deliver to the Master Trustee an appropriate instrument containing the agreement of such person or successor corporation (i) to become a member of the Obligated Group under the Master Indenture and thereby become subject to compliance with all provisions of the Master Indenture pertaining to a member of the Obligated Group, and the performance and observance of all covenants and obligations of a member of the Obligated Group thereunder, (ii) to unconditionally and irrevocably pay, jointly and severally as a co-obligor with each other member of the Obligated Group and not as a surety, to the Master Trustee and each other member of the Obligated Group, all Obligations issued and then Outstanding and to be issued and outstanding under the Master Indenture in accordance with the terms thereof and of the Master Indenture when due and (iii) to pledge its Gross Revenues to secure all Obligations outstanding under the Master Indenture.

(b) Each instrument executed and delivered to the Master Trustee in accordance with subsection (a) above, shall be accompanied by an Opinion of Counsel, addressed to the Master Trustee, to the effect that such instrument has been duly authorized, executed and delivered by such person or successor corporation and constitutes a valid and binding obligation enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy laws, insolvency laws, other laws affecting creditors' rights generally, equity principles and laws dealing with fraudulent conveyances.

(c) There shall be filed with the Master Trustee an Officer's Certificate of the Obligated Group Representative demonstrating compliance with the Transaction Test.

(d) Any Related Bond is then Outstanding which was issued with the intent that interest thereon is not includable in the gross income of the recipient thereof for federal income tax purposes, there shall be filed with the Master Trustee, (i) an Opinion of Bond Counsel to the effect that the consummation of such transaction would not, in and of itself, adversely affect the exclusion of the interest on any such Related Bond from the gross income of the holder thereof for federal income tax purposes and (ii) an Opinion of Counsel to the effect that the consummation of such transaction would not require the registration of the Obligations under the Securities Act of 1933, as amended or the Supplements under the Trust Indenture Act of 1939, as amended, or if such registration is required, that all applicable registration and qualification provisions of said acts have been complied with.

(e) There shall be delivered to the Master Trustee an Officer's Certificate certifying that the admission of such person as a member of the Obligated Group will not give rise to an Event of Default under the Master Indenture.

Withdrawal from the Obligated Group

No member of the Obligated Group may withdraw from the Obligated Group without the prior written consent of the Obligated Group Representative and unless, prior to the taking of such action, there is delivered to the Master Trustee:

(a) If any Related Bonds then Outstanding were issued with the intent that interest thereon would not be includable in the gross income of the recipient thereof for federal income tax purposes, there shall be delivered to the Master Trustee an Opinion of Bond Counsel to the effect that under then existing law such member's withdrawal from the Obligated Group, whether or not contemplated on any date of delivery of any Related Bond, would not, in and of itself, cause the interest payable on such Related Bond to become includable in the gross income of the recipient thereof for federal income tax purposes; and

(b) An Officer's Certificate of the Obligated Group Representative demonstrating compliance with the Transaction Test.

Upon the withdrawal of any member from the Obligated Group, any guaranty by such member pursuant to the Master Indenture shall be released and discharged in full and all liability of such member of the Obligated Group with respect to all Obligations Outstanding under the Master Indenture shall cease; provided, however, that unless specifically released by the Obligated Group Representative any obligations of such withdrawing member to the Obligated Group shall not be released and discharged.

A member of the Obligated Group shall withdraw upon the request of the Obligated Group Representative provided the conditions for voluntary withdrawal set forth above are met.

Notwithstanding the foregoing, LRMC has agreed that so long as Obligation No. 9 is outstanding, it will not withdraw as a member of the Obligated Group.

Parties Becoming a Restricted Affiliate

Any Affiliate that has satisfied the definition of "Restricted Affiliate" set forth in APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 1.01. Definitions" attached hereto may become a Restricted Affiliate upon delivery to the Master Trustee of among other things, the following documents:

(a) An Officer's Certificate from the Obligated Group Representative to the effect that the Obligated Group Representative consents to such Person becoming a Restricted Affiliate and demonstrating that the Transaction Test has been met;

(b) A written undertaking for the benefit of the Master Trustee duly authorized and executed by such Affiliate evidencing the agreement of such Affiliate to observe and perform the obligations that the Obligated Group has covenanted to cause Restricted Affiliates to observe and perform under the Master Indenture (a "***Restricted Affiliate Undertaking***");

(c) Evidence of appropriate action of the Governing Body of such Affiliate authorizing such undertaking;

(d) Evidence of the filing of financing statements pursuant to which the Restricted Affiliate pledges a security interest in its Gross Revenues;

(e) an Opinion of Counsel to the effect that the conditions contained in the Master Indenture relating to designation of a Restricted Affiliate have been satisfied and an Opinion of Counsel to the effect that (i) the Restricted Affiliate Undertaking has been duly authorized, executed and delivered by such Restricted Affiliate, and constitutes the legal, valid and binding agreement of the Restricted Affiliate enforceable in accordance with its terms and (ii) the

transfer of funds or assets by Restricted Affiliates to the members of the Obligated Group, in the form of loans, advances, grants, gifts or other transfers is permissible under the applicable laws of Florida; provided that such opinion may be qualified by stating that the validity and enforceability of such agreement and the validity of such transfers of funds may be limited by applicable bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally, and by stating other customary legal exceptions.

The members of the Obligated Group have agreed that they will cause each Restricted Affiliate to comply with all of the covenants and perform all of the obligations regarding certain of the covenants set forth in the Master Indenture, e.g. consolidation, merger, sale or conveyance and filing of audited information, as if such Restricted Affiliate were a member of the Obligated Group.

The Obligated Group also has agreed to cause the Restricted Affiliates that are controlled by one or more members of the Obligated Group to transfer funds or other assets to the member of the Obligated Group that is its sole member, beneficiary or controlling person to the extent permitted by law and by the documents governing the Restricted Affiliate Indebtedness for the purpose of allowing the Obligated Group to satisfy its debt service requirements applicable to all Obligations.

Any Restricted Affiliate Undertaking may contain provisions that (i) require each member of the Obligated Group to expend its funds in excess of a reasonable operating reserve (not to exceed 60 days of operating expenses) to pay debt service on Obligations, as a precondition to the Restricted Affiliate transferring its funds in excess of a reasonable operating reserve (not to exceed 60 days of operating expenses) to the Obligated Group for payment of debt service on Obligations; and (ii) require each member of the Obligated Group to expend all of its funds for such payments as a precondition to the Restricted Affiliate transferring all of its funds to the Obligated Group for such payments; and (iii) treat any funds transferred by the Restricted Affiliate to the Obligated Group as an advance or loan by the Restricted Affiliate to, and Subordinated Indebtedness of, the Obligated Group.

For a description of the effect of the Federal bankruptcy other laws affecting creditors' rights on the ability of a member to enforce the Master Indenture with respect to a Restricted Affiliate, see "BONDHOLDERS' RISKS – Certain Matters Relating to Enforceability of the Master Indenture" herein.

Release of Restricted Affiliate

The Master Indenture provides that after an entity is designated as a Restricted Affiliate, the Obligated Group Representative may at any time upon compliance with the Transaction Test (as defined in APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 1.01. Definitions" attached hereto) among other things, and if an "event of default" will not result from such withdrawal, declare that such entity is no longer a Restricted Affiliate. Accordingly, there can be no assurance that any Restricted Affiliates will be so designated or, if designated, will not later withdraw from the Obligated Group.

Certain Covenants of the Members of the Obligated Group and the Restricted Affiliates

Under the Master Indenture, the Obligations are the general obligations of LRHS, LRMC and any future member of the Obligated Group which are secured by a pledge of and security interest in the Pledged Collateral. No Restricted Affiliate, as such, will be directly obligated to pay any Obligations or to advance any funds therefor. However, in the Master Indenture, the Obligated Group agrees to cause the Restricted Affiliates to transfer funds or other assets to the Obligated Group to the extent permitted by law and by the documents governing Restricted Affiliate Indebtedness for the purpose of allowing the Obligated Group to satisfy its debt service requirements applicable to all Obligations. In general, only the covenants as to merger and consolidation, entry and withdrawal from the Restricted Group, and preparation of financial statements apply to Restricted Affiliates, although the Restricted Affiliate Income Available for Debt Service is taken into account in determining compliance by the Obligated Group with the covenant as to rates and charges. Currently, there have been no Restricted Affiliates designated as such by the Obligated Group. The covenants in the Master Indenture include limitations, restrictions and requirements for insurance of and Liens on the properties of the Obligated Group, limitations on incurrence of additional indebtedness, including, without limitation, long term indebtedness, nonrecourse indebtedness, short term indebtedness and subordinated indebtedness, rates and charges charged by the Obligated Group, sale, lease and other dispositions of Property, including cash and accounts receivable, consolidations and mergers, financial statements and the replacement of the Master Indenture.

See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE" attached hereto.

For a more detailed description of the Master Indenture, including the provisions thereof relating to the Restricted Affiliates, see APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE" attached hereto.

BONDHOLDERS' RISKS

A purchase of the Series 2024 Bonds involves certain investment risks that are discussed throughout this Official Statement, including the Appendices. Each prospective purchaser of Series 2024 Bonds should make an independent evaluation of all the information presented in this Official Statement, including the appendices hereto, in order to make an informed investment decision.

General

Except as noted under "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS," the Series 2024 Bonds are payable solely from Loan Repayments made pursuant to the Loan Agreement and funds provided under Obligation No. 9 and the Bond Indenture. No representation or assurance can be made that revenues will be realized by LRHS or the other members of the Obligated Group in amounts sufficient to pay principal, Redemption Price, Purchase Price (when required) of and interest on the Series 2024 Bonds and to make all other payments necessary to meet the obligations of the Obligated Group.

The Obligated Group's ability to make payments on Obligation No. 9 depends on the financial condition and operating performance of the Obligated Group and other affiliates, which are subject to prevailing economic and competitive conditions and to certain financial, business and, if any, other factors beyond its control. There can be no assurance that the Obligated Group will maintain a level of cash flows from operating activities sufficient to permit it to pay the principal, premium, if any, and interest on Obligation No. 9.

Risks that could affect the Obligated Group's ability to pay Obligation No. 9 and to preserve the tax-exempt status of the Series 2024 Bonds for federal income tax purposes are discussed below. Prospective investors should carefully consider these risks as well as the other information contained in this Official Statement before deciding to purchase Series 2024 Bonds.

In addition, other risks and uncertainties not currently known to the Obligated Group or those it currently views to be immaterial also may materially and adversely affect the business, financial condition or results of operations of the Obligated Group.

Certain Matters Relating to Enforceability of the Master Indenture

The accounts of each member of the Obligated Group are combined for financial reporting purposes and will be used in determining whether various covenants and tests in the Bond Indenture, Master Indenture and the Loan Agreement are met, notwithstanding uncertainties as to the enforceability of certain obligations of a member of the Obligated Group contained in the Bond Indenture, the Loan Agreement or the Master Indenture. Such uncertainties bear on the availability of the assets of the members of the Obligated Group for payment of debt service on the Series 2024 Bonds and may affect their ability to pay Gross Revenues and other collateral pledged as security for the Series 2024 Bonds. The joint and several obligations described herein of the members of the Obligated Group to make payments, loans or other transfers of moneys or assets for payment of debt service on Obligation No. 9 and the Series 2024 Bonds (including transfers in connection with voluntary dissolution or liquidation) are, in the opinion of counsel to the Obligated Group, enforceable under the laws of the State except to the extent the enforceability of such obligations may be limited as described in the preceding paragraph.

In addition, a member may not be required to make any payment, loan or other transfer of moneys or assets to provide for the payment of any obligation or portion thereof, the proceeds of which obligation were not lent or otherwise disbursed to such member, to the extent that such transfer would render the member insolvent or which would conflict with, not be permitted by or be subject to recovery for the benefit of other creditors of such member under applicable law. There is no clear precedent in the law as to whether such transfers from a member to pay debt

service on obligations may be voided by a trustee in bankruptcy in the event of a bankruptcy of such member, or by third party creditors in an action brought pursuant to applicable State fraudulent conveyance statutes. Under the United States Bankruptcy Code, a trustee in bankruptcy and, under fraudulent conveyance statutes of the State, a creditor of a related guarantor, may avoid any obligation incurred by a related guarantor if, among other bases therefor: (i) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty, and (ii) the guaranty renders the guarantor insolvent, as defined in the United States Bankruptcy Code or the State fraudulent conveyance statutes, or the guarantor is undercapitalized. If a member of the Obligated Group is considered undercapitalized, its obligation in connection with the Loan Agreement and Obligation No. 9 may be limited to the amount of the proceeds actually received by such member of the Obligated Group and the joint and several obligations in excess of such amount of proceeds so received and interest thereon may be unenforceable. Application by courts of the tests of "insolvency," "reasonable equivalent value" and "fair consideration" has resulted in a conflicting body of case law. It is possible that, in an action to force a member of the Obligated Group to transfer moneys or assets to pay debt service on an obligation for which it was not the direct beneficiary, a court might not enforce such obligation to make such a transfer in the event it is determined that the member is analogous to a guarantor of the debt of the member who directly benefited from the borrowing and that fair consideration or reasonably equivalent value for such member's guaranty was not received or that the incurrence of such obligation has rendered or will render such member insolvent or that at the time of incurrence of such guaranty the guarantor was undercapitalized.

The provisions described above also apply to the ability of a member of the Obligated Group to force a Restricted Affiliate to make cash transfers to the Obligated Group as contemplated by the Master Indenture.

The Rights of Bondholders May Be Limited by Bankruptcy and Other Laws

The legal right and practical ability of the Bond Trustee to enforce rights and remedies under the Loan Agreement may be limited by laws relating to bankruptcy, insolvency, reorganization, fraudulent conveyance or moratorium and by other similar laws affecting creditors' rights. Enforcement of such rights and remedies may require judicial actions that are subject to discretion and delay, that otherwise may not be readily available or that may be limited by certain legal principles.

In the event of bankruptcy of LRHS or any of its affiliates, the rights and remedies of the holders of the Series 2024 Bonds are subject to various provisions of the federal Bankruptcy Code. If LRHS or its affiliates were to file a petition in bankruptcy, payments made by LRHS or affiliates during the 90-day (or perhaps one-year) period immediately preceding the filing of such petition may be voidable as preferential transfers to the extent such payments allow the recipients to receive more than they would have received in the event of any such debtor's liquidation. Security interests and other liens granted to the Bond Trustee or Master Trustee and perfected during such preference period also may be voided as preferential transfers to the extent such security interest or other lien secures obligations that arose prior to the date of such perfection. Such a bankruptcy filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against LRHS or such affiliate and its property and as an automatic stay of any act or proceeding to enforce a lien upon or to otherwise exercise control over its property as well as various other actions to enforce, maintain or enhance the rights of the Bond Trustee or the Master Trustee. If the Bankruptcy Court so ordered, the property of LRHS or its affiliates, including the Pledged Collateral and proceeds thereof, could be used for the financial rehabilitation of any of the affiliates despite any security interest of the Bond Trustee or Master Trustee therein. The rights of the Bond Trustee or Master Trustee to enforce any security interests it may have could be delayed during the pendency of the rehabilitation proceeding.

If LRHS or any of its affiliates becomes the subject of a bankruptcy petition, it could file a plan of reorganization for the adjustment of its debts, which could include provisions modifying or altering the rights of creditors generally or any class of them, secured or unsecured. The plan, when confirmed by a court, binds all creditors who had notice or knowledge of the plan and, with certain exceptions, discharges all claims against the debtor to the extent provided for in the plan. No plan may be confirmed unless certain conditions are met, among which are conditions that the plan be feasible and that it shall have been accepted by each class of claims impaired thereunder. Each class of claims has accepted the plan if at least two-thirds in the dollar amount and more than one-half in number of the class cast votes in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

In addition, the obligations of LRHS under the Loan Agreement and the members of the Obligated Group under the Master Indenture are not secured by a lien on or security interest in any assets or revenues of any member of the Obligated Group, other than the lien on Gross Revenues and Accounts described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – General." Except with respect to the lien on Gross Revenues and Accounts, in the event of a bankruptcy of any member of the Obligated Group, Bondholders would be unsecured creditors and, generally speaking, on a parity with all other unsecured creditors.

In the event of bankruptcy of a member of the Obligated Group, there is no assurance that certain covenants, including tax covenants, contained in the Loan Agreement, the Bond Indenture, the Mater Indenture or other documents would survive. Accordingly, LRHS or its affiliates as debtors in possession or a bankruptcy trustee appointed by the Bankruptcy Court could take action that would adversely affect the exclusion of interest on the Series 2024 Bonds from gross income of the Bondholders for federal income tax purposes and exemption of interest on the Series 2024 Bonds from state personal income taxes.

The various legal opinions delivered concurrently with the issuance of the Series 2024 Bonds are qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings, policies and decisions affecting remedies and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights or the enforceability of certain remedies or document provisions.

Matters Relating to Security for the Series 2024 Bonds

The holders of not less than a majority in aggregate principal amount of the outstanding Series 2024 Bonds may consent to certain amendments to the Bond Indenture or the Master Indenture that could adversely affect the security of the holders of all Series 2024 Bonds. When issued, Obligation No. 9 will comprise approximately [___]%* of the aggregate principal amount of the outstanding Obligations after giving effect to the defeasance of the Refunded Bonds.

The realization of any rights upon an Event of Default under the Bond Indenture will depend upon the exercise of various remedies specified in the Bond Indenture. Any attempt by the Bond Trustee to enforce such remedies may require judicial action, which is often subject to discretion and delay. Under existing law, certain of the legal and equitable remedies specified in the Bond Indenture may not be readily available.

The Security Interests Securing Obligation No. 9 are of Limited Value

Although Obligation No. 9 is secured by a pledge of certain receivables and revenues of the Obligated Group members, it is not secured by a mortgage of or security interest in any tangible property of the Obligated Group. The security interest in the Pledged Collateral granted by the Obligated Group members to the Master Trustee pursuant to the Master Indenture may be affected by various matters, including (i) federal bankruptcy laws which could, among other things, preclude enforceability of the security interest as to revenues arising subsequent to the commencement of bankruptcy proceedings and limit such enforceability as to revenues arising prior to such commencement to the extent a security interest therein would constitute a voidable preference or fraudulent conveyance, (ii) rights of third parties in cash, securities and instruments arising in favor of the United States of America or any agency thereof, (iii) present or future prohibitions against assignment in any federal statutes or regulations, (iv) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction and rights of donors of property, (v) claims that might obtain priority if continuation statements or financing statement amendments are not filed in accordance with applicable laws, (vi) the rights of holders of prior perfected security interests in equipment and other goods owned by the Obligated Group members and in the proceeds of sale of such property, (vii) statutory liens and (viii) the rights of parties secured by Permitted Liens. Accordingly, such security interest is expected to provide only limited value in the event of default.

If an event of default does occur, it is uncertain that either the Master Trustee or the Bond Trustee could successfully obtain an adequate remedy at law or in equity on behalf of the owners of the Series 2024 Bonds. In addition, Obligations other than Obligation No. 9 and the other Outstanding Obligations may be issued from time to time in the future pursuant to the Master Indenture, and such Obligations, if and when issued, will be on a parity with Obligation No. 9 with respect to the benefits of the Master Indenture. In addition, should other entities become

* Preliminary, subject to change.

members of the Obligated Group in the future, the Obligated Group would become jointly and severally liable for any Obligations issued on behalf of such entities under the Master Indenture.

No facilities are pledged as security for the Series 2024 Bonds.

Adequacy of Revenues

The ability of the Obligated Group and any other future members of the Obligated Group to make required payments on Obligation No. 9 is subject to, among other things, the capabilities of management of the Obligated Group and any other future members of the Obligated Group and future economic and other conditions which are unpredictable and which may affect revenues, and, in turn the payment of the principal of, premium, if any, and interest on the Series 2024 Bonds. Future revenues and expenses of the Obligated Group and any other future members of the Obligated Group will be affected by events and conditions relating generally to, among other things, demand for the Obligated Group's services, its ability to provide the services required by patients, physician relationships, design and support of strategic plans, economic developments in the Obligated Group's service area, the Obligated Group's ability to control expenses, maintenance of relationships with health maintenance organizations and preferred provider organizations, competition, rates, costs, third-party reimbursement, legislation and governmental regulation. Federal and state funding statutes and regulations are the subject of intense legislative debate and are likely to change, and unanticipated events or circumstances may occur which cause variances from the Obligated Group's expectations, and the variances may be material. THERE CAN BE NO ASSURANCE THAT THE REVENUES OF THE OBLIGATED GROUP OR UTILIZATION OF THE OBLIGATED GROUP'S FACILITIES WILL BE SUFFICIENT TO ENABLE THE OBLIGATED GROUP TO MAKE THE REQUIRED PAYMENTS ON OBLIGATION NO. 9, AND IN TURN THE REQUIRED PAYMENTS ON THE SERIES 2024 BONDS.

None of the provisions, covenants, terms and conditions of the Master Indenture or the Loan Agreement afford the Bond Trustee any assurance that the principal and interest owing on the Series 2024 Bonds (which, except for pledged money held under the Master Indenture and the Bond Indenture, constitutes the sole source of funds for the payment of the Series 2024 Bonds) will be paid, as and when due, if the financial condition of the Obligated Group deteriorates to a point where the Obligated Group is unable to pay its debts as they become due or if the Obligated Group otherwise becomes insolvent.

Factors That Could Affect the Future Financial Condition of the Obligated Group

The future financial condition of the Obligated Group could be affected adversely by many factors, including but not limited to those set forth below. It is difficult to predict the effect of these and other factors on the operations of the Obligated Group; however, the factors described below could have a negative impact on such operations and such effect could be material.

Additional Debt. The Master Indenture permits the issuance of additional Obligations on a parity with Obligation Nos. 7, 8 and 9, and also permits incurrence of additional indebtedness directly by LRHS, LRMC or other members of the Obligated Group. The Master Indenture does not directly restrict the incurrence of indebtedness by Restricted Affiliates. See APPENDIX C-1 – "FORMS OF PRINCIPAL DOCUMENTS – AMENDED AND RESTATED MASTER TRUST INDENTURE – Section 3.06. Limitations on Indebtedness." Subject to certain limitations, such additional indebtedness of the Obligated Group may be secured by the Pledged Collateral of the Obligated Group.

Continued Utilization of the Obligated Group's Facilities. A significant portion of the Obligated Group's revenues are, and will likely continue to be, derived from the treatment of patients admitted to or provided services on an outpatient basis at the Obligated Group's facilities by members of the medical staff. Physicians on the medical staff have the option of admitting a particular patient, with the patient's consent, to the Obligated Group's facilities or to other acute care hospitals or to similar facilities that are not controlled by the Obligated Group. The revenues of the Obligated Group could decrease if medical staff members admit patients to such other similar facilities or hospitals instead of admitting such patients to the Obligated Group's facilities.

Technological Changes. Medical research and resulting discoveries have grown exponentially in the last decade. These discoveries may add greatly to the Obligated Group's cost of providing services with no or little offsetting increase in federal reimbursement and may also render obsolete certain of the Obligated Group's health services. The first effect, increased overall expense, may result because, for the most part, the costs of new drugs and

devices are not typically accounted for in the diagnostic-related group ("***DRG***") payments received by hospitals for inpatient care. The payment system imposed on outpatient services does permit a direct pass-through of certain technologies defined by the government. A second potential effect is that discoveries could render obsolete the way that services are currently rendered thereby either increasing expense or reducing revenues. However, any such effect cannot be predicted.

COVID-19 and Infectious Disease Outbreak

The Obligated Group's business and financial results may be harmed by an international, national or localized outbreak of a highly contagious pandemic or epidemic disease. The novel coronavirus pandemic ("***COVID-19***") had numerous and varied medical, economic, and social impacts on the Obligated Group's business and financial results. National, state, and local governments took various actions, including the passage of laws and regulations, on a wide array of topics, in an attempt to slow the spread of COVID-19 and to address the health and economic consequences of the pandemic. Many of these governmental actions caused substantial changes in the way health care is provided.

The public health emergency associated with COVID-19 ended on May 11, 2023, resulting in the conclusion of many of the regulatory flexibilities and waivers granted by the federal government under public health emergency authority. Many of the federal and state legislative and regulatory measures allowing for flexibility in delivery of care and financial support for healthcare providers were available only for the duration of the COVID-19 public health emergency. Most states have ended their state-level emergency declarations. It is not yet clear what impact the withdrawal of any regulatory flexibilities will have, and there can be no assurance that it will not have a material negative financial impact on the Obligated Group.

CARES Act. The Coronavirus Aid, Relief, and Economic Security Act (the "***CARES Act***") provided temporary and limited relief to healthcare providers during the COVID-19 outbreak, including the appropriation of $100 billion under the Public Health and Social Services Emergency Fund ("***Provider Relief Fund***") to reimburse providers for "health care related expenses or lost revenues that are attributable to coronavirus." Payments in excess of health care-related expenses or lost revenue attributable to coronavirus were required to be repaid. The retention of Provider Relief Funds is conditioned on eligibility and the acceptance of terms and conditions, and other guidelines or requirements that may change from time to time, including with respect to recordkeeping and repayment requirements.

The U.S. Department of Health and Human Services ("***HHS***") is actively auditing recipients of Provider Relief Fund distributions to ensure compliance with the terms and conditions thereof. Failure to comply with such terms and conditions could result in recoupment, False Claims Act liability, or other penalty.

See also "– Other Risk Factors – *Other Future Risks*" below for additional discussion of risks related to international, national or localized outbreaks of a highly contagious or epidemic disease.

Economic Recovery and Disruptions to Credit Market

The disruption of the credit and financial markets in the last several years led to volatility in the securities markets, significant losses in investment portfolios, increased business failures and consumer and business bankruptcies and was a major cause of the recent economic recession.

Economic conditions adversely affect revenue available to the State compounded by increasing expenses associated with various state programs, including Medicaid. Stresses on the state budget have resulted in delays of payments due under Medicaid and other state programs and may result in future delays, reductions in payments or changes in eligibility for Medicaid or other state programs.

The current economic climate has adversely affected the health care sector generally. Patient service revenues and inpatient volumes have not increased as historic trends would otherwise indicate. Unemployment rates increased nationally, which resulted in increases in self-pay admissions, increased levels of bad debt and uncompensated care, reduced demand for elective procedures, and reduced availability and affordability of health insurance. The economic climate also increased stresses on state budgets, potentially resulting in reductions in Medicaid payment rates or Medicaid eligibility standards and delays in payment of amounts due under Medicaid and other state or local payment programs. Any economic recession in the future could have similar or worse effects.

Federal and State Legislation; National Health Care Reform

General. A significant portion of the revenues of the Obligated Group are derived from Medicare, Medicaid and other third-party payors. For a breakdown of the sources of payment for services provided by the Obligated Group, see "FINANCIAL INFORMATION – Sources of Revenues" in APPENDIX A attached hereto.

Medicare is a federal program administered by the Centers for Medicare & Medicaid Services ("***CMS***") through fiscal intermediaries and carriers. Medicare provides certain health care benefits to beneficiaries who are 65 years of age or older, and Medicare Part B covers outpatient services, certain physician services, medical supplies and durable medical equipment. Medicaid is a federal/state medical assistance program administered by the various states. Medical benefits are available under each participating state's Medicaid program, within prescribed limits, to persons meeting certain minimum income or other need requirements.

Significant changes have been and may continue to be made in certain of these programs, which changes could have an adverse impact on the financial condition of the Obligated Group. In addition, bills have been and may be introduced in the Congress of the United States of America which, if enacted, could adversely affect the operations of the Obligated Group by, for example, decreasing payment by third-party payors such as Medicare and Medicaid or limiting the ability of the physicians on the medical staff of the Obligated Group to provide services or increase services provided to patients.

Patient Protection and Affordable Care Act. In March 2010, Congress enacted major health care legislation, the Patient Protection and Affordable Care Act, which was signed into law on March 23, 2010, and the Health Care and Education Reconciliation Act of 2010, which was signed into law on March 30, 2010 (collectively, the "***ACA***"). The ACA mandated substantial changes in how and to whom government and private health insurance is provided and how much providers of health care services to government program patients are paid.

Some of the provisions of the ACA took effect immediately or within several months of final approval, while others have been phased in over time, ranging from a few months following the approval to ten years. The ACA is extremely complex, and as a result additional legislation is likely to be considered and enacted over time. The ACA also required the promulgation of substantial regulations, with significant effect on the health care industry. Thus, the health care industry has been subjected to significant new statutory and regulatory requirements and consequently to structural and operational changes and challenges for a substantial period of time, assuming the ACA is not significantly modified by future legislation.

The ACA is complex, comprehensive and includes a myriad of programs, initiatives and changes to existing programs, policies, practices and laws. Some of the pertinent provisions are discussed below, although this listing is not intended to be comprehensive.

Increased Health Insurance Coverage. A significant component of the ACA is reformation of the sources and methods by which consumers will pay for health care for themselves and their families and by which employers will procure health insurance for their employees and dependents resulting in an expansion of the health care services consumer-base. One of the primary drivers of the ACA is to provide or make available, or subsidize the premium costs of, health care insurance for some of the uninsured (or underinsured) consumers who fall below certain income levels. The ACA seeks to accomplish that objective through various provisions, including the following: (i) transparent insurance markets (referred to as exchanges) intended to increase competition among private health insurers and to allow individuals and small employers to purchase health care insurance for themselves and their families or their employees and dependents; (ii) subsidies for insurance premium costs to individuals and families based upon their income relative to federal poverty levels; (iii) individual mandate tax penalty for consumers to obtain, and for certain employers to provide, a minimum level of health care insurance, enforced through penalties (i.e. taxes) on consumers and employers that do not comply with these mandates; (iv) prohibition on private insurers denying coverage or adjusting insurance premiums based on health status (i.e. pre-existing conditions), gender or other specified factors, and the elimination of lifetime or annual insurance caps; (v) substantially increased federal and state-funded Medicaid insurance programs, authorizing states to establish federally subsidized non-Medicaid health plans for low-income residents not eligible for Medicaid; (vi) voluntary expansion of Medicaid programs to a broader population with incomes up to 133 percent of federal poverty levels; and (vii) requiring most employers with more than 50 employees to provide health insurance to employees or pay a federal penalty. However, the Tax Cuts and Jobs Act eliminated the individual mandate tax penalty imposed under the ACA, effective January 1, 2019.

To the extent any or all of these provisions achieve the intended result, an increase in the utilization of health care services by those who are currently avoiding or rationing their health care can be expected and bad debt expenses may be reduced. Additionally, the governor and legislature of Florida have refused to expand Medicaid to date.

Reduced reimbursement. To offset the cost of expanded health care coverage and implementation, the ACA includes cuts to Medicare reimbursement. Cost-cutting provisions, including those described below, impact health care providers negatively:

- Reduced annual Medicare "market basket" updates for many providers, including hospitals, and adjustments to payment for expected productivity gains. Market baskets are used to determine compensation rates. Reduced adjustments may have a disproportionately negative effect on providers serving large Medicare populations.

- Reduced payments under the Medicare Advantage programs (Medicare managed care).

- Reduced Medicare payments to disproportionate share hospitals ("***DSH***"), accompanied by reduced states' Medicaid DSH allotment from federal funds. Implementation of the Medicaid DSH reductions has been delayed by a succession of federal laws. Medicaid DSH reductions are currently delayed until January 1, 2025 and would reduce DSH payments by $8 billion annually over federal fiscal years 2025-2027. These ACA-initiated Medicaid DSH allotment reductions have been delayed and modified multiple times.

- Reduced Medicare payments to hospitals with high rates of potentially preventable readmissions of Medicare patients for certain clinical conditions to account for those excess and "preventable" hospital readmissions. CMS continues to expand the readmission measures through final rulemaking.

- Reduced Medicare payments for services related to hospital care-acquired conditions ("***HACs***"). Failure to compare favorably with national averages for HACs and readmissions could adversely affect members of the Obligated Group.

- Incentive-based Medicare reimbursement payments to hospitals under the value-based purchasing program centered on quality and efficiency measures. These incentive payments are funded through a pool of money collected from all hospital providers as a result of the reduction of the hospital inpatient care payment, which is set at 2% for federal fiscal year 2017 and beyond.

- The Center for Medicare and Medicaid Innovation tests innovative payment and service delivery models and implements various demonstration and pilot programs to evaluate, encourage and expand new payment structures and methodologies to reduce health care expenditures while maintaining or improving quality of care. Programs include bundled payments under Medicare and Medicaid and comparative effectiveness research programs that develop recommendations concerning practice guidelines and coverage determinations. The Center for Medicare and Medicaid Innovation encourages the creation of new health care delivery programs, such as accountable care organizations or combinations of provider organizations that voluntarily meet quality thresholds to share in the cost savings they achieve for the Medicare program.

Payments for services to federally-insured patients have been reduced under the ACA because Congress anticipated that providers operating in markets with large Medicaid and Medicare and uninsured populations would benefit from increased revenues resulting from increased utilization of health care services and reductions in bad debt or uncompensated care. Nonetheless, if Florida continues to choose not to participate in the Medicaid expansion program, reductions in bad debt and charity care expenses may not be realized by the Obligated Group, as it is likely that a significant number of indigents in the Obligated Group's service area will remain uninsured. In addition, health care insurance premium assistance will not be available for undocumented patients, so the ACA is not expected to reduce the number of uninsured undocumented patients of the Obligated Group. Therefore, the true effects of the ACA on bad debt and charity care expenses remain to be seen.

Since its enactment, the ACA has faced a stream of opposition from Republican lawmakers calling for its repeal and/or replacement, along with a string of lawsuits challenging various aspects of the law. To date, the ACA has survived three major U.S. Supreme Court challenges and no bills wholly repealing the ACA has passed both chambers of Congress. On September 7, 2022, a Texas Federal District Court judge, in the case of *Braidwood Management v. Becerra*, ruled that the requirement that certain health plans cover services with an "A" or "B" recommendation from the U.S. Preventive Services Task Force without cost sharing violates the Appointments Clause of the U.S. Constitution and that the coverage of certain HIV prevention medication violates the Religious Freedom Restoration Act. The government has appealed the decision to the U.S. Circuit Court of Appeals for the Fifth Circuit. It is not possible to predict with any certainty whether or when the ACA or any specific provision or implementing measure will be repealed, withdrawn or modified in any significant respect, but a unified administration and majority in both chambers of Congress could enact legislation, withdraw, modify or promulgate rules, regulations and policies, or make determinations affecting the health care industry, including the Obligated Group, any of which individually or collectively could have a material adverse effect on the operations, financial condition and financial performance of the Obligated Group.

In addition to legislative changes, ACA implementation and the ACA insurance exchange markets (discussed below) can be significantly impacted by executive branch actions. The Biden administration has issued executive orders implementing a special enrollment period permitting individuals to enroll in health plans outside of the annual open enrollment period and reexamining policies that may undermine the ACA or the Medicaid program. The American Rescue Plan Act of 2021 ("***ARPA***") extended eligibility for the ACA health insurance subsidies to people buying their own health coverage on the marketplace who have household incomes above 400% of the federal poverty level. ARPA also increased the amount of financial assistance for people at lower incomes who were already eligible under the ACA. The Obligated Group cannot predict the likelihood or effect of any such executive actions on the Obligated Group's business or financial condition, though such effects could be material.

Under the ACA, hospitals are required to make public a list of their standard charges, and effective January 1, 2019, CMS has required that this disclosure be in machine-readable format and include charges for all hospital items and services and average charges for diagnosis-related groups. On November 27, 2019, CMS published a final rule on "Price Transparency Requirements for Hospitals to Make Standard Charges Public." This rule took effect on January 1, 2021 and requires all hospitals to also make public their payor-specific negotiated rates, minimum negotiated rates, maximum negotiated rates, and cash for all items and services, including individual items and services and service packages, that could be provided by a hospital to a patient. Failure to comply with these requirements may result in daily monetary penalties to the Obligated Group. Initially, the penalty for noncompliance by a hospital was a maximum of $109,500 annually. However, CMS, in response to widespread noncompliance with the Price Transparency Rule, finalized a rule change in 2022 that increased the maximum penalty for hospitals with over 550 beds to $2,007,500, and for hospitals with a range of 31 beds through 549 beds, a civil monetary penalty of $10 per bed per day, with the total maximum penalty being just under $2 million.

The final rule may result in competitively sensitive rate information becoming available to competing hospitals and insurers as well as employer sponsors of group health plans, which could lead to market distortions and possible anti-competitive effects that could impact hospital rates and revenue. Publication of hospital standard charges (including negotiated rates) as required may result in changes to consumer choice in a manner that may negatively impact the Obligated Group. Accordingly, compliance with these requirements could have a material adverse financial or operational impact on the Obligated Group.

As part of the Consolidated Appropriations Act, 2021 ("***CAA***"), Congress passed the "***No Surprises Act***" aimed at preventing or limiting patient balance billing in certain circumstances. The No Surprises Act addresses surprise medical bills stemming from emergency services, out-of-network ancillary providers at in-network facilities, and air ambulance carriers. Effective January 1, 2022, the legislation prohibits surprise billing when out-of-network emergency services or out-of-network services at an in-network facility are provided, unless informed consent is received. The bill provides for a 30-day negotiation period for providers and payors to settle out-of-network claims. If no agreement is reached after this period, either party may opt for a binding independent dispute resolution ("***IDR***") process. The IDR reviewer must consider the market-based median in-network rate for the service(s) at issue, as well as other factors such as the provider's training and experience, patient acuity, and prior contracted rates. In addition, the No Surprises Act includes transparency requirements for health plans to communicate in-network and out-of-network deductibles, as well as out-of-pocket caps. The bill also includes language requiring health plans to have

publicly available, online, and up-to-date directories for their in-network providers and to offer a price comparison tool for consumers. Although surprise billing laws are important for protecting patients, they can reduce the bargaining power of hospitals with payors and ultimately lead to lower revenues. There can be no assurance that the legislation or future implementing regulations will not materially adversely affect the Obligated Group.

The Inflation Reduction Act of 2022 ("***IRA***") allows for CMS to negotiate prices for certain single-source drugs and biologics reimbursed under Medicare Part B and Part D, beginning with 10 high-cost drugs paid for by Medicare Part D starting in 2026, followed by 15 Part D drugs in 2027, 15 Part B or Part D drugs in 2028, and 20 Part B or Part D drugs in 2029 and beyond. The IRA subjects drug manufacturers to civil monetary penalties and a potential excise tax for failing to comply with the IRA by offering a price that is not equal to or less than the negotiated "maximum fair price" under the law or for taking price increases that exceed inflation. The legislation also caps Medicare beneficiaries' annual out-of-pocket drug expenses at $2,000. The IRA also continued the expanded subsidies for individuals to obtain private health insurance under the ACA through 2025. The effect of the IRA on the Obligated Group and the healthcare industry in general is not yet known.

As discussed above, the ACA continues to be subject to legislative amendments and efforts to invalidate the legislation altogether. At this time, therefore, the Obligated Group is unable to predict the ultimate outcome of these efforts. The 2024 presidential election creates continued uncertainties regarding the ACA and can create unpredictability for the strategic and business planning efforts of health care providers, which in itself constitutes a risk. There can be no assurances that any existing health care laws and regulations will remain in their current form. Further, there can be no assurances that any potential changes to the laws and regulations governing health care would not have a material adverse financial or operational impact on the Obligated Group. Therefore, the following discussion should be read with the understanding that significant changes could occur in 2024 and beyond in many of the statutory and regulatory matters discussed.

Fraud management. With varying effective dates, the ACA mandates a reduction of waste, fraud and abuse in public programs by allowing provider enrollment screening, enhanced oversight period for new providers and suppliers, and enrollment moratoria in areas identified as being at elevated risk of fraud in all public programs, and by requiring all Medicare and Medicaid program providers and suppliers to establish compliance programs. The ACA required the development of a database to capture and share health care provider data across federal health care programs and provides for increased penalties for fraud and abuse violations, and increased funding for anti-fraud activities.

Federal and State Policies Affecting Health Care Facilities. In recent years, in addition to the ACA, a number of bills proposing to regulate, control, or alter the method of financing health care costs have been discussed and certain of these bills have been introduced in Congress and various state legislatures, including Florida. There are wide variations among these bills and proposals.

Legislation is periodically introduced in Congress and in the Florida Legislature which could result in limitations on revenues, reimbursements, costs or charges for health care facilities. No determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law. Health care facilities may be affected significantly by changes in federal or state health care policy. These changes may reduce federal or state payments under Medicaid and Medicare, increase or reduce federal or state regulation of health facilities and encourage more competition among health care providers or limit the ability of physicians to provide services provided to patients. The impact of future cost control programs and future legislation upon the projected financial performance of the Obligated Group cannot be determined at this time.

By way of example, in recent years, Congressional Committees and individual members of Congress have conducted investigations and public hearings on issues such as (i) unfair competition between nonprofit and for-profit corporations and the need for changes in the law relating to the taxation of unrelated business income of nonprofit corporations; (ii) hospital billing and collection practices and the prices charged to uninsured patients; (iii) perceived compensation abuses by various nonprofit organizations; and (iv) the contributions provided and the benefits received by hospitals and other health care institutions from being tax-exempt and the need for reform of the laws relating to tax-exempt status. Hospitals and hospital systems have also received requests for information about general operating issues, including charitable activities (*see* IRS Form 990 discussed below), patient billings, executive compensation and ventures with for-profit companies.

As part of 2011 legislation raising the federal government's borrowing capacity, Congress agreed to automatic federal program spending cuts, known as sequestration, which set in place a capped 2% reduction in Medicare spending, among other reductions. Sequestration took effect in March 2013, resulting in Medicare payment reductions of up to 2% per fiscal year with a uniform percentage reduction across all Medicare programs. Subsequent legislation has extended this sequestration through 2032. Additional Medicare payment reductions are also possible under the Statutory Pay-As-You-Go Act of 2010 ("***Statutory PAYGO***"). Statutory PAYGO requires, among other things, that mandatory spending and revenue legislation not increase the federal budget deficit over a 5-year or 10-year period. If the Office of Management and Budget ("***OMB***") finds there is a deficit, Statutory PAYGO requires OMB to order sequestration of Medicare. Although Congress waived the Statutory PAYGO sequester, that requirement could cause a reduction in Medicare spending in federal fiscal year 2025. There can be no assurance that future changes in the laws, rules, regulations and policies governing the tax exemption or taxation of unrelated business income would not have an adverse effect on the future operations of the Obligated Group, and any such legislation could have the effect of subjecting a portion of the income of the Obligated Group to federal or state taxes. In addition, any changes in the law governing the tax-exempt status of the Obligated Group or the Series 2024 Bonds that would require an increase in the quantity of charity care provided or reduced rates for the provision of care to certain parties could adversely affect the operating results or financial condition of the Obligated Group.

The federal government, through legislation, has created a debt "ceiling" or limit on the amount of debt that may be issued by the United States Treasury. In the past several years, disputes have arisen within the federal government in connection with discussions concerning the authorization for an increase in the federal debt ceiling. Any failure by Congress to increase the federal debt limit in the future may impact the federal government's ability to incur additional debt, pay its existing debt instruments and satisfy its obligations relating to the Medicare and Medicaid programs.

General economic conditions, other governmental policies that result in coverage exclusions under local, state and federal health care programs (including Medicare and Medicaid), and future governmental policies that require tax-exempt hospitals to maintain minimum levels of indigent care as a condition to federal income tax exemption or state income or property tax exemption may increase the frequency and severity of uncompensated care. To the effect that uncompensated care continues to be an issue, increases in reimbursement rates from payors of insured claims may not be sufficient to fully offset the increased cost of uncompensated care.

Nonprofit Health Care Environment

General. The members of the Obligated Group are nonprofit corporations, exempt from federal income taxation as organizations described in Section 501(c)(3) of the Code. As nonprofit, tax-exempt organizations, the members of the Obligated Group are subject to federal, state and local laws, regulations, rulings and court decisions relating to their organization and operation, including their operation for charitable purposes. The members of the Obligated Group conduct large-scale complex business transactions and are major employers in their geographic areas. There can often be a tension between the rules designed to regulate a wide range of charitable organizations and the day-to-day operations of a complex health care organization.

Over the past several years, an increasing number of the operations or practices of health care providers have been challenged or questioned to determine if they are consistent with the regulatory requirements for nonprofit tax-exempt organizations. These challenges, in some cases, are broader than concerns about compliance with federal and state statutes and regulations, such as Medicare and Medicaid compliance, and instead are examinations of core business practices of the health care organizations. Areas that have come under examination have included pricing practices, billing and collection practices, charitable care, executive compensation, exemption of property from real property taxation and others. These challenges and questions have come from a variety of sources, including state attorneys general, the IRS, labor unions, Congress, state legislatures, local property appraisers and tax collectors and patients, and in a variety of forums, including hearings, audits, and litigation. These challenges or examinations include the following, among others:

Congressional Hearings. A number of House and Senate Committees have conducted hearings and investigations into issues related to nonprofit, tax-exempt health care organizations. These hearings and investigations have included a nationwide investigation of hospital billing and collection practices, charity care and community benefit and prices charged to uninsured patients and possible reforms to the nonprofit sector. These hearings and

investigations may result in new legislation. The effect of any such legislation, if enacted, on the nonprofit health care sector generally and on the Obligated Group cannot be determined at this time.

IRS Form 990 for Tax Exempt Organizations. IRS Form 990 is used by most 501(c)(3) not-for-profit organizations exempt from federal income taxation to submit information required by the federal government. Form 990 requires detailed disclosure of compensation practices, corporate governance, loans to management and others, joint ventures and other types of transactions, political campaign activities, and other areas the IRS deems to be compliance risk areas. The Form 990 also requires the reporting of information related to tax-exempt bonds, including compliance with the arbitrage rules and rules limiting private-use of bond-financed facilities, including compliance with the safe harbor guidance in connection with management contracts and research contracts.

Under the ACA, Form 990 has been expanded for tax-exempt hospitals to report on their Code Section 501(r) requirements. These include obligations to conduct a community needs assessment and adopt an implementation strategy to meet those identified needs; adopt and publicize a financial assistance policy; limit charges to patients who qualify for financial assistance to the lowest amount charged to insured patients and prohibit the use of gross charges; and control the billing and collection processes. Failure to satisfy these conditions may result in the imposition of fines and the loss of tax-exempt status. Form 990 is intended to provide enhanced transparency as to the operations of exempt organizations. It is likely that the IRS will use the detailed information to assist in its enhanced enforcement efforts.

Schedule K to Form 990 is intended to address what the IRS believes is significant noncompliance by tax-exempt organizations with recordkeeping and record retention requirements relating to their outstanding tax-exempt bonds. Schedule K requires significant additional efforts on the part of many tax-exempt organizations to complete. Schedule K also focuses on the investment of bond proceeds that could violate the arbitrage rebate requirements and on the private use of bond-financed facilities. Form 990 provides additional, detailed information to the IRS, as well as to states' attorneys general, unions, plaintiff class action lawyers and public interest groups, that is likely to result in increased enforcement actions, the effect of which cannot be determined at this time.

IRS Examination of Compensation Practices. For more than a decade, the IRS has been concerned about executive compensation practices of tax-exempt hospitals. In February 2009, the IRS issued its Hospital Compliance Project Final Report, which indicated that the IRS will continue to heavily scrutinize executive compensation arrangements, practices and procedures of tax-exempt hospitals and other tax-exempt organizations and, in certain circumstances, may conduct further investigations or impose fines on tax-exempt organizations.

Litigation Relating to Billing and Collection Practices. Lawsuits have been filed in both federal and state courts alleging, among other things, that hospitals have failed to fulfill their obligations to provide charity care to uninsured patients and have overcharged uninsured patients. Many of these cases have since been dismissed by the courts, but a number of cases are still pending in various courts around the country with inconsistent results. While it is not possible to make general predictions, some hospitals and health care systems have entered into substantial settlements.

State Oversight. Nonprofit corporations are subject to oversight and examination by state attorneys general to ensure their charitable purposes are being carried out, that their fundraising and investment activities comply with state law, that the terms of charitable gifts are followed, and that acquisitions, dispositions, and reorganizations are in the public interest. This oversight can limit some of the options available to tax-exempt entities in states where the respective attorney general takes a keen interest in these issues.

Challenges to Real Property Tax Exemptions. Recently, the real property tax exemptions afforded to certain nonprofit health care providers by state and local taxing authorities have been challenged on the grounds that the health care providers were not engaged in sufficient charitable activities. These challenges have been based on a variety of grounds, including allegations of aggressive billing and collection practices and excessive financial margins. While the Obligated Group is not aware of any current challenge to the tax exemption afforded to any material real property of the Obligated Group, there can be no assurance that these types of challenges will not occur in the future.

Florida Statutes, Section 193.019 (HB 7097), signed into law by Governor DeSantis in April 2020, adds to state law certain community benefit reporting requirements for hospitals that apply for property tax exemption. The legislation effectively limits a tax-exempt hospital's property tax exemption to the amount of community benefit that

the hospital provides to its residing location(s). The statute became effective on January 1, 2022. The statute requires a county appraiser, by January 15 each year, to calculate and submit to the Florida Department of Revenue ("***DOR***") any property tax reductions as granted for each property owned by an applicant. The new law requires the DOR to determine whether the county net community benefit expense attributed to an applicant's property located in a particular county equals or exceeds the tax reductions from the exemptions from that county. If the DOR determines in the second consecutive year that an applicant's county net community benefit expense does not at least equal the tax reductions from the exemptions, the DOR most notify the respective property appraiser by March 15 to limit the exemption for the current year by multiplying the exemption by the fraction: net community benefit expense over the tax reductions resulting from the exemptions. The law requires the DOR to publish the data it collects for each applicant from county property appraisers, including the net community benefit expense reported on Form 990, Schedule H, and allows the DOR to adopt laws to administer the statute, including creating forms.

Actions by Purchasers of Hospital Services and Consumers. Major purchasers of hospital services could take action to restrain hospital charges or charge increases. As a result of increased public scrutiny, it is also possible that the pricing strategies of hospitals may be perceived negatively by consumers, and hospitals may be forced to reduce fees for their services. Decreased utilization could result, and hospitals' revenues may be negatively affected.

Indigent Care. Tax-exempt health care providers often treat large numbers of indigent patients who are unable to pay in full for their medical care. These hospitals and health care providers may be susceptible to economic and political changes that could increase the number of indigents or their responsibility for caring for this population. General economic conditions affect the number of employed individuals who have health coverage and the ability of patients to pay for their care. Similarly, changes in governmental policy, which may result in coverage exclusions under local, county, state and federal health care programs (including Medicare and Medicaid) may increase the frequency and severity of indigent treatment by such hospitals and other health care providers. It also is possible that future legislation or court decisions could require that tax-exempt hospitals and other health care providers maintain minimum levels of indigent care as a condition to federal income tax exemption or exemption from certain state or local taxes.

The foregoing are some examples of the challenges and examinations facing nonprofit health care organizations. They are indicative of a greater scrutiny of the billing, collection and other business practices of these organizations and may indicate an increasingly difficult operating environment for health care organizations, including the Obligated Group. The challenges and examinations, and any resulting legislation, regulations, judgments, or penalties, could have a material adverse effect on operating revenue and the continued financial viability of hospitals.

Patient Service Revenues

The Medicare Program. As noted above, a significant portion of the revenues of the Obligated Group are derived from the Medicare program. Medicare is a federal program administered by CMS through fiscal intermediaries and carriers. Available to individuals age 65 or over, and certain other classes of individuals, the Medicare program provides, among other things, health care benefits that cover, within prescribed limits, the major costs of physician and hospital care for such individuals, subject to certain deductibles and co-payments.

Hospitals are reimbursed under an Inpatient Prospective Payment System ("***IPPS***") for inpatient hospital services. Under the IPPS system, HHS determines prospectively a payment amount for each hospital Medicare discharge. With certain exceptions, such payments are not adjusted for a hospital's actual costs or a patient's length of stay. Discharges are classified into DRGs and the payments for various DRGs are derived from historical Medicare cost data. If a hospital treats a patient and incurs less than the applicable DRG-based payment, the hospital will generally be entitled to retain the difference. Conversely, with limited exception, if a hospital's cost for treating the patient exceeds the DRG-based payments, the hospital will not be entitled to any additional amount. For certain Medicare beneficiaries who have unusually costly hospital stays ("***outliers***"), CMS will provide additional payments above those specified for the DRG. Outlier payments cease to be available upon the exhaustion of such patient's Medicare benefits or a determination that acute care is no longer necessary, whichever occurs first. There is no assurance that any of these payments will cover the actual costs incurred by a hospital. In addition, revisions to the outlier regulations, implemented in order to curb outlier payment abuse, may adversely affect hospitals' ability to receive such subsidies. In addition to outlier payments, DRG payments are adjusted for area wage differentials on a yearly basis.

In theory, IPPS payments are to be adjusted annually based on the hospital "market basket" index, or the cost of providing health care services; however, in practice, historically the government either has not increased payment rates annually or the increases to the DRG rates have been at rates which were less than the increase in the cost of delivering health care services. Moreover, there is no assurance that future updates to IPPS payment rates will keep pace with the increases in the cost of providing hospital services.

The ACA's cost-cutting provisions include reduction in Medicare market basket updates to hospital reimbursement rates under the IPPS, as well as additional reductions to or elimination of Medicare reimbursement for certain patient readmissions and HACs. The reductions in market basket updates and the productivity adjustments have had a disproportionately negative effect upon those providers that are relatively more dependent upon Medicare than other providers. Additionally, these reductions were effective prior to the periods during which insurance coverage and the insured consumer base was expanded. The combination of reductions to the market basket updates and the imposition of the productivity adjustments may, in some cases and in some years, result in reductions in Medicare payment per discharge on a year-to-year basis. Changes in the payments received for all services, including specialty services, could have an adverse effect on the Obligated Group.

HHS is required to review the DRG categories annually to take into account any new procedures, reclassify DRGs and recalibrate the DRG relative weights that reflect the relative hospital resources used by hospitals with respect to discharges classified within a given DRG category. From time to time, CMS creates new DRGs and revises or deletes others in order to better recognize the severity of illness for each patient. CMS may only adjust DRG weights on a budget-neutral basis. As a result, there is no assurance that Medicare payments will adequately reflect changes in the cost of providing health care or in the cost of health care technology being made available to the Obligated Group's patients.

CMS has implemented provisions preventing hospitals from assigning patient cases to DRGs with higher payments where a secondary diagnosis warranting higher payment is one of several specified health conditions and was acquired in the hospital. These rules identify certain conditions, including certain infections and serious preventable errors ("***Never Events***") for which CMS will not reimburse hospitals unless the conditions were present at the time of admission. Various health maintenance organizations ("***HMOs***") and other private insurers have followed suit in refusing to pay for certain HACs. There can be no assurance that these future payment limitations will not adversely affect the revenues of the Obligated Group. Never Events may be more likely to be publicized and may negatively impact a hospital's reputation, thereby reducing future utilization and potentially increasing the possibility of liability claims.

CMS could further modify the factors used in calculating the prospective payments for units of service in the future, as it has from time to time in the past, which may reduce revenues for particular services. Additionally, as part of the federal budgetary process, Congress has regularly amended, and could in the future further amend, the Medicare laws to reduce increases in payments that are otherwise scheduled to occur, or to provide for reductions in payments for particular services. Such actions could adversely affect the members of the Obligated Group.

Payments to rehabilitation hospitals, rehabilitation units and inpatient psychiatric hospitals and psychiatric units are based entirely on a federal prospective payment rate. Similar to IPPS, the prospective payment system ("***PPS***") methodology for rehabilitation hospitals, rehabilitation units and inpatient psychiatric hospitals and psychiatric units will cause such hospital or unit with costs above the PPS payment rate to incur losses on the services provided to Medicare patients.

Medicare beneficiaries may obtain Medicare coverage through a managed care Medicare Advantage plan. Federal policymakers have been attentive to the cost of the Medicare Advantage program, relative to traditional fee-for-service Medicare, and fluctuations in Medicare Advantage payments by the federal government are common. Reductions in payments by the federal government may result in increased premiums or out-of-pocket costs to Medicare beneficiaries enrolled in Medicare Advantage plans, and it is possible that those beneficiaries may terminate their participation in those plans and opt for the traditional Medicare fee-for-service program. The reduction in payments to Medicare Advantage programs may also lead to decreased payments to providers by managed care companies operating Medicare Advantage programs, depending on the contractual arrangement between the Medicare Advantage program and the provider. All or any of these outcomes could have a disproportionately negative effect upon those providers with relatively high dependence upon Medicare Advantage program revenues. There is no

guarantee that the rates negotiated for the treatment of such enrollees will be sufficient to cover the cost (both capital and operating) of providing services to such patients at the facilities of the members of the Obligated Group.

Future changes to the Medicare Advantage program, the impact of other changes in Medicare reimbursement including programs to bundle payments for hospital services with other types of services, and the general trend toward increased managed care and other cost containment measures cannot be determined. The net effect, however, could be lower revenues which could adversely affect the operations and financial condition of members of the Obligated Group. In addition, further reductions in Medicare coverage and decreased Medicare reimbursement rates may be required due to the aging U.S. population.

The members of the Obligated Group are certified as providers for Medicare service, and each intends to continue to participate in the Medicare program. For the Fiscal Years ended 2022 and 2023 and [___] months ended [_____], 2024, approximately [___]%, [___]% and [___]%, respectively, of the gross patient service revenues of the Obligated Group were associated with services provided to Medicare beneficiaries. See APPENDIX A – "FINANCIAL INFORMATION – Sources of Revenues."

Skilled Nursing Care. Beginning in federal fiscal year 2020, CMS implemented a new case-mix classification system to classify skilled nursing facility ("***SNF***") patients under its prospective payment system ("***SNF PPS***"), the Patient Driven Payment Model (*"**PDPM**"*). While the previous payment model primarily used the volume of therapy services provided to the patient as the basis for payment, PDPM classifies patients into payment groups based on specific, data-driven patient characteristics. Fiscal year 2024 SNF PPS rates reflect a 4.0% increase over the previous fiscal year. This increase includes a 3.0% market basket increase which was reduced by a 0.2% productivity cut, increased by a 3.6% market basket forecast error adjustment for fiscal year 2022, and reduced by a 2.3% behavioral adjustment related to the transition to the patient-driven payment model. The fiscal year 2024 SNF PPS payment and policy changes also include the continued implementation of a quality reporting program under the Improving Medicare Post-Acute Care Transformation Act ("***IMPACT Act***") and the Social Security Act; SNFs that fail to submit required quality data to CMS under the SNF Quality Reporting Program will have their annual updates reduced by two percentage points. Further, Section 215 of the Protecting Access to Medicare Act of 2014 ("***PAMA***") required the establishment of a Skilled Nursing Facility Value-Based Purchasing Program beginning with fiscal year 2019, under which value-based incentive payments are made to SNFs in a fiscal year based on performance. It is unclear what effect these provisions will have on members of the Obligated Group's Medicare reimbursement beyond the 2024 fiscal year at this time.

Capital Reimbursement of Hospitals. Hospitals are reimbursed on a fully prospective basis for capital costs (including depreciation and interest) related to the provision of inpatient services to Medicare beneficiaries.

There can be no assurance that the prospective payments for capital costs will be sufficient to cover the actual capital-related costs of the Obligated Group allocable to Medicare patient stays or to provide adequate flexibility in meeting their future capital needs.

Reimbursement for Part B Physician Services. As a part of its value-based payment initiative, in October 2016, HHS published regulations pursuant to the Medicare Access and CHIP Reauthorization Act of 2015 ("***MACRA***") which significantly affect the method of reimbursement for healthcare providers billing under the Medicare Physician Fee Schedule. MACRA created a new quality reporting system called the Merit-Based Incentive Payment System ("***MIPS***") that is based on concepts from the Physician Quality Reporting System, the Value Based Modifier and the eligible professional Medicare Electronic Health Record Incentive programs and consolidates elements of each into a single quality reporting program. Starting in 2019, most physicians and mid-level providers were subject to a reimbursement adjustment based on their MIPS performance. The potential MIPS adjustment started at +/-4% in 2019 and extended to +/-9% in 2022. The 2022 performance year was the last year for an additional MIPS adjustment for exceptional performance. Qualifying providers who opt to participate in Advanced Alternative Payment Models ("***AAPMs***") can be excluded from MIPS by satisfying threshold requirements for AAPM participation. Qualifying providers who choose to participate in an AAPM and satisfy certain requirements will receive a five percent lump sum incentive payment for years 2019-2024, as well as higher payment adjustments to the Medicare Physician Fee Schedule than MIPS participants for years 2026 and beyond.

The outcomes of these projects and programs, including the likelihood of being revised or expanded or their effect on health care organizations' revenues or financial performance cannot be predicted. Ultimately, it remains

unclear what effect this legislation will have on the members of the Obligated Group's operations, including whether the reimbursement will cover the actual costs of providing physician services to Medicare beneficiaries.

Reimbursement of Outpatient Hospital Services. Certain pre-admission services rendered on an outpatient basis are not considered outpatient services but are included in the PPS payment for inpatient operating costs.

CMS generally pays hospitals for Medicare outpatient hospital services. Under the outpatient prospective payment system ("***OPPS***"), which is based on Ambulatory Patient Classification Groups ("***APCs***"). Each APC is assigned a weight that is derived from median hospital costs (operating and capital) of services in the group. The APC weights are converted to payment rates through the application of a conversion factor. The ACA provides for a reduction to the market basket used to determine annual OPPS reimbursement by a productivity adjustment for federal fiscal year 2012 and subsequent years. Application of the productivity adjustment can result in a market basket increase of less than zero, such that payments in a current year may be less than the prior year. There is no guarantee that APC rates, as they change from time to time, will cover actual costs of providing services to Medicare patients. Additionally, Congress or regulators in the future may impose further limits or cutbacks in such payments or modify the method of calculating such payments.

Provider-Based, Off-Campus Hospital Outpatient Departments. The Bipartisan Budget Act of 2015 created "site neutral" reimbursement for services to Medicare beneficiaries at certain off-campus provider locations beginning January 1, 2017. Services subject to the change will not be reimbursed under Medicare's hospital OPPS, but rather will be reimbursed under alternative payment systems (for example, at ambulatory surgery center rates). The exclusion applies to off-campus hospital departments that did not bill for services under the OPPS prior to November 2, 2015. Effective for calendar year 2020, excepted (grandfathered) off-campus provider-based hospital departments are paid for G0463 clinic visit services at 40% of the OPPS rate.

Medicaid Program. Medicaid is the federally assisted, state administered, medical assistance program authorized under Title XIX of the Social Security Act that provides reimbursement for a portion of the cost of caring for persons who are aged, blind or disabled, or members of families who are eligible for Aid To Families with Dependent Children. The Medicaid program provides payments for medical items and services for any person who is determined to be eligible for Medicaid assistance on the date of service. Federal and state funds support the Medicaid program. Medicaid benefits are available, within prescribed limits, to persons meeting certain minimum income or other need requirements.

The Florida Medicaid Program is administered by the Agency for Health Care Administration ("***AHCA***") and is funded by federal and state appropriations. The financial condition of and budgetary factors facing the State may affect the level of Medicaid revenues. The ACA required that Medicaid be expanded to all individuals under the age of 65 with income less than 133% of the federal poverty limit, effective in 2014. To fund this expansion, the ACA provided that the federal government would fund 100% of the costs of this expansion from fiscal years 2014 – 2016, decreasing to 90% of the costs of this expansion in fiscal year 2020 and thereafter. In June 2012, the Supreme Court held that the federal government cannot withhold existing federal funds for states that refuse to expand Medicaid as required by the ACA. As of April 25, 2024, 41 states and the District of Columbia have adopted the Medicaid expansion in some form, with the remainder declining to participate in the expansion, or remaining undecided. As noted above, the State has declined to participate in a federally subsidized expansion of the Medicaid program. This failure to expand Medicaid funding, in combination with other federal funding reductions intended to correspond with prospective Medicaid expansion, could adversely affect the Obligated Group's net patient service revenue.

As with the participation in the Medicare program, participating hospitals in the Medicaid program are subject to numerous requirements and regulations under the program. Failure to remain in compliance with any program requirements may subject the Medicaid provider to civil and/or criminal penalties, including fines and suspension or expulsion from the program, preventing the provider from receiving any funds under the Medicaid program. Noncompliance with Medicaid requirements, and suspension or exclusion from the Medicaid program, can also be a basis for mandatory or permissive suspension or exclusion from the Medicare program.

Payments made to health care providers under the Medicaid program are subject to changes as a result of federal or state legislative and administrative actions, including further changes in the methods for calculating payments, the amount of payments that will be made for covered services and the types of services that will be covered under the program. Delays in appropriations and state budget deficits which may occur from time to time create a risk

that payment for services to Medicaid patients will be withheld or delayed. CMS has also permitted the implementation of work and community engagement requirements as a condition of eligibility for Medicaid benefits. CMS may grant additional Section 1115 demonstrations providing for work and community engagement requirements as a condition of eligibility for certain Medicaid-eligible individuals. It is anticipated this will lead to reductions in coverage, and likely increases in uncompensated care, in states where these demonstration waivers are granted. Increasing budgetary pressures may lead to further reimbursement limits, reductions in existing programs or elimination of coverage for certain individuals under the Florida Medicaid Program. Federal legislation could result in a reduction of Medicaid funding or an increase in state discretionary funding through block grants, or a combination thereof. It is possible that any such federal or state changes may have a material adverse effect on the operations or financial condition of the members of the Obligated Group. See also "– Florida Medicaid Reform" below.

For the Fiscal Years ended 2022 and 2023 and [___] months ended [_____], 2024, approximately [___]%, [___]% and [___]%, respectively, of the gross patient service revenues of the Obligated Group were associated with services provided to Medicaid beneficiaries. See APPENDIX A – "FINANCIAL INFORMATION – Sources of Revenues."

Florida Medicaid Reform. In 2005, the Florida Senate adopted legislation which authorized requesting a federal Medicaid waiver to permit the State, through legislative enactment, to limit annual spending on the Medicaid program to the amount appropriated in the state budget and authorized AHCA to continue developing a plan to implement a capitated managed care system to replace the current fee-for-service Medicaid system. On October 19, 2005, CMS approved an 1115 Research and Demonstration Waiver (the "***1115 Waiver***").

Another element of the 2005 Florida Medicaid reform was the replacement of the Medicaid Upper Payment Limit ("***UPL***") program with a Low Income Pool ("***LIP***") program. The 1115 Waiver authorized the State to implement the LIP program and terminate the UPL program. In January 2021, CMS approved the LIP program through June 30, 2030 and the state may receive up to $1.5 billion in annual funding. The state received close to $1.4 billion in the 2023-24 fiscal year.

In 2011, the Florida Legislature voted to expand the Medicaid Reform Pilot through the Statewide Medicaid Managed Care program. The Pilot Program was expanded to a statewide mandatory managed care enrollment for most Medicaid recipients. The program currently has three parts: the medical assistance dental services program for children and adults, the medical assistance program for primary and acute care, and long-term managed care for residential, home and community-based care. Currently, 3.4 million Floridians are enrolled in Medicaid managed care plans and Florida's section 1115 demonstration, "Florida Managed Medical Assistance," is effective through June 30, 2030. On April 13, 2024, the AHCA announced its intent to award contracts to 5 health plans as a result of Florida law mandating that Medicaid managed care health plans be re-procured every 6 years; this was the second re-procurement. As noted previously, Florida's Governor will not expand Medicaid enrollment to individuals earning up to 133 percent of the federal poverty level.

Actions taken by the Governor, the State Legislature and CMS with respect to Medicaid, such as the foregoing, have affected and will continue to affect the Obligated Group's financial condition.

Florida Indigent Assistance. Florida's Public Medical Assistance Act (the "***Assistance Act***") provides a mechanism for the funding of health care services to indigent persons. The Assistance Act imposes upon each hospital in the State an assessment in an amount equal to 1.5% of each hospital's annual net operating revenue for inpatient services and 1% of the annual operating revenue for outpatient services each fiscal year, with the exception of outpatient radiation therapy services. AHCA determines such revenues based on a hospital's actual experience reported to AHCA and certifies the amount of the assessment for each hospital within six months after the end of each hospital's fiscal year. The assessment is payable to and collected by AHCA in equal quarterly amounts, on or before the first day of each calendar quarter beginning with the first full calendar quarter that occurs after AHCA certifies the amount of assessment for each hospital. All moneys collected pursuant to the Assistance Act are to be deposited into the Public Medical Assistance Trust Fund. AHCA may impose administrative fines for the failure of any hospital to timely pay it quarterly assessment. Purchasers, successors or assignees of a facility, which are subject to AHCA's jurisdiction, are liable for any assessments, fines or penalties incurred by a facility or its employees, regardless of when it was identified.

Budget deficits for the State may lead to changes to the Medicaid program and such changes may have a material adverse effect on the operations or financial condition of the Obligated Group.

Polk County Indigent Assistance. Polk County has included in its county sales tax a one-half cent indigent care surtax since 2004 when voters approved a measure creating this "healthcare safety net." This surtax generated over $50 million in 2019, which has been used to fund Polk County's cost share for Medicaid, the Polk Healthcare Plan ("***PHP***") (the county's health plan for residents not qualifying for other plans) and other community partnerships and statutory programs. In November 2016, Polk County voted to extend the one-half cent surtax through 2044. Money may be expended only for healthcare services for qualified residents, including but not limited to, the indigent and medically poor.

The Obligated Group has contracted with PHP to provide hospital services to plan participants, which are primarily seen at the Family Health Center, the Obligated Group's hospital-based outpatient primary care clinic. For the [___] months ended [_____], 2024, the Obligated Group anticipates receipt of approximately $[__] million in direct cash reimbursement for patient care of PHP participants. See "SERVICE AREA" in APPENDIX A herein for the distribution of counties from which the Obligated Group's patients originate.

State Children's Health Insurance Program. SCHIP is a federally funded insurance program for families whose income levels preclude them from being eligible for Medicaid, but who cannot afford commercial health insurance. CMS administers SCHIP, but each state creates its own program based upon minimum federal guidelines. A SCHIP program can either be part of a state's Medicaid program, or a completely separate state program.

While generally considered to be beneficial for both patients and providers by reducing the number of uninsured children, it is difficult to assess the fiscal impact of SCHIP on the payments to the Obligated Group because each state's SCHIP program is unique. Moreover, each state must periodically submit its SCHIP plan to the CMS for review to determine if it meets the federal requirements. If it does not meet the federal requirements, a state can lose its federal funding for its program.

From time to time, Congress and/or the President may seek to expand or contract SCHIP. Federal legislation has extended SCHIP funding and authorization through federal fiscal year 2027. When any SCHIP funding or authorization expires there can be no assurances that such funding or authorization will be reestablished at either a state or federal level, or that professional and/or facility reimbursement rates will not subsequently be reduced in efforts to manage costs. The Obligated Group's revenues could be adversely affected if SCHIP is not extended or if it is extended with reduced funding.

Private Health Plans and Managed Care. Most private health insurance coverage is provided by various types of "managed care" plans, including HMOs and PPOs, that generally use discounts and other economic incentives to reduce or limit the cost and utilization of health care services such as inpatient hospital care. Medicare and Medicaid also purchase hospital care using managed care options. Payments to the Obligated Group from these plans typically are lower than those received from traditional indemnity/commercial insurers.

Many PPOs and HMOs currently pay providers on a negotiated fee-for-service basis or, for institutional care, on a fixed rate per day of care, which, in each case, usually is discounted from the typical charges for the care provided. As a result, the discounts offered to HMOs and PPOs may result in payment to a provider that is less than its actual cost. Additionally, the volume of patients directed to a provider may vary significantly from projections, and changes in the utilization of certain services offered by the provider may be dramatic and unexpected, further jeopardizing the provider's ability to contain costs.

Some HMOs employ a "capitation" payment method under which hospitals are paid a predetermined periodic rate for each enrollee in the HMO who is "assigned" or otherwise directed to receive care at a particular hospital. In a capitation payment system, the hospital assumes a financial risk for the cost and scope of institutional care given to such HMO's enrollees. If payment under an HMO or PPO contract is insufficient to meet the hospital's actual costs of care, or if utilization by such enrollees materially exceeds projections, the financial condition of the hospital could erode rapidly and significantly.

Often, HMO contracts are enforceable for a stated term, regardless of hospital losses, and may require hospitals to care for enrollees for a certain time period, regardless of whether the HMO is able to pay the hospital. As with other large health care systems, the members of the Obligated Group from time to time have disputes with managed care payors concerning contract interpretation issues. Such disputes may result in mediation, arbitration or litigation, and may delay or prevent the ability of the members of the Obligated Group to receive reimbursement for

services provided. Management of the members of the Obligated Group expect that these types of issues ultimately will be resolved, sometimes through renegotiation or termination of the contract.

Defined broadly, for the Fiscal Years ended 2022 and 2023, and [___] months ended [_____], 2024, managed care/commercial payments (excluding Medicare and Medicaid managed care contracts) constituted approximately [___]%, [___]%, and [___]%, respectively, of the gross patient service revenues of the Obligated Group, but there is no assurance that the Obligated Group will maintain managed care contracts or obtain other similar contracts in the future. Failure to maintain contracts could have the effect of reducing market share and net patient services revenues. Conversely, participation may maintain or increase the patient base but could result in lower net income to the Obligated Group if it is unable to adequately contain its costs.

As a consequence of the above factors, the effect of managed care on the Obligated Group's financial condition is difficult to predict and may be different in the future than that reflected in the financial statements for the current period.

Increased Enforcement Affecting Research. In addition to increasing enforcement of laws governing payment and reimbursement, the federal government has also increased enforcement of laws and regulations governing the conduct of clinical trials at hospitals. HHS elevated and strengthened its Office of Human Research Protection, one of the agencies with responsibility for monitoring federally funded research. In addition, the National Institutes of Health significantly increased the number of facility inspections that these agencies perform. The Food and Drug Administration ("***FDA***") also has authority over the conduct of clinical trials performed in hospitals when these trials are conducted on behalf of sponsors seeking FDA approval to market the drug or device that is the subject of the research. Moreover, the OIG, in its recent "Work Plans," has included several enforcement initiatives related to reimbursement for experimental drugs and devices (including kickback concerns). The United States Department of Justice may also become involved in enforcement actions relating to the use of federal funds or submission of information to federal agencies. There have been a number of recent government investigations and settlements involving hospital use of federal grant funding in connection with clinical trials and also a settlement involving the submission of claims to Medicare for services provided in a clinical trial. These agencies' enforcement powers range from substantial fines and penalties to exclusion of researchers and suspension or termination of entire research programs, and errors in billing of the Medicare or Medicaid programs for care provided to patients enrolled in clinical trials that are not eligible for Medicare reimbursement can subject the members of the Obligated Group to sanctions as well as repayment obligations.

Negative Rankings Based on Clinical Outcomes, Cost, Quality, Patient Satisfaction and Other Performance Measures. Health plans, Medicare, Medicaid, employers, trade groups and other purchasers of health services, private standard-setting organizations and accrediting agencies increasingly are using statistical and other measures in efforts to characterize, publicize, compare, rank and change the quality, safety and cost of health care services provided by hospitals and physicians. Published rankings (such as "score cards"), tiered hospital networks with higher co-payments and deductibles for non-emergent use of lower-ranked providers, "pay for performance" or "value based purchasing" plans, and other financial and non-financial incentive programs have been introduced to affect the reputation and revenue of hospitals and the members of their medical staffs and to influence the behavior of consumers and providers such as the Obligated Group. Prevalent currently are measures of quality based on clinical outcomes of patient care, reduction in costs, patient satisfaction, and investment in health information technology. Measures of performance set by others that characterize a hospital negatively may adversely affect its reputation and financial condition.

Regulatory Environment

Fraud and Abuse Enforcement. Health care fraud and abuse laws have been enacted at the federal and state levels to regulate both the provision of services to government program beneficiaries and the methods and requirements for submitting claims for services rendered to such beneficiaries. Under these laws, individuals and organizations can be penalized for various activities, including submitting claims for services that are not provided, are billed in a manner other than as actually provided, are not medically necessary, are provided by an improper person, are accompanied by an illegal inducement to utilize or refrain from utilizing a service or product, or billed in a manner that does not comply with applicable government requirements.

Federal and state governments have a range of criminal, civil and administrative sanctions available to penalize and remediate health care fraud and abuse, including exclusion of the provider from participation in the Medicare/Medicaid programs, civil monetary penalties, and suspension of payments. See "BONDHOLDERS' RISKS – Patient Service Revenues – The Medicare Program" and "– Medicaid Program" herein. Fraud and abuse cases may be prosecuted by one or more government entities and private individuals, and more than one of the available penalties may be imposed for each violation.

Laws governing fraud and abuse apply to a hospital and to virtually all individuals and entities with which a hospital does business, including other hospitals, home health agencies, long-term care entities, infusion providers, pharmaceutical and durable medical equipment providers, insurers, HMOs, PPOs, third party administrators, physicians, physician groups, and physician practice management companies. Fraud and abuse prosecutions can have a catastrophic effect on such entities and potentially a material adverse impact on the financial condition of other entities in the integrated health care delivery system of which that entity is a part.

False Claims Act. The federal False Claims Act, or "***FCA***," makes it illegal to knowingly submit or present a false, fictitious or fraudulent claim to the federal government, and may include claims that are simply erroneous. FCA investigations and cases have become common in the health care field and may cover a range of activity from intentionally inflated billings, to highly technical billing infractions, to allegations of inadequate care. Violation or alleged violation of the FCA can result in settlements that require multi-million dollar payments and compliance agreements. The FCA also permits individuals to initiate civil actions on behalf of the government in lawsuits called "*qui tam*" actions. *Qui tam* plaintiffs, or "whistleblowers," can share in the damages recovered by the government or recover independently if the government does not participate. The FCA has become one of the government's primary weapons against health care fraud. FCA violations or alleged violations could lead to settlements, fines, exclusion or reputation damage that could have a material adverse impact on a hospital or other health care provider.

A number of states, including Florida, have passed statutes similar to the False Claims Act that expand the prohibition against the submission of false claims to commercial and private third party payors.

The ACA amended certain provisions of the FCA to include retention of overpayments as a violation of the FCA. It also added provisions respecting the timing of the obligation to identify, report and reimburse overpayments. This expansion of the FCA exposes hospitals and other health care providers to liability under the FCA for a considerably broader range of claims than in the past.

In February 2016, CMS issued a final rule addressing the requirement to report and return overpayments, with an emphasis for providers on developing robust compliance programs. In the final rule, CMS imposes a new "reasonable diligence" standard for identifying overpayments that must be reported and returned within 60 days. CMS clarifies that the 60-day timeframe for report and return begins when either reasonable diligence is completed (including determination of the overpayment amount) or on the day the person received credible information of a potential overpayment if the person failed to conduct reasonable diligence and the person in fact received an overpayment. In the final rule, CMS instructed that six years is the appropriate lookback period for identifying historical overpayments. The final rule also imposes an affirmative duty to proactively determine whether overpayments have been made. The effect of these changes on existing programs and systems of the members of the Obligated Group cannot be predicted.

In June 2016, the United States Supreme Court in *Universal Health Services, Inc.* v. *United States ex rel. Escobar* held that the theory of "implied false certification" can sometimes be used as a basis for FCA liability, which may lead to an increase in FCA claims in the health care industry based on this theory of liability. In December 2022, CMS proposed to change the standard for identification and instead would require the report and return of an overpayment if a provider or supplier has actual knowledge of the existence of an overpayment or acts in reckless disregard or deliberate ignorance of an overpayment. Whether CMS will ultimately implement the December 2022 revisions to the rule as proposed cannot be predicted, nor can any potential impact on the Members of the Obligated Group. The FCA has become one of the government's primary weapons against health care fraud and suspected fraud. FCA violations or alleged violations could lead to settlements, fines, exclusion or reputation damage that could have a material adverse impact on a hospital and other health care providers.

Anti-Kickback Law. The federal Anti-Kickback Law is a statute with both criminal and civil liability that prohibits anyone from knowingly or willfully soliciting, receiving, offering or paying any remuneration, directly or

indirectly, overtly or covertly, in cash or in kind, in return for a referral (or to induce a referral) for any item or service that is covered by any federal or state health care program. The ACA amended the Anti-Kickback Law to clarify that a party need not have knowledge of the Anti-Kickback Law or a specific intent to violate the Anti-Kickback Law to nevertheless violate the Anti-Kickback Law. The Anti-Kickback Law applies to many persons and entities with which a hospital does business. The scope of prohibited payments and transactions in the statutes is broad and includes certain economic arrangements involving hospitals, physicians and other health care providers, such as joint ventures, space and equipment rentals, purchases of physician practices and management and personal services contracts. Regulations describe certain arrangements that will not be deemed to constitute violations of the statute. The safe harbors described in the regulations are narrow and do not cover a wide range of economic relationships that many hospitals, physicians and other health care providers consider to be legitimate business arrangements not prohibited by the statute. Because the regulations describe safe harbors and do not purport to describe comprehensively all lawful or unlawful economic arrangements or other relationships between health care providers and referral sources, hospitals and other health care providers having these arrangements or relationships may be required to alter them in order to ensure compliance with the fraud and abuse statute.

In recent years, it has been enforced aggressively. Health care providers, their affiliates, and physicians have exposure relating to the Anti-Kickback Law. Enforcement actions have increased in recent years, as evidenced by recent court decisions and activities by the OIG.

Violation or alleged violation of the Anti-Kickback Law most often results in settlements that require multi-million dollar payments and compliance agreements. The Anti-Kickback Law can be prosecuted either criminally or civilly. Violation of the Anti-Kickback Law is a felony, subject to potentially substantial fines, imprisonment and/or exclusion from the Medicare and Medicaid programs, any of which would have a significant detrimental effect on the financial stability of most hospitals. Significant civil monetary penalties may also be imposed. In addition, under the ACA, submission of a claim for services or items generated in violation of the Anti-Kickback Laws constitutes a false or fraudulent claim and may be subject to additional penalties under the federal FCA (discussed above). Furthermore, it is a violation of the federal Civil Monetary Penalties Law to offer or transfer anything of value to Medicare or Medicaid beneficiaries that is likely to influence their decision to obtain covered goods or services from one provider or service over another. There has been an apparent increase in high profile fraud and abuse investigations, according to published reports, which suggests that the federal government is devoting greater resources to scrutinizing arrangements and relationships among health care providers and referral sources to determine if those arrangements and relationships are in violation of the Anti-Kickback Laws. The IRS has taken the position that hospitals which are in violation of the Anti-Kickback Law may also be subject to revocation of their tax status.

The outcome of any government efforts to enforce the Anti-Kickback Law against health care providers is difficult to predict. Health care providers may act to reduce their financial exposure for Anti-Kickback violations through prompt repayment of sums received as a result of inaccurate claims, prompt voluntary reporting to the government of illegal arrangements and the implementation of effective corporate compliance programs, and by taking steps to require that their subsidiaries and affiliates do the same.

The members of the Obligated Group have in place policies and corporate responsibility programs (the "***Corporate Compliance Programs***") that management of each entity believes will effectively reduce its exposure for Anti-Kickback violations. However, because the government's enforcement efforts presently are widespread within the industry, there can be no assurance that the Corporate Compliance Programs will significantly reduce or effectively eliminate the exposure of the members of the Obligated Group.

Medicare Audits and Withholds. Medicare participating hospitals are subject to audits and retroactive audit adjustments with respect to the Medicare program. Generally, the members of the Obligated Group maintain some degree of reserves for anticipated or proposed audit adjustments which are likely to be contested. Nevertheless, such adjustments could exceed reserves and could be substantial. Medicare regulations also provide for withholding Medicare payment in certain circumstances, and such withholding could have an adverse effect on the ability of the members of the Obligated Group to make payments with respect to Obligation No. 9 or on their overall financial condition. None of the members of the Obligated Group are aware of any situation where a material amount of Medicare payments are currently being withheld.

Investigations of Billing Practices. The United States Department of Justice, the Federal Bureau of Investigation and the OIG have been conducting investigations and audits of the billing practices of many health care

providers. Health care providers such as the members of the Obligated Group may be required to undergo such audits by one or more of these agencies and may be required to make payments to resolve any such audits. It is possible that any such payments may be substantial and could have a material adverse effect on their operations or condition, financial or otherwise.

In addition, the Health Insurance Portability and Accountability Act of 1996 ("***HIPAA***") imposes provisions that outlaw certain types of manipulative Medicare billing practices. These include improperly coding (for billing purposes) services rendered in order to claim a higher level of reimbursement. Another section of the law prohibits billing for the provision of services or items that were not medically necessary. Furthermore, HIPAA (discussed below) also created two new crimes that are based on the traditional crimes of fraud and theft but are applied specifically to health benefit programs. This law increases the legal risk of provider billing and increases the risk that a Medicare provider will be the subject of a fraud investigation.

Review of Outlier Payments. CMS has reviewed health care providers that receive large proportions of their Medicare revenues from outlier payments. Health care providers found to have obtained inappropriately high outlier payments are subject to further investigation by the CMS Program Integrity Unit and potentially the OIG.

RAC Audits. CMS has contracts with recovery audit contractors ("***RACs***") to search for improper Medicare payments in all 50 states. RACs retrospectively review provider claims for the following types of services: hospital inpatient and outpatient, skilled nursing facility, physician, ambulance and laboratory, as well as durable medical equipment. The RAC program was expanded through the ACA to Medicare Part C (Medicare Advantage plans), Medicare Part D (prescription drug coverage) and Medicaid.

Management of the Obligated Group aggressively pursues the recovery of any amounts they determine were inappropriately recouped by the RACs. Any additional RAC Program audits or other audit adjustments could be in excess of any reserves maintained by the members of the Obligated Group, and such excesses could be substantial. Medicare regulations also provide for withholding Medicare payment in certain circumstances, as do the practices of other payors, and such withholds could have a substantial adverse effect on the ability of the members of the Obligated Group to make payments on their obligations or on their overall financial condition. There is no assurance that a significant payment may not be withheld from the members of the Obligated Group in the future.

Similarly, as a result of an overpayment by one payor, it is possible that claims may be asserted by other payors. Further, a third-party payor might seek other fines, penalties or damages with respect to the claims resulting in the overpayments, including civil or criminal sanctions under the federal FCA or other federal or state statutes.

The members of the Obligated Group do not anticipate or have reason to believe that a substantial audit adjustment would be recommended as a result of a RAC audit; however, there can be no assurance that, if any audit adjustments were to be assessed, they would not have a material adverse effect on the financial position of the Obligated Group.

Referral Restrictions. In addition to the foregoing, Medicare reimbursement limitations, other aspects of the Medicare program may affect the Obligated Group. In 1977, Congress adopted the Medicare and Medicaid Anti-Fraud and Abuse Amendments of 1977 (as amended, the "***Anti-Fraud and Abuse Law***"), which have been strengthened by subsequent amendments and the creation of the OIG to enforce compliance with the statute. HIPAA and numerous other laws including the ACA also contain provisions for enhanced enforcement, increases to the scope of the Anti-Fraud and Abuse Law, additional sanctions for violations of the laws and other measures designed to protect the integrity of federal health care programs. The laws provide for civil monetary and criminal penalties and exclusion from the Medicare/Medicaid programs for knowing and willful solicitation, receipt, offer or payment of remuneration directly or indirectly in return for or to induce the referral of Medicare or Medicaid business. They also provide for penalties for persons who contract with a provider that the person knows or should know is excluded from the Medicare program.

Because the language of the Anti-Fraud and Abuse Law and similar applicable anti-fraud and abuse statutes is very broad, these statutes potentially apply to many ordinary business arrangements pursuant to which remuneration passes between health care providers, physicians, suppliers and others who are in a position to make referrals to each other. While the members of the Obligated Group currently are parties to such arrangements of this general type, the management of each entity believes that all such arrangements are being conducted in material compliance with

applicable law, and they are not aware of any pending challenges or investigations with respect to any such arrangements other than as described in this Official Statement. There can be no assurance that additional challenges or investigations will not occur in the future, or that existing arrangements will not require restructuring or elimination in order to comply with applicable laws of this nature, particularly if the trend toward greater regulation of relationships between health care providers continues.

In addition, other types of common business activities of hospitals and other health care providers, such as establishing reserves for potential adjustments to payments from third-party payors, are being viewed as conduct subject to civil and criminal penalties. Arrangements with physicians are particularly suspect, with increased emphasis on activities often engaged in by hospitals, including the members of the Obligated Group, such as joint ventures with physicians, physician recruitment and retention programs, physician referral services, hospital-physician service or management contracts, loans by hospitals to physicians, space or equipment rentals and service or vendor relationships. While none of the members of the Obligated Group are aware of any investigations pending or threatened against it other than as described in this Official Statement, there is no assurance that additional investigations might not ensue, with the potential for sanctions that could have a material adverse effect on the operations or financial condition of the members of the Obligated Group.

Stark Self-Referral and Payment Prohibitions. The federal physician self-referral and payment prohibitions ("***Stark Law***") generally forbid, absent qualifying for one of the exceptions, a physician from making referrals for the furnishing of any "designated health services" for which payment may be made under the Medicare or Medicaid programs, to any entity with which the physician (or an immediate family member) has a "financial relationship." It also prohibits a hospital furnishing the designated services from billing Medicare, or any other payor or individual for services performed pursuant to a prohibited referral. The government does not need to prove that the entity knew that the referral was prohibited to establish a Stark Law violation. If certain technical requirements of an exception are not satisfied, many ordinary business practices and economically desirable arrangements between hospitals and physicians constitute "financial relationships" within the meaning of the Stark Law, thus triggering the prohibition on referrals and billing. Most providers of designated health services with physician relationships have exposure to liability under the Stark Law.

Medicare may deny payment for all services performed based on a prohibited referral and a hospital that has billed for prohibited services may be obligated to refund the amounts collected from the Medicare program or make a self-disclosure to CMS under its self-referral disclosure protocol. For example, if an office lease between a hospital and a large group of heart surgeons is found to violate the Stark Law, the hospital could be obligated to repay CMS for the payments received from Medicare for all of the heart surgeries performed by all of the physicians in the group for the duration of the noncompliance with the Stark Law exception, a potentially significant amount. As a result, even relatively minor, technical violations of the law may trigger substantial refund obligations. Moreover, if the violations of the Stark Law were knowing, the government may also seek civil monetary penalties, and in some cases, a hospital may be excluded from the Medicare and Medicaid programs. In addition, violations of the Stark Law are increasingly being prosecuted under the FCA, triggering the FCA penalties discussed above. Potential repayments to CMS, settlements, fines or exclusion for a Stark violation or alleged violation could have a material adverse impact on a hospital.

Penalties for violating the Stark Law include denial or refund of payment for any services rendered by an entity in violation of the prohibition, civil monetary penalties for each offense, and exclusion from the Medicare and Medicaid programs. Additionally, if an individual enters into an arrangement or scheme that the person knows has a principal purpose of assuring referrals to an entity which, if the individual directly made referrals to such entity, would violate the Stark Law, the person is subject to a civil monetary penalty for each such circumvention arrangement and possible exclusion from participation in federal health care programs. Penalties may be assessed against either the referring physician or the hospital that receives a prohibited referral, or both. Because certain provisions of the civil monetary penalties statute apply to violations of the Stark Law, each person violating the Stark Law can be subject to an assessment three times the amount claimed for each item or service in lieu of damages sustained by the United States or a state agency because of such claims. Violations of the Stark Law also may serve as a basis for private or governmental suits and substantial penalties under state or federal false claims acts.

Under the ACA, HHS implemented a disclosure protocol for actual and potential Stark Law violations. The self-referral disclosure protocol is intended to allow providers to self-disclose actual or potential violations of the Stark Law. The ACA provides for discretion to reduce penalties for providers submitting a self-disclosure.

Enforcement activities under the Stark Law and its regulations and/or the publication of additional Stark Law or other regulations may have significant impact on arrangements currently being conducted by health care providers, including the members of the Obligated Group. Current arrangements in effect may need to be restructured or terminated. In addition, any general investigations of the members of the Obligated Group, could potentially lead to questions of compliance with the Stark Law.

The members of the Obligated Group have entered into a number of arrangements pursuant to which they either employ or contract with primary care and specialty physicians. All of the members of the Obligated Group have internal policies and procedures and have developed and implemented compliance programs (the "***Compliance Programs***") that management of each entity believes will reduce exposure for Stark Law violations. Nevertheless, because of the expansiveness of the Stark Law prohibition, the lack of previous regulatory guidance and the scarcity of case law interpreting the Stark Law, and because even technical or inadvertent noncompliance can be sufficient to create a violation, the instances in which an alleged violation could arise are numerous. While the Compliance Programs may reduce the exposure of the Obligated Group to Stark Law violations, no assurance can be given that, as a result of the existence of the Compliance Programs or otherwise, potential liability is eliminated. Liability for a Stark Law violation may have a material adverse impact on the financial condition of the Obligated Group**.**

HIPAA. HIPAA also includes administrative simplification provisions that provide, among other things, for the privacy and security of protected health information and the communication of protected health information through standard electronic transactions.

Under HIPAA and its associated regulations, providers are required to implement, among other things, policies and procedures to process claims and receive payment using the electronic transactions standards and to ensure that all health information protected by HIPAA is used and disclosed pursuant to HIPAA requirements. HHS continues to publish additional regulations requiring covered entities to undertake a wide range of activities designed to enhance security, including physical security of facilities (such as locked areas), software security measures (such as user authentication) and data transmission protection (such as encryption) as technology changes. HIPAA broadened the scope and impact of the existing security and privacy rules and requires HHS to conduct periodic compliance audits of covered entities such as the Obligated Group. In addition, HIPAA enforcement provisions feature criminal penalties, civil monetary penalties per violation, and permit state attorneys general the authority to bring suit in federal district court against any person violating the rules. HIPAA and the State counterpart, the Florida Information Protection Act ("***FIPA***"), both require notification of actual or anticipated breaches within specified time frames; however, the time frame for breach notification is more restrictive under FIPA (30 days) than under HIPAA (60 days). Certain compliance costs have been and will continue to be incurred by the Obligated Group in connection with compliance with these regulations. Future regulations may require significant changes in operations and the members of the Obligated Group may need to make significant capital expenditures to comply with the operational and technical requirements of HIPAA. The cost of the capital expenditures and the possible disruption in reimbursement could have a material adverse effect on the financial condition of the Obligated Group.

The Health Information Technology for Economic and Clinical Health Act (the "***HITECH Act***") significantly changed the landscape of federal privacy and security law with regard to individually identifiable health information. The HITECH Act (i) extended the reach of HIPAA and the security regulations, (ii) imposed a breach notification requirement on HIPAA covered entities, (iii) limited certain uses and disclosures of individually identifiable health information, (iv) increased individuals' rights with respect to individually identifiable health information and (v) increased enforcement of, and penalties for, violations of privacy and security of individually identifiable health information.

Any violation of the HITECH Act is subject to HIPAA civil and criminal penalties. Additionally, the HITECH Act broadens the applicability of the criminal penalty provisions under HIPAA to employees of covered entities and requires penalties on violations resulting from willful neglect. The HITECH Act also significantly increases the amount of civil penalties for violations during a calendar year under HIPAA. In addition, the HITECH Act authorizes state attorneys general to bring civil actions seeking either injunction or damages in response to violations of HIPAA privacy and security regulations that threaten state residents.

The members of the Obligated Group believe that they are in substantial compliance with all applicable current requirements of HIPAA.

Cyber Attacks. The Obligated Group relies on IT systems, including electronic medical record (EMR) systems, to process, transmit and store sensitive and confidential data, including personally identifiable information of its patients and employees, and proprietary and confidential business performance data. Although the Obligated Group routinely monitors and tests the security of its IT systems and processes and implements appropriate security measures, IT systems are often subject to computer viruses, cyber-attacks by hackers, or breaches due to employee error or malfeasance. Cyber-attacks specifically targeting health systems have been occurring more frequently. Any breach or cyber-attack that compromises patient data could result in negative press and substantial fines or penalties for violation of HIPAA or similar state privacy laws that may harm the Obligated Group's business or financial condition. Although the Obligated Group is not currently aware of having experienced a material security breach, the Obligated Group's IT security measures may not be sufficient to prevent cyber-attacks in the future. As cybersecurity threats continue to evolve, the Obligated Group may not be able to anticipate certain attack methods in order to implement effective protective measures, and may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate identifiable vulnerabilities, or invest in new technology designed to mitigate security risks. Additionally, the Obligated Group's IT systems routinely interface with and rely on third party systems that are also subject to the risks outlined above and may not have or use appropriate controls to protect confidential information. A breach or attack affecting a third-party service provider could harm the Obligated Group's business or financial condition. Although the Obligated Group has insurance against some cyber risks and attacks, it may not be sufficient to offset the full impact of a material loss event.

Waiver Programs. Some hospitals are engaged in programs which waive certain Medicare coinsurance and deductible amounts. Such waiver programs may be considered to be in violation of certain rules and policies applicable to the Medicare program and may be subject to enforcement action. The members of the Obligated Group may at times waive certain Medicare coinsurance and deductible amounts. If an agency or court were to conclude that such waivers violate the applicable law, there is a possibility that the members of the Obligated Group, could be assessed fines, which could be substantial, that certain Medicare payments might be withheld or, in a serious case, that the members of the Obligated Group could be excluded from the Medicare program. While management of the members of the Obligated Group are not aware of any challenge or investigation with respect to such matters, there can be no assurance that such challenge or investigation will not occur in the future.

Civil Monetary Penalty Act. The federal Civil Monetary Penalty Act ("***CMP***") provides for administrative sanctions against health care providers for a broad range of billing and other abuses. A health care provider is liable under the CMP if it knowingly presents or causes to be presented improper claims for reimbursement under Medicare, Medicaid and other federal health care programs. A hospital that participates in arrangements known as "gainsharing" and pays a physician to limit or reduce services to Medicare fee-for-service beneficiaries also could be subject to CMP penalties. The ACA amended CMP to authorize civil monetary penalties for a number of additional activities, including (i) knowingly making or using a false record or statement material to a false or fraudulent claim for payment; (ii) failing to grant OIG timely access for audits, investigations, or evaluations; and (iii) failing to report and return a known overpayment within statutory time limits.

Health care providers may be found liable under the CMP even when they did not have actual knowledge of the impropriety of the claim. The imposition of civil money penalties on a health care provider could have a material adverse impact on the provider's financial condition.

Exclusions from Medicare or Medicaid Participation. HHS is required to exclude from program participation any individual or entity who has been convicted of a criminal offense relating to the delivery of any item or service reimbursed under Medicare or a state health care program, any criminal offense relating to patient neglect or abuse in connection with the delivery of health care, fraud against any federal, state or locally financed health care program or an offense relating to the illegal manufacture, distribution, prescription, or dispensing of a controlled substance. HHS also may exclude individuals or entities under certain other circumstances, such as an unrelated conviction of fraud, theft, embezzlement, breach of fiduciary duty, or other financial misconduct relating either to the delivery of health care in general or to participation in a federal, state or local government program. Exclusion from the Medicare/Medicaid program means that a hospital would be decertified and no program payments could be made. Any exclusion would result in a materially adverse effect on the operations of the members of the Obligated Group.

Compliance with Conditions of Participation. CMS, in its role of monitoring participating providers' compliance with conditions of participation in the Medicare program, may determine that a provider is not in compliance with such conditions. In that event, a notice of termination of participation may be issued to such provider

or other sanctions potentially could be imposed. As of the date of this Official Statement, none of the members of the Obligated Group are aware of any such notices pending or contemplated against the members of the Obligated Group or their facilities, which would have material adverse consequences on the financial condition of the members of the Obligated Group.

Enforcement Activity. Enforcement activity against health care providers has increased, and enforcement authorities are adopting more aggressive approaches. In the current regulatory climate, it is anticipated that many hospitals and physician groups will be subject to an investigation, audit or inquiry regarding billing practices or false claims.

Enforcement authorities are sometimes in a position to compel settlements by providers charged with or being investigated for false claims violations by withholding or threatening to withhold Medicare, Medicaid or similar payments or by instituting criminal action. In addition, the cost of defending such an action, the time and management attention consumed thereby and the facts of a particular case may dictate settlement. Therefore, regardless of the merits of a particular case or cases, any affected hospital could experience materially adverse settlement costs, as well as materially adverse costs associated with implementation of any settlement agreement. Prolonged and publicized investigations could be damaging to the reputation, business and credit of the Obligated Group, regardless of the outcome, and could have material adverse consequences on the Obligated Group's financial condition.

Certain acts or transactions may result in violation or alleged violation of a number of the federal health care fraud laws described above, and therefore penalties or settlement amounts are often compounded. Generally, these risks are not covered by insurance.

Liability Under State Laws. Health care providers in Florida also are subject to prosecution and civil penalties under a variety of state laws, notably the following:

Florida FCA. Florida's civil FCA is modeled on the federal law, expanding the prohibition against the submission of false claims to commercial and private third party payors. Florida's civil FCA provides for treble damages, which the court may reduce to double damages under specific extenuating circumstances, and imposes a civil penalty of not less than $5,500 but not more than $11,000. Specific intent to defraud is not required for liability and "knowing" and "knowingly" includes actual knowledge, deliberate ignorance, or reckless disregard of truth or falsity.

Florida Patient Self-Referral Act. In 1992, the Florida Legislature enacted the Patient Self-Referral Act. This law contains provisions that are similar to those of the federal Anti-Fraud and Abuse Law and the Stark Law described above. The Florida Legislature has amended the Patient Self-Referral Act several times, most commonly to expand the prohibitions contained therein. More recently, effective July 1, 2023, the Patient Self-Referral Act made the physician supervision requirements less onerous under the referral exclusion related to members of a group practice. In addition, in 1996 the Florida Legislature adopted a patient brokering law that contains certain expansions of the prohibitions. A health care provider may not refer a patient for the provision of Florida designated health services to an entity in which the health care provider is an investor or has an investment interest, unless an exception applies. Unlike the federal laws, the Florida laws apply to all patients regardless of payor class. Although the members of the Obligated Group believe that they are in compliance with these laws and regulations, there can be no assurance that federal or state regulatory authorities will not challenge past, current or future activities under these laws, and there can be no assurance that members of the Obligated Group will not be found to have violated these laws, and if so, whether any enforcement activity would have a material adverse effect on the operations and financial condition of the members of the Obligated Group.

Florida Hospital Licensing Law. Florida's hospital licensing law includes a requirement for treatment of persons with emergency medical conditions that is similar to that contained in the Medicare law. While the members of the Obligated Group believe that they are in material compliance with licensure requirements, there can be no assurance that the AHCA will not challenge the member's past, current or future activities under these laws and regulations, or that they will be able to comply on a cost effective basis with licensure requirements that may be enacted or adopted in the future.

EMTALA. The Emergency Medical Treatment and Active Labor Act ("***EMTALA***") is a federal civil statute that requires Medicare-participating hospitals with emergency departments to treat or conduct an appropriate and

uniform medical screening for emergency conditions on all patients and to stabilize a patient's emergency medical condition before releasing, discharging or transferring the patient to another hospital. A hospital that violates EMTALA is subject to civil penalties per offense and exclusion from the Medicare and Medicaid programs. Over the last few years, the federal government has increased its enforcement of EMTALA. In addition, the hospital is liable for any claim by an individual who has suffered harm as a result of such violation and may be liable to the receiving hospital for financial losses suffered as a result of a transfer in violation of EMTALA. Substantial failure of the Obligated Group to meet its responsibilities under EMTALA could materially adversely affect the financial condition of the Obligated Group.

Licensing, Surveys, Investigations and Audits. Health facilities, including those of the Obligated Group, are subject to numerous legal, regulatory, professional and private licensing, certification and accreditation requirements. These include, but are not limited to, requirements relating to Medicare and Medicaid participation and payment, state licensing agencies, private payors and The Joint Commission. Renewal and continuance of certain of these licenses, certifications and accreditations are based on inspections, surveys, audits, investigations or other reviews. An adverse determination could result in a suspension or exclusion from the Medicare and Medicaid programs, loss or reduction in the scope of licensure, certification or accreditation or a reduction in payments received or required repayment of amounts previously remitted, or could result in the payment of fines or penalties. Moreover, under certain circumstances, actions taken against the members of the Obligated Group, including for example actions related to violations of other laws, may serve as the basis for separate actions taken by other governmental agencies (or third-party payors) to terminate the tax-exempt status of the members of the Obligated Group, to terminate third-party payment program participation by the members of the Obligated Group, to terminate licensure or to take other actions that would, if taken and if successfully pursued by the governmental agency or third-party payor, either individually or when considered together, result in a material adverse effect on the operations or financial condition of the members of the Obligated Group.

All of the Obligated Group's hospital facilities have full accreditation from The Joint Commission. Management anticipates no difficulty renewing or continuing currently held accreditations, licenses or certifications, nor do they anticipate a reduction in third-party payments from such events that would materially adversely affect the operations or financial condition of the Obligated Group. Nevertheless, actions in any of these areas could result in the loss of utilization or revenues or the Obligated Group's ability to operate all or a portion of their facilities and, consequently, could have a material and adverse effect on the Obligated Group's ability to make payments relating to the Series 2024 Bonds.

Environmental Laws and Regulations. Health care providers are subject to a wide variety of federal, state and local environmental and occupational health and safety laws and regulations that address, among other things, provider operations or facilities and properties owned or operated by providers. The types of regulatory requirements faced by health care providers include: air and water quality control requirements; waste management requirements; specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances; requirements for providing notice to employees and members of the public about hazardous materials handled by or located at the hospital; and requirements for training employees in the proper handling and management of hazardous materials and wastes, and other requirements.

In their role as owners or operators of properties or facilities, the members of the Obligated Group may be subject to liability for investigating and remedying any hazardous substances that have come to be located on their property, including any such substances that may have migrated off the property. Typical health care provider operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable and other hazardous materials, wastes, pollutants or contaminants. As such, health care provider operations are particularly susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations. Such risks may result in damage to individuals, property or the environment; may interrupt operations or increase their cost; may result in legal liability, damages, injunctions or fines; and may result in investigations, administrative proceedings, civil litigation, criminal prosecution, penalties or other governmental agency actions; and may not be covered by insurance. There can be no assurance that the members of the Obligated Group will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of the members of the Obligated Group.

Business Relationships and Other Business Matters

Concentration Risks. The Obligated Group's operations are limited to Central Florida, and a substantial amount of its revenue is realized from facilities in close proximity in Lakeland, Florida. This concentration makes it particularly sensitive to regulatory, economic, environmental and competitive conditions and changes in the State. Any material change in the current payment programs or regulatory, economic, environmental or competitive conditions in Florida could have a substantial effect on its overall business results. In addition, the Obligated Group's facilities are located in areas prone to hurricanes. Hurricanes have had a disruptive effect on the operations of hospitals in Florida and the patient populations in Florida. A hurricane, tornado, fire, earthquake, or other natural disaster could adversely affect the Obligated Group, especially if insurance is inadequate to cover resulting property and business losses. The Obligated Group maintains property insurance coverage for buildings, business personal property and business interruption, including the peril of Named Storm (hurricanes and tropical storms). A $250,000 "All Other Peril" deductible is applicable per occurrence for Property Damage and Business Interruption combined, while a 2% Named Storm Deductible is applicable per building for Property Damage and Business Interruption combined.

Hospital Pricing. Inflation in hospital costs may evoke action by legislatures, payors, employers or consumers. It is possible that legislative action at the state or national level may be taken with regard to the pricing of health care services.

Health Care Integration. Hospitals and health systems often own, control or have affiliations with relatively large physician groups. Generally, the sponsoring hospital or health care system will be the primary capital funding source for such alliances and may have an ongoing financial commitment to provide growth capital and support operating deficits.

These types of alliances are generally designed to respond to existing trends in the delivery of medicine, to increase physician availability to the community and to enhance the managed care capability of the affiliated health care provider and physicians. However, these goals may not be achieved, and an unsuccessful alliance may have a material and adverse effect on the financial condition of the sponsoring hospital or health system and also may be counterproductive to any of the above-stated goals.

All integrated delivery systems carry with them the potential for legal or regulatory risks in varying degrees. The ability of hospitals or health care systems to conduct integrated physician operations may be altered or eliminated in the future by regulatory agencies, participating physicians or changes in the manner in which such organizations are operated. There can be no assurance that such issues and risks will not lead to material adverse changes to the financial condition of the Obligated Group. In addition, participating physicians may seek their independence for a variety of reasons, thus putting the hospital's investment at risk and potentially reducing its managed care leverage or overall utilization.

Indigent Care. Tax-exempt hospitals and other providers often treat large numbers of "indigent" patients who, for various reasons, are unable to pay in full for their medical care. The Hospital has historically treated significant numbers of indigent patients. These hospitals and other providers may be susceptible to economic and political changes that could increase the number of indigents or their responsibility for caring for this population. General economic conditions that affect the number of employed individuals who have health coverage affect the ability of patients to pay for their care. Similarly, changes in governmental policy, which may result in coverage exclusions under local, state and federal health care programs (including Medicare and Medicaid) may increase the frequency and severity of indigent treatment by such hospitals and other providers. It also is possible that future legislation could require that tax-exempt hospitals and other providers maintain minimum levels of indigent care as a condition to federal income tax exemption or exemption from certain state or local taxes. Therefore, indigent care commitments of the Obligated Group could have a material and adverse effect on the financial condition of the Obligated Group.

Physician Contracting and Relations. The members of the Obligated Group have entered into a wide variety of relationships with physicians. Many of these relationships may be of material importance to the operations of the Obligated Group's facilities, but these relationships pose a variety of legal and business risks.

The primary relationship between a hospital and physicians who practice at the hospital is through the hospital's organized medical staff. Medical staff bylaws, rules and policies establish the criteria and procedures by

which a physician may have his or her privileges or membership curtailed, denied or revoked. Physicians who are denied medical staff membership or certain clinical privileges, or who have such membership or privileges curtailed or revoked often file legal actions against hospitals and medical staffs. Such actions may include a wide variety of claims, some of which could result in substantial uninsured damages to a hospital. In addition, failure of the hospital governing body to adequately oversee the conduct of its medical staff may result in hospital liability to third parties. All hospitals are subject to such risks.

Access to the Medical Staffs of the Hospital. The operation of the Hospital is dependent on the Obligated Group's ability to recruit and retain highly qualified physicians to the Hospital's medical staff, and to encourage non-employed physicians to admit patients to the hospital rather than to competing Hospitals where they maintain privileges. The Hospital has a variety of relationships with physicians. Many of these relationships may be of material importance to operations. In an increasingly complex legal and regulatory environment, these relationships pose a variety of legal and business risks. Physicians are increasingly organizing or joining physician practice groups that are comprised of a large number of physicians. This consolidation increases the importance of attracting physicians in the groups to a hospital's medical staff and increases the risk of the loss of the physicians as a group.

Physician Supply. Sufficient community-based physician supply is important to hospitals. CMS annually reviews overall physician reimbursement formulas. Changes to physician compensation formulas could lead to physicians locating their practices in communities with lower Medicare populations. In addition, the availability of certain specialists is limited, which can restrict hospitals' ability to staff a necessary service. Limited physician supply can restrict hospital service lines and can affect hospitals' ability to provide full coverage and call coverage of departments. Hospitals may be required to invest additional resources in recruiting and retaining physicians, and securing coverage for necessary departments and for call in order to continue serving the growing population base and maintain market share.

Hospital Affiliation, Merger, Acquisition and Disposition. As with many multi-provider systems, the Obligated Group, may plan for, evaluate and pursue potential merger and affiliation candidates on a consistent basis as part of its overall strategic planning and development process. Such planning and discussions might result in the growth of the number and change in composition of entities affiliated with the Obligated Group over time. As part of their ongoing planning and property management functions, the members of the Obligated Group review the use, compatibility and business viability of many of the Obligated Group's operations and, from time to time, may pursue changes in the use or disposition of various assets, including their hospital facilities. Likewise, the Obligated Group may conduct discussions with third parties about the potential acquisition of operations or properties that may become affiliated with the Obligated Group in the future or about the potential sale of some of the operations and properties that currently are affiliated with the Obligated Group. Discussions with respect to affiliation, merger, acquisition, disposition, or change of use are held on a frequent and usually confidential basis with other parties and may include the execution of non-binding letters of intent.

The Obligated Group may pursue investments, ventures, affiliations, development and acquisitions of other health care-related entities. These may include home health care, long-term care entities or operations, pharmaceutical providers, and other health care enterprises that support the overall operations and mission of the Obligated Group. In addition, the Obligated Group may pursue such transactions with health insurers, HMOs, PPOs, third-party administrators, and other health insurance-related businesses. All such initiatives may involve significant capital commitments and present significant risks, and some may arise in businesses in which management may have limited expertise. There can be no assurance that these projects, if pursued, will not have a material adverse effect on the financial condition of the Obligated Group.

Competition Among Health Care Providers. Increased competition from a wide variety of potential sources, including, but not limited to, other hospitals and health care systems, inpatient and outpatient health care facilities, long-term care and skilled nursing services facilities, specialty hospitals, ambulatory surgery centers, clinics, physicians and others, could adversely affect the utilization and revenues of the Obligated Group. Existing and potential competitors may not be subject to various restrictions applicable to the Obligated Group, and competition, in the future, may arise from new sources not currently anticipated or prevalent. While the effect of such actions is uncertain, it can be expected to increase competition in the health care field generally, and the utilization and revenues of the Obligated Group could be adversely affected thereby.

The State repealed major portions of its certificate of need law in June 2019, thereby reducing regulatory barriers to entry for healthcare providers that previously existed. Management of the Obligated Group is unable to predict the impact the repeal may have, but to the extent it increases competition in the Obligated Group's market, it could have an adverse effect on the financial condition and operations of the Obligated Group.

Additionally, scientific and technological advances, new procedures, drugs and appliances, preventive medicine, occupational health and safety and outpatient health care delivery may reduce utilization and revenues of the Obligated Group in the future. Technological advances in recent years have accelerated the trend toward the use by hospitals and other health care providers of sophisticated and costly equipment and services for diagnosis and treatment, as well as of the increased administration of outpatient care. The acquisition and operation of certain equipment or services may continue to be a significant factor in hospital and other provider utilization, but the ability of the members of the Obligated Group to offer such equipment or services may be subject to the availability of equipment or specialists, governmental approval or the ability to finance such acquisitions or operations. In some cases, hospital investment in facilities and equipment for capital-intensive services may be lost as a result of rapid changes in diagnosis, treatment or clinical practice brought about by new technology or new pharmacology.

Health Plan Financial Pressure and Insolvency. Over the last several years, a number of health plans have become insolvent or experienced financial pressure or cash flow issues. Such plans range in size from smaller local provider-based plans to some of the largest plans in the United States. These plans include traditional indemnity insurers, as well as HMOs and PPOs. Health plans that experience financial pressure may slow payment to providers, withhold pay entirely, or utilize claims payment methodology that systematically reduces compensation on a per claim basis. Health plans that become insolvent may seek either federal bankruptcy or state insurance insolvency protection. Such bankruptcy or insurance insolvency protection may require that providers repay certain claims to the health plan, or result in certain claims becoming uncollectible. It is not possible at this time to predict the future of the managed care industry in general or of specific third-party payors, or to predict what impact the state of the financial health of such organizations might have on the Obligated Group.

Antitrust. Enforcement of the antitrust laws against health care providers is becoming more common. Antitrust liability may arise in a wide variety of circumstances, including medical staff privilege disputes, payor contracting, physician relations, joint ventures, merger, affiliation and acquisition activities, certain pricing or salary setting activities, as well as other areas of activity. The application of the federal and state antitrust laws to health care is still evolving, and enforcement activity appears to be increasing. Violation of the antitrust laws could result in criminal and civil enforcement proceedings by federal and state agencies, as well as actions by private litigants. In certain actions, private litigants may be entitled to treble damages, and in others, governmental entities may be able to assess substantial monetary fines. The most common areas of potential liability are joint action among providers with respect to payor contracting, medical staff credentialing, merger, acquisition and affiliation activity and use of a hospital's local market power for entry into related health care businesses. From time to time, the members of the Obligated Group are or may be involved with all of these types of activities, and none of the members of the Obligated Group can predict in general when or to what extent liability, if any, may arise. Liability in any of these or other trade regulation areas may be substantial, depending upon the facts and circumstances of each case.

On July 9, 2021, President Biden signed the Executive Order on Promoting Competition in the American Economy (the "***Executive Order on Promoting Competition***"), which addresses the recent increase in corporate consolidation in health care, financial services and other sectors. The Executive Order on Promoting Competition asserts that corporate mergers have resulted in higher prices and lower wages and directs executive branch agencies to pursue actions that potentially restrict competition in these sectors. Such actions include encouraging the Federal Trade Commission and the Department of Justice to review horizontal and vertical merger guidelines and to consider any applicable changes to improper mergers.

Physicians who are subject to adverse peer review proceedings may file federal antitrust actions against hospitals and seek treble damages. Hospitals regularly have disputes with physicians regarding credentialing and peer review and, therefore, may be subject to liability in this area. In addition, hospitals occasionally indemnify medical staff members who are involved in such credentialing or peer review activities and also may be liable with respect to such indemnity. Recent court decisions also have established private causes of action against hospitals that use their local market power to promote ancillary health care businesses in which they have an interest. Such activities may result in monetary liability for the participating hospitals under certain circumstances where a competitor suffers business damage.

Malpractice and General Liability Insurance. In recent years, the number of malpractice and general liability suits and the dollar amount of damage recoveries have increased nationwide, resulting in substantial increases in insurance premiums. Actions alleging wrongful conduct and seeking punitive damages are often filed against hospitals. Insurance does not provide coverage for judgments for punitive damages. Although there are various medical malpractice and other negligence claims, both threatened and pending, against the members of the Obligated Group, management believes that existing funding levels and coverage limits adequately cover any such liability exposures and the final disposition of any such claims will not have a material adverse effect upon the financial condition of the Obligated Group. For a discussion of the insurance coverage of the Obligated Group, see APPENDIX A – "INSURANCE."

Labor Relations and Collective Bargaining. Hospitals are large employers with a wide diversity of employees. Increasingly, employees of hospitals are becoming unionized, and many hospitals have collective bargaining agreements with one or more labor organizations. Employees subject to collective bargaining agreements may include essential nursing and technical personnel, as well as food service, maintenance and other trade personnel. Renegotiation of such agreements upon expiration may result in significant cost increases to the Obligated Group. In addition, employee strikes or other adverse labor actions may have an adverse impact on the Obligated Group. As of the date of issuance of the Series 2024 Bonds, only the registered nurses and technical employees of the members are covered by collective bargaining agreements. See APPENDIX A – "SERVICES AND PROGRAMS – Human Resources."

Health Care Worker Classification. Health care providers, like all businesses, are required to withhold income taxes from amounts paid to employees. If the employer fails to withhold the tax, the employer becomes liable for payment of the tax imposed on the employee. On the other hand, businesses are not required to withhold federal taxes from amounts paid to a worker classified as an independent contractor. The IRS has established criteria for determining whether a worker is an employee or an independent contractor for tax purposes. Misclassification of workers as independent contractors can lead to significant annual losses from social security and unemployment taxes. In the past several years, the IRS, through the Employment Tax Examination Program, has assessed employers many millions of dollars in back taxes and penalties and has forced the reclassification of hundreds of thousands of workers. None of the members of the Obligated Group believes that it has improperly classified workers.

Staffing. In recent years, the health care industry has suffered from a scarcity of nursing personnel, respiratory therapists, pharmacists and other qualified health care technicians and personnel, which has resulted in (1) increased costs and lost revenues due to the need to hire agency nursing personnel at higher rates, (2) increased compensation levels, and (3) the inability to use otherwise available beds as a result of staffing shortages. A significant factor underlying this trend includes a decrease in the number of persons entering such professions. This may be expected to intensify in the future, aggravating the shortage of such personnel. Management cannot predict whether this trend will continue, but, if it does, it could have a material adverse impact on the business, financial condition and results of operations of the Obligated Group.

Minimum Wage Laws. Federal, state and local minimum wage laws have come under scrutiny in recent years. In November 2020, Florida voters approved an amendment to Florida's Constitution that steadily increases Florida's minimum wage in $1-per-hour increments annually commencing in September 2021 (increasing the current minimum wage from $8.56 per hour to $10 per hour), culminating in a $15 minimum wage in September 2026 that will thereafter be adjusted annually based on the consumer price index. Such legislation will cause increased salary and benefits expense for all employers in the State, including the Obligated Group, which could have an adverse impact on the financial condition of the Obligated Group.

340B Drug Pricing Program

Hospitals that participate in the prescription drug discount program established under Section 340B of the federal Public Health Service Act (the "***340B Program***") are able to purchase certain outpatient prescription drugs for their patients at a reduced cost. Effective January 1, 2018, CMS began paying hospitals 22.5% less than the average sales price for drugs purchased through the 340B Program. Previously, payments had been made of the average sales price plus 6%. Under the 2020 OPPS final rule, CMS will extend the 340B Program payment rate of average sales price minus 22.5% to drugs provided at non-excepted off-campus provider-based departments as well. These cuts were challenged and the U.S. Supreme Court issued an opinion on June 15, 2022 in *American Hospital Association et al. v. Becerra* holding that CMS had acted in an unlawful manner when it reduced the reimbursement rates for hospitals participating in the 340B Program. As a result of the Supreme Court's decision, CMS finalized for calendar year 2023

a payment rate of average sales price plus 6% for 340B Program drugs, consistent with CMS policy for drugs not acquired through the 340B Program. CMS further implemented a 3.09% reduction to payment rates for non-drug services to achieve budget neutrality for the 340B Program payment rate change for calendar year 2023. CMS finalized an additional one-time lump sum payment for calendar years 2018-2022 for the approximately 1,600 affected hospitals. To meet the statutory requirement of budget neutrality, CMS will reduce future non-drug item and service payments by adjusting the OPPS conversion factor by a negative 0.5 percent beginning in 2026, estimating that it will take 16 years to accomplish the offset. A hospital may experience materially adverse costs associated with losing eligibility to receive 340B Drug Program discounts or being required to repay manufacturers for unsupportable discounts or decreases in reimbursements. The 340B Drug Program has also been the subject of scrutiny in government reports and congressional hearings. It is possible that the 340B Drug Program will be modified, restricted or eliminated in the future.

Lease and Transfer Agreement

The Hospital is owned by and located on land owned by the Issuer and leased to LRMC pursuant to the Lease and Transfer Agreement. In the event LRMC defaults on its obligations under the Lease and Transfer Agreement, the Issuer may exercise remedies thereunder including terminating the Lease and Transfer Agreement and conveyance to the Issuer of all property, inclusive of real property, personal property and cash of LRMC and all its affiliates. In the event the Series 2024 Bonds are outstanding, such remedies are subject to certain conditions, including, the assumption by the Issuer of the obligations represented by the Series 2024 Bonds but payable solely from net revenues of the Hospital under certain circumstances. Upon an event of default under the Lease and Transfer Agreement and a subsequent request of termination by the Issuer, holders of the Series 2024 Bonds may be adversely affected by virtue of having the Series 2024 Bonds accelerated and being paid a price of par in advance of maturity, substitution of an operator other than LRMC, or by having their security limited (as a result of the Issuer assuming the payment of the Series 2024 Bonds) solely to revenues of the Hospital, operations, net of expenses. See APPENDIX C-2 – "SUMMARY OF LEASE AND TRANSFER AGREEMENT" and "BONDHOLDERS' RISKS – Tax-Exempt Status and Other Tax Matters" herein.

IT System Vulnerability

The Obligated Group's operations are heavily dependent on the performance of its information technology ("***IT***") system. Its IT system is essential to financial accounting and reporting, proper billing and collecting, managing inventory, managing patient records, and complying with regulatory requirements, among other functions. In addition, recent legislation creates future financial incentives for health care providers to make more extensive use of electronic health records. Any IT system failure could adversely affect operations or delay the collection of revenues. Even though the Obligated Group has implemented network security measures, its servers are vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering. The occurrence of any of these events could result in interruptions, delays, the loss or corruption of data, or cessations in the availability of systems, all of which could have a material adverse effect on the Obligated Group's financial position and results of operations and harm its business reputation. In addition, a breach of the Obligated Group's IT system that results in a violation of the HIPAA security and privacy rules could result in damages or civil or criminal penalties, or increase operating expenses as necessary to notify affected individuals, correct problems, comply with federal and state regulations, defend against potential claims and implement and maintain any additional requirements imposed by government action.

Tax-Exempt Status and Other Tax Matters

Maintenance of the Tax-Exempt Status of the Obligated Group and Certain Affiliates. The tax-exempt status of interest on the Series 2024 Bonds depends upon the maintenance by the members of the Obligated Group and certain other affiliates of their status as organizations described in section 501(c)(3) of the Code. The maintenance of such status is dependent on their continued compliance with general rules promulgated in the Code and related regulations regarding the organization and operation of tax-exempt entities, including their operation for charitable and other permissible purposes (as discussed above) and their avoidance of transactions that may cause their earnings or assets to inure to the benefit of private individuals. As these general principles were developed primarily for public charities that do not conduct large-scale technical operations and business activities, they often do not adequately address the myriad of operations and transactions entered into by a modern health care organization. Although traditional activities of health care providers, such as medical office building leases, have been the subject of

interpretations by the IRS in the form of private letter rulings, many activities or categories of activities have not been addressed in any official opinion, interpretation or policy of the IRS.

In recent years, the IRS has issued a number of formal and informal statements of policy and interpretation that have increased uncertainty over the IRS's position on a wide variety of activities commonly undertaken by health care organizations. As a result, tax-exempt health care providers currently are subject to an increased degree of scrutiny and enforcement activity by the IRS.

The members of the Obligated Group participate in a variety of joint ventures and transactions with physicians either directly or indirectly. Management believes upon the advice of counsel that the joint ventures and transactions to which the members of the Obligated Group are a party are consistent with the requirements of the Code as to tax-exempt status, but, as noted above, there is uncertainty as to the state of the law in this regard. Any change in or violation of the applicable rules could adversely affect the tax-exempt status of one or more Obligated Group members as an organization or organizations described in section 501(c)(3) of the Code. Such a change or violation may also require the dissolution of one or more joint ventures, which could have material adverse consequences to the Obligated Group.

In recent years, the IRS has increased the frequency and scope of its audit and other enforcement activity regarding tax-exempt health care organizations. If the IRS were to find that any of the members of the Obligated Group has participated in activities in violation of certain regulations or rulings, the tax-exempt status of such entity could be jeopardized. Although the IRS has not frequently revoked the 501(c)(3) tax-exempt status of nonprofit health care corporations, it could do so in the future. Loss of tax-exempt status by any of the members of the Obligated Group could result in loss of exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds and of other tax-exempt debt of the members of the Obligated Group and defaults in covenants regarding the Series 2024 Bonds and other related tax-exempt debt and obligations of the members of the Obligated Group likely would be triggered. Loss of tax-exempt status also could result in substantial tax liabilities on the income of the members of the Obligated Group. For these reasons, loss of the tax-exempt status of the members of the Obligated Group could have a material adverse effect on the financial condition of the members of the Obligated Group.

In lieu of revocation of exempt status, the IRS may impose penalty excise taxes on certain "excess benefit transactions" involving 501(c)(3) organizations and "disqualified persons." An excess benefit transaction is one in which a disqualified person or entity receives more than fair market value from the exempt organization or pays the exempt organization less than fair market value for property or services, or shares the net revenues of the tax-exempt entity. A disqualified person is a person (or an entity) who is in a position to exercise substantial influence over the affairs of the exempt organization during the five years preceding an excess benefit transaction. The statute imposes excise taxes on the disqualified person and any "organization manager" who knowingly participates in an excess benefit transaction. The intermediate sanctions rules do not penalize the exempt organization itself, so there would be no direct impact on the members of the Obligated Group or the tax status of the Series 2024 Bonds if an excess benefit transaction were subject to IRS enforcement. However, these intermediate sanctions do not replace other remedies available to the IRS, including revocation of tax-exempt status.

In a number of recent cases, the IRS has imposed substantial monetary penalties and future charity care or public benefit obligations on tax-exempt hospitals in lieu of revoking their tax-exempt status, as well as requiring that certain transactions be altered, terminated or avoided in the future and/or requiring governance or management changes. In such cases, the IRS and such exempt hospitals have entered into "closing agreements" with respect to the hospitals' alleged violations of certain tax rules, including with respect to informal physician recruiting guidelines applied by the IRS. Given the exemption risks involved in certain transactions, the members of the Obligated Group may be at risk for incurring monetary and other liabilities imposed by the IRS. These liabilities could be materially adverse.

The ACA contains new requirements for tax exempt hospitals. Under the ACA, each tax exempt hospital facility is required to (1) conduct a community health needs assessment at least every three years and adopt an implementation strategy to meet the identified community needs; (2) adopt, implement and widely publicize a written financial assistance policy and a policy to provide emergency medical treatment without discrimination; (3) limit charges to individuals who qualify for financial assistance under the hospital's financial assistance policy to no more than the amounts generally billed to individuals who have insurance covering such care and refrain from using "gross

charges" when billing such individuals; and (4) refrain from taking extraordinary collection actions without first making reasonable efforts to determine whether the individual is eligible for assistance under the hospital's financial assistance policy. A failure to comply with the provisions of Section 501(r) of the Code and the final regulations issued thereunder could result in a loss of tax-exempt status or otherwise subject revenues of a hospital facility to federal income tax. In addition, under the ACA, the Treasury Department is required to review information about a hospital's community benefit activities at least once every three years. In recent years legislation has been proposed to repeal the exemption of nonprofit hospitals from federal income taxes. The ACA may make it more difficult to comply with community benefit requirements. Any reduction in community benefits provided by nonprofit hospitals generally could increase the risk of passage of such legislation.

The IRS has periodically conducted audit and other enforcement activity regarding tax-exempt health care organizations. Such audits may be conducted by teams of revenue agents, often take years to complete and require the expenditure of significant staff time by both the IRS and taxpayers. These audits examine a wide range of possible issues, including tax-exempt bond financing, partnerships and joint ventures, retirement plans and employee benefits, employment taxes, political contributions and other matters.

There is no assurance that the members of the Obligated Group will not be the subject of the audit program in the future. Management of each of the entities believes that it has properly complied with the tax laws. Nevertheless, because of the complexity of the tax laws and the presence of issues about which reasonable persons can differ, an IRS audit could result in additional taxes, interest and penalties. Such an audit ultimately could affect the tax-exempt status of the members of the Obligated Group, as well as the exclusion from gross income for federal income tax purposes of the interest payable on the Series 2024 Bonds and other tax-exempt debt of the Obligated Group.

State and Local Tax Exemption. In recent years, state, county and local taxing authorities have been undertaking audits and reviews of the operations of tax-exempt health care providers with respect to their real property tax exemptions. In some cases, particularly where authorities are dissatisfied with the amount of services provided to indigents, the real property tax-exempt status of the health care providers has been questioned. The majority of the real property of the members of the Obligated Group is currently treated as exempt from real property taxation. Although the real property tax exemptions of the members of the Obligated Group with respect to their core health care facilities has not, to the knowledge of management, been under challenge, an investigation or audit could lead to a challenge that could adversely affect the real property tax exemption of the members of the Obligated Group.

It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of nonprofit corporations. There can be no assurance that future changes in the laws and regulations of state or local governments will not materially adversely affect the operations and financial condition of the Obligated Group by requiring any of the members to pay income or local property taxes.

Unrelated Business Income. In recent years, the IRS and state, county and local tax authorities have been undertaking audits and reviews of the operations of tax-exempt hospitals with respect to their exempt activities and the generation of unrelated business taxable income ("***UBTI***"). The members of the Obligated Group participate in activities that generate UBTI. An investigation or audit could lead to a challenge that could result in taxes, interest and penalties with respect to unreported UBTI and in some cases ultimately could affect the tax-exempt status of the members of the Obligated Group as well as the exclusion from gross income for federal income tax purposes of the interest payable on the Series 2024 Bonds and other tax-exempt debt of the Obligated Group.

Maintenance of Tax-Exempt Status of Interest on the Series 2024 Bonds. The Code imposes a number of requirements that must be satisfied for interest on state and local obligations, such as the Series 2024 Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds, limitations on the investment earnings of bond proceeds prior to expenditure, a requirement that certain investment earnings on bond proceeds be paid periodically to the United States, and a requirement that issuers file an information report with the IRS as well as maintenance by the Obligated Group members and certain affiliates of their status as organizations described in Section 501(c)(3) of the Code (see "Maintenance of the Tax-Exempt Status of the Obligated Group and Certain Affiliates" above). The Obligated Group has covenanted in certain of the documents referred to herein that it will comply with such requirements. Failure by the Obligated Group to comply with the requirements stated in the Code and related regulations, rulings and policies may result in the treatment of interest on the Series 2024 Bonds as taxable, retroactively to the date of issuance. The Issuer has also covenanted in certain of

the documents referred to herein that it will not take any action or refrain from taking any action that would cause interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes.

IRS officials have recently indicated that more resources will be invested in audits of tax-exempt bonds, including the use of their proceeds, in the charitable organization sector. The Series 2024 Bonds may be, from time to time, subject to audits by the IRS. The Obligated Group believes that the Series 2024 Bonds properly comply with the tax laws. In addition, Nabors, Giblin & Nickerson, P.A. will render opinions with respect to the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds, as described under the caption, "TAX TREATMENT." The Obligated Group has not sought to obtain a private letter ruling from the IRS with respect to the Series 2024 Bonds, and the opinion of Nabors, Giblin & Nickerson, P.A. is not binding on the IRS. There is no assurance that an IRS examination of the Series 2024 Bonds will not adversely affect the market value of the Series 2024 Bonds. See "TAX TREATMENT" herein.

The tax-exempt status of interest on the Series 2024 Bonds is based on the continued compliance by the Issuer and the Obligated Group with certain covenants relating generally, among other things, to the use of the facilities financed or refinanced with the proceeds of the Series 2024 Bonds, arbitrage limitations and rebate of certain excess investment earnings to the federal government. Failure to comply with such covenants with respect to the Series 2024 Bonds could cause interest on the Series 2024 Bonds to become subject to federal income taxation retroactively to their original date of issue. In such event, the Series 2024 Bonds are not subject to redemption solely as a consequence thereof, although the principal thereof may be accelerated.

Limitations on Contractual and Other Arrangements Imposed by the Code. As tax-exempt organizations, the members of the Obligated Group are limited with respect to their use of practice income guarantees, reduced rent on medical office space, low interest loans, joint venture programs, and other means of recruiting and retaining physicians. Uncertainty in this area has been reduced somewhat by the issuance by the IRS of guidelines on permissible physician recruitment practices. The IRS scrutinizes a broad variety of contractual relationships commonly entered into by hospitals and has issued a detailed audit guide suggesting that field agents scrutinize numerous activities of hospitals in an effort to determine whether any action should be taken with respect to limitations on or revocation of their tax-exempt status or assessment of additional tax. Any suspension, limitation, or revocation of the member's tax-exempt status or assessment of significant tax liability would have a materially adverse effect on the Obligated Group and might lead to loss of exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds and other tax-exempt obligations of the Obligated Group.

Financial Information

Certain audited financial information of the Obligated Group is set forth in APPENDICES B-1 and B-2 hereto. There can be no assurance that the financial results achieved by the Obligated Group in the future will be similar to historical results. Such future results will vary from historical results, and actual variations may be material. Therefore, the historical operating results of the Obligated Group cannot be taken as a representation that any of the members of the Obligated Group will be able to generate sufficient revenues in the future from the operation of its facilities to fulfill its obligations under the Bond Indenture, the Loan Agreement, and the Master Indenture.

Marketability of the Series 2024 Bonds

Although the Underwriter expects to engage in the purchase and sale of the Series 2024 Bonds in the secondary market, there can be no assurance that there will always be a secondary market for the purchase and sale of the Series 2024 Bonds, and from time to time there may be no market for them depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market, and the financial condition and results of operations of the Obligated Group and their facilities. The Series 2024 Bonds should therefore be considered long-term investments in which funds are committed to maturity.

Bond Rating

There is no assurance that the rating assigned to the Series 2024 Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2024 Bonds.

Not All Affiliates are Restricted

The economic strength of the Obligated Group could be affected by the economic strength of any of the affiliates (whether or not they are Obligated Group members or Restricted Affiliates) of LRHS. The Master Indenture does not impose restrictions on LRHS' affiliates which are not Obligated Group members or Restricted Affiliates. Although substantially all of the revenue-producing operations of LRHS and its affiliates are currently conducted by the Obligated Group, circumstances could change in the future either by the release of Obligated Group members or the development or acquisition of operations outside the Obligated Group. Affiliates may engage in a variety of not-for-profit and for-profit businesses. Should any of these business ventures have financial difficulties and LRHS or any Obligated Group member be obligated or choose to contribute financial assistance, the financial condition of the Obligated Group could be adversely impacted.

Other Risk Factors

Economic Condition and Unemployment. The business of the members of the Obligated Group is susceptible to variation with regional economic conditions. Because hospitals are required to provide emergency care without regard to a patient's ability to pay, poor economic conditions and increased unemployment, which can increase the population that does not have health care coverage and cannot pay for care out-of-pocket, can increase the uncompensated care that the members of the Obligated Group provide. In addition, poor economic conditions and increased unemployment can lead patients to postpone or forego elective procedures, thereby reducing volume and revenue.

Other Future Risks. In the future, the following additional factors, among others, may adversely affect the operations of health care providers, including the Obligated Group, to an extent that cannot be determined at this time:

(a) Reduced demand for the services provided by the Obligated Group that might result from decreases in the population.

(b) Efforts by insurers and governmental agencies to limit the cost of hospital services, to reduce the number of beds and to reduce the utilization of hospital facilities by such means as preventive medicine, improved occupational health and safety and outpatient care, or comparable regulations or attempts by third-party payors to control or restrict the operations of certain health care facilities.

(c) Cost and availability of any insurance, such as professional liability, fire, wind, automobile and general comprehensive liability coverages that health care facilities of a similar size and type generally carry.

(d) Developments generally adversely affecting the federal or state tax-exempt status of nonprofit organizations.

(e) Regulatory actions which might limit the ability of the Obligated Group to undertake capital improvements to their facilities or to develop new institutional health services.

(f) The Obligated Group's business and financial results could be harmed by an international, national or localized outbreak of a highly contagious or epidemic disease. Existing or future outbreaks of an infectious disease, such as the COVID-19 virus, Middle East Respiratory Syndrome virus, Severe Acute Respiratory Syndrome virus, Zika virus, or Ebola virus, that occur internationally, nationally or in the Obligated Group's service area, could adversely affect the Obligated Group's business and financial results and delay or disrupt the production or delivery of pharmaceuticals and other medical supplies. The treatment of a highly contagious disease at one of the Obligated Group's facilities may result in a temporary shutdown or diversion of patients, harm to workforce personnel, and overburdening of facilities. In addition, unaffected individuals may decide to defer elective procedures or otherwise avoid medical treatment, resulting in reduced patient volumes and operating revenues.

TAX TREATMENT

Series 2024 Bonds

The Code includes requirements which the Issuer and LRHS must continue to meet after the issuance of the Series 2024 Bonds in order that interest on the Series 2024 Bonds not be included in gross income for federal income

tax purposes. The Issuer or LRHS's failure to meet these requirements may cause interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer and LRHS have covenanted in the Bond Indenture, the Loan Agreement and the Master Indenture to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds.

In the opinion of Bond Counsel, assuming continuing compliance by the Issuer and LRHS with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, interest on the Series 2024 Bonds is excluded from gross income for federal income tax purposes. Interest on the Series 2024 Bonds is not an item of tax preference for purposes of the federal individual alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2024 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations.

Bond Counsel is further of the opinion that the Series 2024 Bonds and the interest thereon are exempt from all present intangible personal property taxes imposed pursuant to Chapter 199, Florida Statutes. Bond Counsel is further of the opinion that the Series 2024 Bonds and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the Issuer and LRHS in the Bond Indenture and the Loan Agreement, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2024 Bonds and of the property refinanced thereby), without undertaking to verify the same by independent investigation.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2024 Bonds. Prospective purchasers of Series 2024 Bonds should be aware that the ownership of Series 2024 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2024 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry Series 2024 Bonds, (2) the branch profits tax and (3) the inclusion of interest on the Series 2024 Bonds in passive income for certain S corporations. In addition, the interest on the Series 2024 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2024 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2024 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2024 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2024 Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the "***IRA***"), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15 percent alternative minimum tax to be imposed on the "adjusted financial statement income", as defined in the IRA, of certain corporations for tax years beginning after December 31, 2023. Interest on the Series 2024 Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2024 Bonds.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2024

Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2024 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2024 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2024 Bonds.

Original Issue Discount

Certain of the Series 2024 Bonds (the "***Discount Bonds***") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2024 Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Series 2024 Bonds and will increase its adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Original Issue Premium

Certain of the Series 2024 Bonds (the "***Premium Bonds***") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

FINANCIAL ADVISOR

The Obligated Group has retained Kaufman, Hall & Associates, LLC (which is referred to as "***Kaufman Hall***"), Skokie, Illinois, a municipal advisory firm registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board (the "***MSRB***"), as financial advisor in connection with the issuance of the Series 2024 Bonds. Although Kaufman Hall has assisted in the preparation of this official statement, Kaufman Hall was not and is not obligated to undertake, and has not undertaken to make, an independent verification and assumes no responsibility for the accuracy, completeness or fairness of the information contained in this official statement.

INDEPENDENT AUDITORS

The consolidated financial statements of Lakeland Regional Health Systems, Inc. and Subsidiaries as of September 30, 2023 and for the year then ended, included in APPENDIX B-1 to this Official Statement has been audited by KPMG LLP, independent auditors, as stated in their report appearing in APPENDIX B-1 to this Official Statement , which includes an Other Matter paragraph regarding the consolidating information included as schedules 1 and 2 to the consolidated financial statements. The consolidated financial statements of Lakeland Regional Health Systems, Inc. and Subsidiaries as of September 30, 2022 and for the year then ended, included in APPENDIX B-2 to this Official Statement has been audited by KPMG LLP, independent auditors, as stated in their report appearing in APPENDIX B-2 to this Official Statement, which includes a paragraph regarding the consolidating information included as schedules 1 and 2 to the consolidated financial statements.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Demgen & Moore P.C. (the "***Verification Agent***"), will independently verify, and issue a report on, the arithmetical accuracy of the computations included in schedules provided to them by the Underwriter indicating the sufficiency of the anticipated receipts from the United States Treasury Obligations deposited under an escrow deposit agreement, together with an initial cash deposit, to pay the principal and redemption price of and interest on the Refunded Bonds on and prior to their redemption date. Such verification will be based solely on assumptions and information supplied by the Underwriter. Furthermore, the Verification Agent will have restricted its procedures to verifying the arithmetical accuracy of such computations and will not have made any study or evaluation of the assumptions and information on which the computations were based and, accordingly, will not express an opinion on such assumptions and information, the reasonableness of such assumptions, or the achievability of future events. Such verification report will be relied upon by Bond Counsel in rendering its opinions with respect to the defeasance of the Refunded Bonds.

LEGAL MATTERS

Nabors, Giblin & Nickerson, P.A., Tampa, Florida, has served as bond counsel with respect to the issuance of the Series 2024 Bonds. Bond Counsel will render an opinion with respect to the Series 2024 Bonds in substantially the form attached as APPENDIX D. The opinion of Bond Counsel should be read in its entirety for a complete understanding of the scope of the opinion and the conclusions expressed. Delivery of the Series 2024 Bonds is contingent upon the delivery of the opinion of Bond Counsel.

Bond counsel has not been engaged nor undertaken to review (a) the accuracy, completeness or sufficiency of this Official Statement or any other offering material related to the Series 2024 Bonds, except as may be provided in a supplemental opinion of Bond Counsel to the Underwriter, upon which only it may rely, and which will relate only to certain information contained in this Official Statement regarding (i) the terms of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture, and the Escrow Agreement to the extent those statements purport to summarize the terms of the Series 2024 Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture, and the Escrow Agreement, (ii) the security and source of payment for the Series 2024 Bonds, and (iii) the tax-exempt status of the Series 2024 Bonds.

In connection with the issuance of the Series 2024 Bonds, the City Attorney of the City of Lakeland, Florida, has served as counsel to the Issuer, Peterson & Myers, P.A., Lakeland, Florida, has served as counsel to the Obligated Group, and Norton Rose Fulbright US LLP, Dallas, Texas has served as counsel to the Underwriter.

The legal opinions of Bond Counsel, counsel to the Obligated Group, counsel to the Issuer, and counsel to the Underwriter are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made to such counsel as of the date thereof. Counsel to the Obligated Group, counsel to the Issuer, and counsel to the Underwriter assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, which may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance

of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CONTINUING DISCLOSURE

General

The Obligated Group will enter into a Continuing Disclosure Agreement, in the form set forth in APPENDIX E hereto (the "***Continuing Disclosure Agreement***") whereby it has engaged Digital Assurance Certification LLC ("***DAC***"), to serve as its dissemination agent with respect to the Series 2024 Bonds. The Obligated Group is entering into the Continuing Disclosure Agreement for the benefit of the holders and beneficial owners from time to time of the Series 2024 Bonds, in accordance with, and as the only obligated person with respect to the Series 2024 Bonds under, Rule 15c2-12 (the "***Rule***") of the Securities and Exchange Commission (the "***SEC***"), to provide or cause to be provided such financial information and operating data of the Obligated Group, audited financial statements and notices, in such manner, as may be required for purposes of paragraph (b)(5)(i) of the Rule. The Obligated Group will provide the annual financial and operational data no later than 120 days after the end of each fiscal year.

Quarterly Reports

As of the date of this Official Statement, the Obligated Group also intends to provide to DAC for distribution to the MSRB, within 45 days after the end of each of the first three quarterly fiscal periods of each fiscal year of the Obligated Group (presently December 31, March 31 and June 30), and not later than 75 days after the end of the fourth fiscal quarter of each fiscal year of the Obligated Group (presently September 30), commencing with the quarter ending September 30, 2024 and DAC or any successor dissemination agent is irrevocably instructed to provide to each NRMSIR, currently only the MSRB, if any, such quarterly reports. The quarterly reports will contain a fiscal year to date balance sheet and summary of revenues and expenses for the Obligated Group.

Availability of Information from MSRB

The obligation of the Obligated Group is to provide the foregoing information only to DAC to be filed with the MSRB. The Obligated Group has not undertaken any other continuing disclosure obligation. All such information filed with MSRB will be available to the public through the MSRB's website located at emma.msrb.org.

Compliance with Prior Undertakings

During the last five years, the Obligated Group has complied with its prior continuing disclosure undertakings made pursuant to the Rule in all material respects [to be confirmed].

UNDERWRITING

The Series 2024 Bonds are to be purchased by J.P. Morgan Securities LLC (the "***Underwriter***") at an aggregate purchase price equal to $_____ (representing par value, [plus/less] a [net] original issue [premium/discount] of $_____, and less an underwriting discount of $_____). The bond purchase agreement relating to the Series 2024 Bonds provides that the Underwriter will not be obligated to purchase any Series 2024 Bonds if all of such are not available for purchase and contains the agreement of the Obligated Group to indemnify the Underwriter against certain losses, claims, damages and liabilities, including those arising under federal securities laws. The initial public offering prices set forth on the inside cover page hereof may be changed by the Underwriter.

The Underwriter intends to offer the Series 2024 Bonds to the public initially at the prices and yields set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2024 Bonds to the public. The Underwriter may offer and sell the Series 2024 Bonds to certain dealers at prices lower than the public offering prices. In connection with this offering, the Underwriter may overallot or effect transactions that stabilize or maintain the market price of the Series 2024 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The obligation of the Underwriter to accept delivery of the Series 2024 Bonds will be subject to various conditions of the bond purchase agreement relating to the Series 2024 Bonds.

The Underwriter and its affiliates together comprise a full service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Such activities may involve or relate to assets, securities and/or instruments of the Obligated Group (whether directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with (or that are otherwise involved with transactions by) the Obligated Group. The Underwriter and its affiliates may have, from time to time, engaged, and may in the future engage, in transactions with, and performed and may in the future perform, various investment banking services for the Obligated Group for which they received or will receive customary fees and expenses. Under certain circumstances, the Underwriter and its affiliates may have certain creditor and/or other rights against the Obligated Group and any affiliates thereof in connection with such transactions and/or services. In addition, the Underwriter and its affiliates may currently have and may in the future have investment and commercial banking, trust and other relationships with parties that may relate to assets of, or be involved in the issuance of securities and/or instruments by, the Obligated Group and any affiliates thereof. The Underwriter and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

The Underwriter has entered into negotiated dealer agreements (each, a "***Dealer Agreement***") with each of Charles Schwab & Co., Inc. ("***CS&Co.***") and LPL Financial LLC ("***LPL***") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2024 Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2024 Bonds that such firm sells.

RATING

Moody's Investors Service, Inc. ("***Moody's***") has assigned a rating of "[__]" ([_____] outlook) to the Series 2024 Bonds. Such rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will apply for any given period of time or that the rating will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the market price of the Series 2024 Bonds.

LITIGATION

Issuer

There is no litigation pending or, to the knowledge of the Issuer, threatened restraining or enjoining the issuance or delivery of the Series 2024 Bonds or questioning or affecting the validity of the Series 2024 Bonds or the proceedings or authority under which they are to be issued or which in any manner questions the right of the Issuer to enter into the Bond Indenture or the Loan Agreement or to secure the Series 2024 Bonds in the manner provided in the Bond Indenture.

Obligated Group

There is no litigation pending or, to the knowledge of any member of the Obligated Group, threatened, against any member of the Obligated Group which in any manner questions the right of LRHS to enter into the Loan Agreement or the rights of the members of the Obligated Group to issue Obligation No. 9 or to operate their facilities in accordance with the provisions of the Loan Agreement, the Bond Indenture and the Master Indenture. There is no litigation pending or, to the knowledge of any member of the Obligated Group, threatened against any member of the Obligated Group, which could have a material adverse effect upon the business, operations or properties of the Obligated Group taken as a whole. See APPENDIX A – "LEGAL."

MISCELLANEOUS

The Obligated Group has furnished all information herein relating to LRHS and LRMC and the Issuer does not take any responsibility for such information. The Issuer has furnished all information herein relating to the Issuer. Any statements herein involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The summary of the Lease and Transfer Agreement contained herein and in APPENDIX C-2 is only a brief outline of certain provisions thereof and does not constitute a complete statement of such document or its provisions, and reference is hereby made to the complete document relating to such matter, a copy of which will be furnished by the Bond Trustee upon request.

This Official Statement has been approved by the Obligated Group and its use and distribution has been authorized by them.

CITY OF LAKELAND

By: _____
H. William Mutz
Mayor

LAKELAND REGIONAL HEALTH SYSTEMS, INC.

By: _____
Danielle Drummond, MS, FACHE,
President and Chief Executive Officer

APPENDIX A

LAKELAND REGIONAL HEALTH SYSTEMS, INC. AND AFFILIATED ENTITIES

APPENDIX B-1

CONSOLIDATED FINANCIAL STATEMENTS OF LAKELAND REGIONAL HEALTH SYSTEMS, INC. AND SUBSIDIARIES AS OF SEPTEMBER 30, 2023

APPENDIX B-2

CONSOLIDATED FINANCIAL STATEMENTS OF LAKELAND REGIONAL HEALTH SYSTEMS, INC. AND SUBSIDIARIES AS OF SEPTEMBER 30, 2022

APPENDIX C-1

FORMS OF PRINCIPAL DOCUMENTS

APPENDIX C-2

SUMMARY OF LEASE AND TRANSFER AGREEMENT

APPENDIX D

FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT C

FORM OF LOAN AGREEMENT

LOAN AGREEMENT

between

CITY OF LAKELAND, FLORIDA,
as Issuer

and

LAKELAND REGIONAL HEALTH SYSTEMS, INC.,
as Borrower

Dated as of [August] 1, 2024

Relating to:

$[PAR]
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2024

TABLE OF CONTENTS

Page

LOAN AGREEMENT

This LOAN AGREEMENT, dated as of **[**August**]** 1, 2024 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof, this "Loan Agreement"), between the CITY OF LAKELAND, FLORIDA, a public instrumentality of the State of Florida (the "Issuer"), and LAKELAND REGIONAL HEALTH SYSTEMS, INC., a not-for-profit corporation duly organized and existing under the laws of the State of Florida (together with its successors, the "Borrower");

W I T N E S S E T H:

WHEREAS, the Issuer is authorized and empowered under the laws of the State of Florida (the "State") including, without limitation, the Constitution of the State of Florida, the Issuer's Charter, Chapter 166, Florida Statutes, Part II of Chapter 159, Florida Statutes, as the same may be supplemented and amended from time to time, and other applicable provisions of law (the "Act"), authorized to issue revenue bonds to finance construction, expansion, remodeling, renovation, furnishing, equipping and acquisition of health care facilities (including by reimbursing expenditures made for such purpose) and to refund and refinance certain indebtedness; and

WHEREAS, the Borrower is duly organized and existing under the laws of the State and owns or leases health care facilities (as defined in the Act); and

WHEREAS, the Borrower has requested that the Issuer issue one or more series of its revenue bonds in an aggregate principal amount not to exceed $[PAR], and make one or more loans of the proceeds thereof to the Borrower to: (1) currently refund that portion of the Issuer's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the bonds so refunded being herein referred to as the "Refunded Bonds") in order to refinance all or a portion of the costs of certain capital improvements to the Borrowers' medical facilities financed with the proceeds of the Refunded Bonds, generally including acquisition, construction and equipping of the Women and Children Pavilion, emergency department expansion, operating room expansion and inpatient rehabilitation facility, located on or contiguous to the campus of the Lakeland Regional Medical Center at 1324 Lakeland Hills Boulevard, Lakeland, Florida (the "LRMC Campus"), and Lakeland Regional Cancer Center expansion located at 3525 Lakeland Hills Boulevard, Lakeland, Florida; (2) finance all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Borrowers' healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building located at 2400 Kathleen Road, Lakeland, Florida, (b) a new approximately 24,000 square foot free-standing emergency department building located at 6150 South Florida Avenue, Lakeland, Florida, and (c) other capital improvements related to existing health care facilities located on the LRMC Campus, as more particular described in EXHIBIT A attached hereto (the

"Project"); (3) fund any required reserves, and (4) pay costs associated with the issuance of the Bonds (as defined below); and

WHEREAS, the Issuer has authorized the issuance of the City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Bonds"), in an aggregate principal amount of [WRITTEN PAR] dollars ($[PAR]) and the loan of the proceeds thereof to the Borrower for the purposes set forth in the above recitals; and

WHEREAS, the Bonds are to be issued pursuant to a Bond Indenture, dated as of **[**August**]** 1, 2024 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "Bond Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"), as originally executed or as it may from time to time be supplemented; and

WHEREAS, pursuant to the Amended and Restated Master Trust Indenture, dated as of February 1, 2015, as supplemented to the date hereof (the "Master Indenture"), among the Borrower, the other Member of the Obligated Group named therein and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), and Supplemental Indenture for Obligation No. [OB#], dated as of **[**August**]** 1, 2024 (the "Bond Supplemental Master Indenture"), between the Borrower, as Obligated Group Representative, and the Master Trustee, the Borrower has issued Obligation No. [OB#] (the "Bond Obligation") to evidence the obligation of the Members (as defined in the Master Indenture) to make payments sufficient to pay the principal (or Redemption Price or Purchase Price) of and interest on the Bonds; and

WHEREAS, the Issuer and the Borrower each have duly authorized the execution and delivery of this Loan Agreement, to specify the terms and conditions of the loan from the Issuer to the Borrower of the proceeds of the Bonds and to require and confirm the obligation of the Borrower to make payments at such times and in such manner as may be necessary to provide for full payment of the principal (or Redemption Price or Purchase Price) of and interest on the Bonds and certain related costs and expenses, as such become due, and for certain other purposes specified herein; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

[Remainder of page intentionally left blank]

ARTICLE I

DEFINITIONS

SECTION 1.01. DEFINITIONS. Unless the context otherwise requires, the capitalized terms in this Loan Agreement shall have the meanings set forth in the Bond Indenture and the Master Indenture.

SECTION 1.02. INTERPRETATION. (a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and regardless of the referenced gender, pronouns shall include Persons of every kind and character.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references to "Articles," "Sections" and other subdivisions of this Loan Agreement are to the designated Articles, Sections and other subdivisions of this Loan Agreement. The words "herein," "hereof," "hereby," "hereunder" and words of similar import refer to this Loan Agreement as a whole.

SECTION 1.03. CONTENTS OF CERTIFICATES AND OPINIONS. Every certificate or opinion provided for in this Loan Agreement with respect to compliance with any provision hereof shall to the extent applicable include: (a) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (c) a statement that, in the opinion of such Person, such Person has made or caused to be made such examination or investigation as is necessary to enable such Person to express an informed opinion with respect to the subject matter referred to in the instrument to which such Person's signature is affixed; (d) a statement of the assumptions upon which such certificate or opinion is based, and that such assumptions are reasonable; and (e) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Issuer or an officer or duly Authorized Representative of the Borrower may be based, insofar as it relates to legal, accounting or business matters of either of them, upon a certificate or opinion of or representation by counsel, an accountant or a management consultant, unless such officer knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Issuer or the

Borrower, as the case may be) upon a certificate or opinion of or representation by an officer of the Issuer or the Borrower, unless such counsel, accountant or management consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Issuer or the Borrower, or the same counsel or accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Loan Agreement, but different officers, counsel, Accountants or management consultants may certify to different matters, respectively.

[Remainder of page intentionally left blank]

ARTICLE II

FINDINGS OF THE ISSUER AND REPRESENTATIONS OF THE BORROWER

SECTION 2.01. FINDINGS OF THE ISSUER. The Issuer hereby finds and determines, based upon the representations and agreements of the Borrower and such other information as the Issuer deems necessary, that: (a) the Borrower and each Member receiving proceeds of the Bonds is a not-for-profit Borrower in the business of providing health care services in the State; (b) the loan to be made hereunder with the proceeds of the Bonds will promote the purposes of the Act by providing funds to pay the cost of acquiring, constructing, rehabilitating or improving a health care facility or facilities or to refinance indebtedness incurred for such purpose; (c) said loan is in the public interest, serves a public purpose, promotes the health, welfare and safety of the citizens of the State, and meets the requirements of the Act; and (d) the portion of the proceeds of the Bonds allocable to the cost of financing of the Project does not exceed the total cost allocable to the cost of financing thereof as determined by the Borrower.

SECTION 2.02. REPRESENTATIONS OF THE BORROWER. The Borrower, on behalf of itself and as Obligated Group Representative, makes the following representations to the Issuer that as of the date of the execution of this Loan Agreement and as of the date of delivery of the Bonds and of the Bond Obligation to the Bond Trustee (such representations to remain operative and in full force and effect regardless of the issuance of Bonds):

(a) The Borrower is a not-for-profit corporation duly incorporated and in good standing under the laws of the State.

(b) The Borrower had the full legal right, power and authority to enter into the Master Indenture and to carry out and consummate all transactions contemplated thereby; and the Borrower has the requisite corporate right, power and authority to enter into the other Borrower Documents and to carry out and consummate all transactions contemplated hereby and thereby, and by proper corporate action has duly authorized the execution and delivery of the other Borrower Documents.

(c) The officers of the Borrower executing this Loan Agreement and the other Borrower Documents are duly and properly in office and fully authorized to execute the same.

(d) The Borrower has duly authorized, executed and delivered the Borrower Documents, and each Member had duly authorized, executed and delivered the Master Indenture, and each constitutes the legal, valid and binding agreement of the Borrower (with respect to this Loan Agreement) and the Members (with respect to the Master Indenture and the Bond Obligation), enforceable against the Borrower and the Members, as applicable, in accordance with their respective terms, subject to bankruptcy, insolvency,

reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting the enforcement of creditors' rights, to the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity, to public policy and to the exercise of judicial discretion in appropriate cases.

(e) The execution and delivery of this Loan Agreement and the other Borrower Documents, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, did not and will not, conflict with or constitute a breach of, violation or default (with due notice or the passage of time or both) under the articles of incorporation of the Borrower, its bylaws or any applicable law or administrative rule or regulation or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement, evidence of indebtedness or instrument to which the Borrower is a party or to which or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Loan Agreement or the other Borrower Documents, or the financial condition, assets, properties or operations of the Borrower.

(f) No consent or approval of any trustee or holder of any indebtedness (including, without limitation, guaranty and credit or liquidity enhancement reimbursement obligations) of the Borrower, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority other than the Issuer (except with respect to any state securities or "blue sky" laws) is necessary in connection with the execution and delivery of the Borrower Documents, or the consummation of any transaction herein or therein contemplated, or the fulfillment of or compliance with the terms and conditions hereof or thereof, except as have been obtained or made and as are in full force and effect and except as may be required to acquire, construct and/or complete the Project, all of which are expected to be obtained in the ordinary course.

(g) Each Member is an organization described in Section 501(c)(3) of the Code, and is exempt from federal income tax under Section 501(a) of the Code, except for unrelated business taxable income under Section 511 of the Code, which income is not expected to result from the consummation of any transaction contemplated by this Loan Agreement. No Member is a private foundation as described in Section 509(a) of the Code. The facts and circumstances which formed the basis of the Borrower's and each Member's status as an organization described in Section 501(c)(3) of the Code as represented to the Internal Revenue Service (the "IRS") continue substantially to exist.

(h) There is no action, suit, proceeding, inquiry or investigation, before or by any court or federal, state, municipal or other governmental authority, pending, or to the

knowledge of the Borrower, after reasonable investigation, threatened, against or affecting any Member or the assets, properties or operations of any Member:

(i) Seeking to restrain or enjoin the issuance or delivery of any Bonds or the collection of Revenues pledged under the Bond Indenture;

(ii) In any way contesting or affecting the validity of the Bonds, the Bond Indenture, or the Borrower Documents;

(iii) In any way contesting the corporate existence or powers of the Borrower necessary to consummate the transactions contemplated by this Loan Agreement or the other Borrower Documents;

(iv) Contesting or affecting the Borrower's or each Member's status as an organization described in Section 501(c)(3) of the Code or which would subject any income of the Borrower or each Member to federal income taxation in each case to such extent as would result in loss of the exclusion from gross income for federal income tax purposes of interest on any of the Bonds under Section 103 of the Code;

(v) Which if determined adversely to the Borrower, would materially adversely affect the ability of the Borrower to perform its obligations under this Loan Agreement or the other Borrower Documents.

(i) No representation made, nor any information, exhibit or report furnished to the Issuer by the Borrower in connection with the negotiation of the Bond Indenture or this Loan Agreement and the other Borrower Documents contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. There is no fact that the Borrower has not disclosed to the Issuer in writing that materially and adversely affects or in the future would (so far as the Borrower can now reasonably foresee) materially and adversely affect the properties, business, assets or operations (financial or otherwise) of the Borrower or any other Member, or the ability of the Borrower or any other Member to perform its or their obligations under this Loan Agreement or any documents or transactions contemplated hereby.

(j) The audited balance sheet of each Member, as of September 30, 2023, and the related statements of activities and statements of cash flows for the year then ended (copies of which have been furnished to the Issuer) present fairly, in all material respects, the financial position of each Member respectively, as of September 30, 2023 and the changes in such activities and financial position for the year then ended in accordance with generally accepted accounting principles; and since September 30, 2023, there has been no material adverse change in the assets, operations or financial condition of any Member.

(k) No facility financed by any portion of the proceeds of the Bonds is or currently is expected to be used by any Person which is not an "exempt" person within the meaning of the Code and the regulations proposed and promulgated thereunder, or by a Governmental Unit or a 501(c)(3) Organization (including any Member) in an "unrelated trade or business" within the meaning of Section 513(a) of the Code and the regulations proposed and promulgated thereunder, in such manner or to such extent as would result in loss of exclusion from gross income for federal tax purposes of interest on any of the Bonds under Section 103 of the Code.

(l) All tax returns (federal, state and local) required to be filed by or on behalf of the Members have been filed, and all taxes shown thereon to be due, including interest and penalties, except such, if any, as are being actively contested by such Member in good faith, have been paid or adequate reserves have been made for the payment thereof which reserves, if any, are reflected in the audited financial statements described therein.

(m) Each Member has good and marketable title (or a valid leasehold interest, as applicable) to the Facilities free and clear from all encumbrances other than Permitted Liens (as defined in the Master Indenture). Each Member enjoys the peaceful and undisturbed possession of all of the premises upon which it is operating health care facilities.

(n) The Members comply in all material respects with all applicable Environmental Laws.

(o) None of the Members or the Facilities is the subject of a federal, state or local investigation evaluating whether any remedial action is needed to respond to any alleged violation or condition regulated by Environmental Laws or to respond to a release of any Hazardous Materials into the environment.

(p) No Member has any material contingent liability in connection with any release of any Hazardous Materials into the environment.

(q) Except for such Hazardous Materials, toxic substances or wastes as occur, are handled and are disposed of in the ordinary course of business of the Members, no Hazardous Materials, toxic substances or wastes are located at, or have been removed from, the Members' properties.

(r) Each Member that will receive any portion of the proceeds of the Bonds will operate a "health care facility" as such term is defined in the Act.

(s) The Project constitutes a "project" as such term is defined in the Act. No portion of the Project includes any institution, place or building used or to be used primarily for sectarian instruction or study or as a place for devotional studies or religious worship, to the extent such prohibition is not prohibited by law.

(t) Neither the Borrower nor any Member restricts admission of patients, or grants preference in admissions to patients, to its health care facilities on racial, religious, sex or national origin grounds.

(u) The Borrower represents that the portion of the proceeds of the Bonds allocable to the cost of financing the Project does not exceed the total cost allocable to the cost of financing thereof.

[Remainder of page intentionally left blank]

ARTICLE III

ISSUANCE OF BONDS AND THE BOND OBLIGATION; APPLICATION OF PROCEEDS OF BONDS

SECTION 3.01. ISSUANCE OF THE BONDS; APPLICATION OF PROCEEDS OF BONDS; ISSUANCE OF THE BOND OBLIGATION. (a) Pursuant to the Bond Indenture, the Issuer has authorized the issuance of the Bonds in the aggregate principal amount of [WRITTEN PAR] dollars ($[PAR]). The proceeds of the Bonds shall be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. The Borrower hereby approves the Bond Indenture and the issuance of the Bonds thereunder by the Issuer, the assignment thereunder to the Bond Trustee of the right, title and interest of the Issuer in this Loan Agreement (other than those rights specifically retained by the Issuer pursuant to the Bond Indenture) and the Bond Obligation.

(b) In consideration of the issuance of the Bonds by the Issuer and the application of the proceeds thereof as provided in the Bond Indenture, the Borrower agrees to issue, or cause to be issued, and to cause to be authenticated and delivered to the Issuer or its designee, pursuant to the Master Indenture and the Bond Supplemental Master Indenture, concurrently with the issuance and delivery of the Bonds, the Bond Obligation in substantially the form set forth in the Bond Supplemental Master Indenture. The Issuer agrees that the Bond Obligation shall be registered in the name of the Bond Trustee. The Borrower agrees that the aggregate principal amount of the Bond Obligation shall be limited to $[PAR] except for any Bond Obligation authenticated and delivered in lieu of another Bond Obligation as provided in the Bond Supplemental Master Indenture with respect to the mutilation, destruction, loss or theft of the Bond Obligation or, subject to the provisions of subsection (c) below, upon registration of transfer of the Bond Obligation. Issuance and delivery of the Bonds by the Issuer shall be a condition of the issuance and delivery of the Bond Obligation.

(c) The Borrower agrees that, except as provided in subsection (d) of this Section, so long as any Bond remains Outstanding, the Bond Obligation shall be issuable only as a single obligation without coupons, registered as to principal and interest in the name of the Bond Trustee, and no transfer of the Bond Obligation shall be registered under the Master Indenture or be recognized by the Borrower except for transfers to a successor Bond Trustee.

(d) Upon the principal of all Obligations Outstanding (within the meaning of that term as used in the Master Indenture) being declared immediately due and payable, the Bond Obligation may be transferred if and to the extent that the Bond Trustee requests that the restrictions of subsection (c) of this Section on transfers be terminated.

SECTION 3.02. DISBURSEMENTS FROM PROJECT FUND AND COSTS OF ISSUANCE FUND. The Borrower will authorize and direct the Bond

Trustee, upon compliance with Section 3.03 or Section 3.05, as applicable, of the Bond Indenture, to disburse the moneys in the Project Fund or the Costs of Issuance Fund, as applicable, to or on behalf of the Borrower solely for the respective purposes set out in Section 3.03 or Section 3.05, as applicable, of the Bond Indenture. All such payments shall be made upon receipt by the Bond Trustee of a Requisition in the forms prescribed by the Bond Indenture, signed by an Authorized Representative of the Borrower.

[Remainder of page intentionally left blank]

ARTICLE IV

LOAN PROCEEDS; REPAYMENT PROVISIONS

SECTION 4.01. LOAN OF BOND PROCEEDS; LOAN REPAYMENTS. (a) Pursuant to the Bond Indenture, the Issuer has authorized the issuance of the Bonds and hereby loans and advances to the Borrower, and the Borrower hereby borrows and accepts from the Issuer (solely from the proceeds of the sale of such Bonds), the proceeds of the Bonds to be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. In consideration of the loan of such proceeds to the Borrower, the Borrower agrees to pay, or cause to be paid, on or before one (1) Business Day prior to each Interest Payment Date or Sinking Fund Installment date established pursuant to Section 5.04(d) of the Bond Indenture, "Loan Repayments" in an amount sufficient to enable the Bond Trustee to make the transfers and deposits required at the times and in the amounts pursuant to Sections 5.03 and 5.04 of the Bond Indenture. Each Loan Repayment shall be made in immediately available funds. Notwithstanding the foregoing, the Borrower agrees to make payments, or cause payments to be made, at the times and in the amounts required to be paid as principal or Redemption Price (including premium, if any) of and interest on the Bonds from time to time Outstanding under the Bond Indenture and other amounts required to be paid under the Bond Indenture, as the same shall become due whether at maturity, upon redemption, by declaration of acceleration or otherwise.

(b) Except as otherwise expressly provided herein, all amounts payable hereunder by the Borrower to the Issuer shall be paid to the Bond Trustee as assignee of the Issuer and this Loan Agreement and all right, title and interest of the Issuer in any such payments are hereby assigned and pledged to the Bond Trustee so long as any Bonds remain Outstanding.

(c) Notwithstanding the foregoing provisions of this Section 4.01, the Borrower shall receive credit against Loan Repayments required to be made hereunder on any Interest Payment Date, Sinking Fund Installment date or Maturity Date to the extent that payments are received by the Bond Trustee in an amount sufficient to pay the interest on or principal of the Bonds becoming due and payable on such Interest Payment Date, Sinking Fund Installment date or Maturity Date, respectively, from a drawing on any Credit Facility (if any) pursuant to Section 5.07 of the Bond Indenture.

(d) Notwithstanding the foregoing provisions, the Issuer and the Borrower agree, that as further provided in Section 2.02(f) of the Bond Indenture, for so long as the Bonds are in a Direct Purchase Period, the Borrower will make payments of principal, interest and any other amounts due on the Bonds directly to the Direct Purchaser rather than to the Bond Trustee if required by the Direct Purchaser in accordance with Section 2.02(f) of the Bond Indenture.

SECTION 4.02. ADDITIONAL PAYMENTS. In addition to Loan Repayments and payments on the Bond Obligation, the Borrower shall also pay to the Issuer, the Bond Trustee, the Liquidity Facility Provider (if any), the Credit Facility Provider (if any), the Direct Purchaser (if any), Bondholders, the Remarketing Agent (if any), or the designated agent of any of them, as the case may be, "Additional Payments," as provided in this Section. Such Additional Payments may be discharged in whole or in part by payment actually received from amounts in the Costs of Issuance Fund or may be billed to the Borrower by the Issuer, the Bond Trustee or other parties from time to time, together with a statement certifying the amount billed has been incurred or paid for one or more of the below items. After such a demand, amounts so billed shall be paid by the Borrower within thirty (30) days after receipt of the bill by the Borrower. The obligations of the Borrower under this Section shall survive the resignation and removal of the Bond Trustee, payment of the Bonds and discharge of the Bond Indenture.

The Additional Payments to the Issuer include:

(a) All taxes and assessments of any type or character charged to the Issuer affecting the amount available to the Issuer from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments); provided, however, that the Borrower shall have the right to protest any such taxes or assessments and to require the Issuer, at the Borrower's expense, to protest and contest any such taxes or assessments levied upon them and that the Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Issuer and the Borrower has provided the Issuer with security and indemnification reasonably deemed adequate by the Issuer in respect of such affected rights or interests;

(b) All amounts payable to the Issuer under Sections 6.02 and 6.03 hereof;

(c) The fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Issuer to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement and the other Borrower Documents;

(d) If applicable, the annual fee of the Issuer, any and all fees and expenses incurred primarily in connection with the authorization, issuance, sale and delivery of any Bonds and the fees and expenses of the Issuer or any agency of the State selected by the Issuer to act on its behalf in connection with this Loan Agreement, the Bonds or the Borrower Documents, including, without limitation, in connection with any litigation, investigation, inquiry or other proceeding which may at any time be instituted involving this Loan Agreement, the Bonds or the Borrower Documents or any of the other documents contemplated thereby, the other Members, their properties, assets or operations or

otherwise in connection with the administration (both before and after the execution of this Loan Agreement) of this Loan Agreement or the other Borrower Documents; and

(e) All other reasonable and necessary fees and expenses attributable to the Bonds, this Loan Agreement, the Borrower Documents or related documents, including without limitation all payments required pursuant to the Tax Agreement.

The Additional Payments to the Bond Trustee include:

(a) All taxes and assessments of any type or character charged to the Bond Trustee affecting the amount available to the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) provided, however, that the Borrower shall have the right to protest any such taxes or assessments and to require the Bond Trustee, at the Borrower's expense, to protest and contest any such taxes or assessments levied upon them and that the Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Bond Trustee and the Borrower has provided the Bond Trustee with security and indemnification reasonably deemed adequate by the Bond Trustee in respect of such affected rights or interests;

(b) All reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Bond Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement and the Borrower Documents;

(c) All reasonable fees, charges and expenses of the Bond Trustee for services rendered under the Bond Indenture and all amounts referred to in Section 8.06 of the Bond Indenture as and when the same become due and payable and all amounts payable to the Bond Trustee under Sections 6.02 and 6.03 hereof;

(d) All other reasonable and necessary fees and expenses attributable to the Bonds, the Bond Indenture, this Loan Agreement, the other Borrower Documents or related documents, including without limitation all payments required pursuant to the Tax Agreement; and

(e) All reasonable fees, charges, expenses and indemnities of the Bondholders, the Credit Facility Provider (if any) under the Credit Facility (if any), the Liquidity Facility Provider (if any) under the Liquidity Facility (if any) and the Remarketing Agent (if any), as and when the same become due and payable.

SECTION 4.03. CREDITS FOR PAYMENTS. The Borrower shall receive credit against its payments required to be made under Section 4.01 hereof, in addition to any credits resulting from payment or repayment from other sources (including payments or prepayments made directly to the Direct Purchaser), as follows:

(a) on installments of interest in an amount equal to moneys deposited in the Interest Fund, which amounts are available to pay interest on the applicable Series of Bonds, to the extent such amounts have not previously been credited against such payments;

(b) on installments of principal in an amount equal to moneys deposited in the Bond Sinking Fund, which amounts are available to pay principal or Sinking Fund Installments on the applicable Series of Bonds, to the extent such amounts have not previously been credited against such payments;

(c) on installments of principal and interest in an amount equal to the principal amount of Bonds for payment at maturity or which have been called by the Bond Trustee for redemption prior to maturity and for the redemption of which sufficient amounts (as determined by Section 10.02 of the Bond Indenture) in cash or United States Government Obligations are on deposit as provided in Section 10.03 of the Bond Indenture to the extent such amounts have not previously been credited against such payments, and the interest on such Bonds from and after the date fixed for payment at maturity or redemption thereof. Such credits shall be made against the installments of principal and interest which would have been used, but for such call for redemption, to pay principal of and interest on such Bonds when due or called for redemption; and

(d) on installments of principal and interest in an amount equal to the principal amount of Bonds acquired by the Borrower and delivered to the Bond Trustee for cancellation or purchased by the Bond Trustee and cancelled, and the interest on such Bonds from and after the date interest thereon has been paid prior to cancellation. Such credits shall be made against the installments of principal and interest which would have been used, but for such cancellation, to pay principal of and interest on such Bonds when due, and with respect to Bonds called for mandatory redemption, against principal installments which would have been used to pay Bonds of the same date.

SECTION 4.04. PREPAYMENT. The Borrower shall have the right at any time or from time to time to prepay all or any part of the Loan Repayments and the Issuer agrees that the Bond Trustee shall accept such prepayments when the same are tendered by the Borrower, and the Bond Trustee shall call for redemption Bonds in accordance with their terms as directed in writing by the Borrower. The Borrower shall be required to prepay Loan Repayments in the amounts and at the times that Bonds are subject to optional or mandatory redemption pursuant to the Bond Indenture. All such prepayments (and the additional payment of any amount necessary to pay the Redemption Price, payable upon the redemption of Bonds) shall be deposited upon receipt at the Borrower's direction in (a)

the Bond Sinking Fund, or (b) the Optional Redemption Fund for the applicable Series of Bonds (or in such other Bond Trustee escrow account as may be specified by the Borrower) and, at the request of and as determined by the Borrower, credited against payments due hereunder or used for the redemption or purchase of Outstanding Bonds in the manner and subject to the terms and conditions set forth in the Bond Indenture.

SECTION 4.05. PAYMENT OF PURCHASE PRICE. The Borrower agrees that, if a Liquidity Facility or a Credit Facility is not in effect with respect to the Bonds or if the Liquidity Facility Provider or Credit Facility Provider, as applicable, has not paid the full amount required by the Bond Indenture at the times required under the Bond Indenture, it shall pay to the Bond Trustee the Additional Funding Amount, to the extent required pursuant to Section 4.10(d)(iii) of the Bond Indenture. Each such payment by the Borrower to the Bond Trustee pursuant to this Section shall be in immediately available funds and paid to the Bond Trustee at its Corporate Trust Office by 2:45 p.m., New York City time, on each date upon which a payment is to be made pursuant to Section 4.10(d)(iii) of the Bond Indenture.

SECTION 4.06. OBLIGATIONS OF THE BORROWER UNCONDITIONAL; NET CONTRACT. The obligations of the Borrower to make the Loan Repayments, Additional Payments and other payments required hereunder and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, setoff, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any Bonds remain Outstanding or any Additional Payments or other payments remain unpaid, regardless of any contingency, event or cause whatsoever, including, without limiting the generality of the foregoing, any natural disaster, acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Facilities, commercial frustration of purpose, any changes in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, or any failure of the Issuer or the Bond Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement or the Bond Indenture. This Loan Agreement shall be deemed and construed to be a "net contract," and the Borrower shall pay absolutely net the Loan Repayments, Additional Payments and all other payments required hereunder, regardless of any rights of setoff, recoupment, abatement or counterclaim that the Borrower might otherwise have against the Issuer or the Bond Trustee or any other party or parties.

[Remainder of page intentionally left blank]

ARTICLE V

PARTICULAR COVENANTS

SECTION 5.01. DELIVERY OF REPORTS AND RECORDS. Promptly upon the request of the Issuer or the Bond Trustee, the Borrower agrees to furnish such other information regarding the financial position, results of operation, business or prospects of the Borrower as such party may reasonably request from time to time.

In addition to the foregoing, the Borrower shall, at any reasonable time and from time to time, upon prior written notice, permit the Issuer and the Bond Trustee, and their respective representatives and agents, to (a) inspect the premises and the accounting records and the books of the Borrower for the purpose of verifying compliance by the Borrower with the covenants contained herein and all of the terms of the Act, (b) examine and make copies of and abstracts from the accounting records and books of account of the Borrower, (c) discuss the affairs, finances and accounts of the Borrower with any of its officers or directors and (d) upon notice to and consent from the Borrower, communicate with the Borrower's independent certified public accountants.

SECTION 5.02. PROHIBITED USES. No portion of the proceeds of the Bonds will be used to finance or refinance any facility, place or building used or to be used (a) to the extent such prohibition is not prohibited by law, primarily for sectarian instruction or study or as a place for devotional activities or religious worship; or (b) by any person that is not an organization described in Section 501(c)(3) of the Code or by a 501(c)(3) Organization, including the Borrower or the other Members, in an "unrelated trade or business" (as such term is defined in Section 513 of the Code), in each case in such manner or to such extent as would result in any of the Bonds being treated as an obligation not described in Section 103(a) of the Code. The covenant in clause (a) of this Section shall survive payment in full or defeasance of the Bonds.

SECTION 5.03. TAX COVENANT. The Borrower covenants and agrees that it will at all times do and perform all acts and things permitted by law and this Loan Agreement which are necessary in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and will take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Borrower agrees to comply with the provisions of the Tax Agreement. This covenant shall survive payment in full or defeasance of the Bonds.

SECTION 5.04. [RESERVED].

SECTION 5.05. CONTINUING DISCLOSURE. The Borrower hereby covenants and agrees that it will comply with the continuing disclosure requirements promulgated under Rule 15c2-12, as it may from time to time hereafter be amended or supplemented, if and to the extent that such requirements are applicable to any of the Bonds. Notwithstanding any other provision of this Loan Agreement or the Bond

Indenture, failure of the Borrower to comply with the requirements of Rule 15c2-12, as it may from time to time hereafter be amended or supplemented, shall not be considered a Loan Default Event or an Event of Default; however, the Bond Trustee may, and, at the request of Holders of at least 25% in aggregate principal amount of Outstanding Bonds after receiving indemnification to its satisfaction, shall, or any Bondholder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, at the expense of the Borrower, to cause the Borrower to comply with its obligations under this Section 5.05.

SECTION 5.06. COMPLIANCE WITH BOND INDENTURE. The Borrower hereby agrees to all of the terms and provisions of the Bond Indenture as they relate to the Borrower and accepts each of its rights and obligations thereunder. Without limiting the foregoing, the Issuer may assign its rights under this Loan Agreement as set forth in the Bond Indenture. The Borrower hereby approves the initial appointment under the Bond Indenture of the Bond Trustee and agrees to appoint a Remarketing Agent, when required under the Bond Indenture, or a Calculation Agent, when required under the Bond Indenture, for the Bonds.

SECTION 5.07. POST-ISSUANCE COMPLIANCE.

(a) Post-Issuance Compliance Undertaking. The Borrower acknowledges that the IRS mandates certain filing requirements with respect to post-issuance tax compliance, private use and/or unrelated trade or business use, including the proper method for computing whether any such use has occurred under Section 145 of the Code. The Borrower covenants that it will undertake to determine (or have determined on its behalf) the information required to be reported on the IRS Form 990 (Schedule K) Supplemental Information on Tax-Exempt Bonds on an annual basis and will undertake to comply with the aforementioned filing requirements and any related requirements that may be applicable to the Bonds (collectively, the "Post-Issuance Requirements"). Further, the Borrower covenants that it has adopted, or, if not, will promptly adopt, management practices and procedures to ensure the Borrower complies with the Post-Issuance Requirements with respect to the Bonds.

(b) Post-Issuance Compliance Responsibility. The Borrower initially has designated its Executive Vice President and Chief Financial Officer to be responsible for providing certain post-issuance tax compliance services that may be required from time to time with respect to the Bonds.

SECTION 5.08. [RESERVED].

SECTION 5.09. CREDIT FACILITY; ALTERNATE CREDIT FACILITY. (a) There will be no Credit Facility in effect during the Initial Period while the Bonds bear interest at the Fixed Rate. Following the Initial Period, the Borrower may, at any time at its sole option (subject to the provisions of the Master Indenture and the

applicable provisions set out in the Bond Indenture), furnish a Credit Facility or an Alternate Credit Facility in substitution for a Credit Facility, or may, at any time at its sole option (subject to the applicable provisions set out in the Bond Indenture) proceed without a Credit Facility with respect to the Bonds. Any Credit Facility (or Alternate Credit Facility) shall be a facility provided by a commercial bank or other financial institution in an amount equal to the Required Stated Amount with a term of at least 360 days from the effective date thereof and shall be subject to the approval of the Liquidity Facility Provider (if any) for such Bonds if the Liquidity Facility Provider is a separate entity from the Credit Facility Provider (if any). The Borrower shall give at least forty-five (45) days' advance written notice to the Bond Trustee, the Credit Facility Provider (if any) and the Liquidity Facility Provider (if any) of (i) its intent to furnish a Credit Facility or Alternate Credit Facility to the Bond Trustee, which notice shall specify the nature of such Credit Facility, the identity of the Credit Facility Provider and the proposed effective date of the Credit Facility, and (ii) its intent to terminate a Credit Facility then in effect, which notice shall specify the proposed termination date for such Credit Facility. The Credit Facility required by this Section 5.09 and the Liquidity Facility required by Section 5.10 may be the same instrument.

(b) If a Credit Facility has been delivered or otherwise made available to the Bond Trustee in accordance with subsection (a) of this Section, the Borrower (i) shall maintain the Credit Facility or an Alternate Credit Facility, in an amount equal to the Required Stated Amount prior to its termination, and (ii) shall not voluntarily terminate the Credit Facility or any Alternate Credit Facility without the written consent of the Liquidity Facility Provider (if any), if such Liquidity Facility Provider is a separate entity from the applicable Credit Facility Provider.

SECTION 5.10. LIQUIDITY FACILITY; ALTERNATE LIQUIDITY FACILITY. (a) There will be no Liquidity Facility in effect during the Initial Period while the Bonds bear interest at the Fixed Rate. Following the Initial Period, the Borrower may, at any time at its sole option, deliver to the Bond Trustee a Liquidity Facility or an Alternate Liquidity Facility in substitution for a Liquidity Facility (subject to the applicable provisions set out in the Bond Indenture), or may, at any time at its sole option (subject to applicable provisions set out in the Bond Indenture) proceed without a Liquidity Facility with respect to the Bonds available for use by the Bond Trustee to provide for the purchase of Bonds upon their optional or mandatory tender in accordance with the Bond Indenture. Any Liquidity Facility (or Alternate Liquidity Facility) shall be a facility provided by a commercial bank or other financial institution in an amount equal to the Required Stated Amount with a term of at least 360 days from the effective date thereof and shall be subject to the approval of the Credit Facility Provider (if any). The Borrower shall give at least forty-five (45) days' advance written notice to the Bond Trustee, the Credit Facility Provider (if any) and the Liquidity Facility Provider (if any) and the Bond Trustee of (i) its intent to furnish a Liquidity Facility or Alternate Liquidity Facility to the Bond Trustee, which notice shall specify the nature of such Liquidity Facility, the identity of the Liquidity

Facility Provider and the proposed effective date of the Liquidity Facility, and (ii) its intent to terminate a Liquidity Facility then in effect, which notice shall specify the proposed termination date for such Liquidity Facility. The Liquidity Facility required by this Section 5.10 and the Credit Facility required by Section 5.09 may be the same instrument. The Liquidity Facility Provider providing the Alternate Liquidity Facility shall purchase all Liquidity Facility Bonds by the effective date of the Alternate Liquidity Facility.

(b) If a Liquidity Facility has been delivered or otherwise made available to the Bond Trustee in accordance with subsection (a) of this Section, the Borrower (i) shall maintain the Liquidity Facility or an Alternate Liquidity Facility, in an amount equal to the Required Stated Amount prior to its termination, and (ii) shall not voluntarily terminate the Liquidity Facility or any Alternate Liquidity Facility without the written consent of the Credit Facility Provider (if any), if such Credit Facility Provider is a separate entity from the applicable Liquidity Facility Provider.

(c) So long as no Credit Facility Provider failure, default or event (as described in Section 11.16 of the Bond Indenture) has occurred and is continuing, the Credit Facility Provider (if any), if such Credit Facility Provider is a separate entity from the Liquidity Facility Provider, may require the Borrower to provide an Alternate Liquidity Facility upon at least sixty (60) days' notice to the Borrower, the Issuer and the Bond Trustee if the Liquidity Facility Provider receives a short-term rating downgrading below the top two highest short-term Rating Categories of any Rating Agency then rating such Bonds, the Liquidity Facility Provider defaults in payment under such Liquidity Facility or the Liquidity Facility Provider makes a demand for increased fees or costs resulting from regulatory or reserve requirements applicable to the Liquidity Facility Provider.

SECTION 5.11. SELF-LIQUIDITY ARRANGEMENTS. The Borrower, at its sole option, may maintain a Self-Liquidity Arrangement in lieu of a Liquidity Facility. Not less than 30 days prior to the expiration or termination of any existing Liquidity Facility or Credit Facility, the Borrower shall notify the Bond Trustee and the Issuer of its intention to provide a Self-Liquidity Arrangement, and the amendments, if any, to this Loan Agreement and the Bond Indenture reasonably necessary to accommodate such self-liquidity. The notice will be accompanied by a Favorable Opinion of Bond Counsel, including to the effect that such changes will not require the Bonds to be registered under the Securities Act, or the Bond Indenture to be qualified under the Trust Indenture Act of 1939 or, if such registration or qualification is required, that it has been accomplished. The notice will also be accompanied by written evidence from each Rating Agency then rating the Bonds of the rating to be assigned to the Bonds by such Rating Agency on and after the date such Self-Liquidity Arrangement becomes effective.

ARTICLE VI

NON-LIABILITY OF ISSUER; EXPENSES; INDEMNIFICATION

SECTION 6.01. NON-LIABILITY OF ISSUER. The Issuer shall not be obligated to pay the principal (or Redemption Price or Purchase Price) of and interest on the Bonds, except from payments received hereunder or under the Bond Obligation and from other Revenues. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal (or Redemption Price or Purchase Price) of or interest on the Bonds. The Issuer shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind or any conceivable theory, under or by reason of or in connection with this Loan Agreement or the other Borrower Documents, except only to the extent amounts are received for payment thereof from the Borrower under this Loan Agreement or from Members under the Bond Obligation.

The Borrower hereby acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the payments made by the Borrower hereunder and pursuant to the Bond Obligation and other Revenues, together with amounts on deposit in, and investment income on certain funds and accounts held by the Bond Trustee under the Bond Indenture, and hereby agrees that if the payments to be made hereunder and under the Bond Obligation shall ever prove insufficient to pay all principal (or Redemption Price or Purchase Price) of and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration, tender, or otherwise), then upon notice from the Bond Trustee or the Issuer, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or Redemption Price or Purchase Price) or interest including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Master Trustee, the Borrower, the Issuer, the Remarketing Agent (if any), the Credit Facility Provider (if any), the Liquidity Facility Provider (if any) or any other third party, as the case may be.

SECTION 6.02. EXPENSES. The Borrower covenants and agrees to pay and indemnify the Issuer, the State Treasurer, and the Bond Trustee against all costs and charges, including fees and expenses of attorneys, accountants, consultants and other experts, incurred in good faith (and with respect to the Bond Trustee, without negligence) and arising out of or in connection with this Loan Agreement, the other Borrower Documents, the Bonds or the Bond Indenture or the transactions contemplated hereby or thereby. These obligations and those in Section 6.03 hereof shall remain valid and in effect notwithstanding repayment of the loan hereunder or the Bonds or termination of this Loan Agreement or the Bond Indenture.

SECTION 6.03. INDEMNIFICATION.

(a) The Borrower, to the fullest extent permitted by law, shall indemnify, hold harmless the Issuer, the State Treasurer and their members, officers, employees and agents (each an "Issuer Indemnified Party") and the Bond Trustee and its officers, directors, employees and agents (each, a "Trustee Indemnified Party" and, together with each Issuer Indemnified Party, an "Indemnified Party") from and against any and all Indemnifiable Losses arising out of, resulting from or in any way connected with:

(i) the Facilities to be financed, or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or from the planning, design, acquisition, installation or construction, of the Facilities or any part thereof, including, without limitation, Indemnifiable Losses resulting from or in any way relating to any generation, processing, handling, transportation, storage, treatment or disposal of solid wastes, Hazardous Materials or any other Hazardous Material Activity relating to the Facilities including, but not limited to, any of those activities occurring, to occur or having previously occurred on the Facilities and any Releases on, under or from the Project to the extent occurring or existing prior to the execution and delivery of this Loan Agreement;

(ii) the issuance, sale or remarketing of the Bonds or the carrying out of any of the transactions or undertakings contemplated by the Bond Indenture, the Bonds, the Borrower Documents or any document delivered by the Borrower pursuant to, or in connection with, any of the foregoing;

(iii) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of any material fact in any private placement memorandum, official statement, offering statement, offering circular or continuing disclosure document for the Bonds or any statement made in connection with the purchase or sale of the Bonds, or any omission or alleged omission to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(iv) any audit of the Bonds by the IRS or any declaration of taxability of interest paid or payable on the Bonds, or allegations (or regulatory inquiry) that interest paid or payable on the Bonds is taxable, for federal or State income tax purposes;

(v) the Bond Trustee's acceptance or administration of the trust of the Bond Indenture or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Bonds to which it is a party;

(vi) the refunding, retirement, tender for purchase and/or redemption, in whole or in part, of the Bonds;

(vii) any misrepresentation or breach of warranty by the Borrower of any representation or warranty in this Loan Agreement, the other Borrower Documents or any document delivered by the Borrower pursuant to, or in connection with, any of the foregoing or the Bonds; or

(viii) any breach by the Borrower of any covenant or undertaking set forth in this Loan Agreement, the other Borrower Documents or any document delivered by the Borrower pursuant to, or in connection with, any of the foregoing or the Bonds; provided that such indemnification pursuant to this Section shall not apply to Indemnifiable Losses caused by the negligence or willful misconduct of any Trustee Indemnified Party or the gross negligence or willful misconduct of any Issuer Indemnified Party.

(b) The Issuer agrees to notify the Borrower promptly, but in no event later than thirty (30) business days, after written notice to the Issuer that any third party has brought any action, suit or proceeding against an Indemnified Party that may result in an Indemnifiable Loss (a "Third Party Action"). Upon such notice or other notice from an Indemnified Party of a Third Party Action, the Borrower shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and reasonably acceptable to the Borrower, and shall assume the payment of all Litigation Expenses (as defined below) related thereto, with full power to litigate, compromise or settle the same in its discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove (in its sole and absolute discretion) any such compromise or settlement and the Indemnified Party has no liability with respect to any compromise or settlement of any Third Party Action effected without its written approval. Each Indemnified Party shall have the right to employ separate counsel in any Third Party Action and participate in the investigation and defense thereof, and the Borrower shall pay the fees and disbursements of such separate counsel; provided, however, that a Trustee Indemnified Party may only employ separate counsel at the expense of the Borrower if in the reasonable judgment of such Trustee Indemnified Party a conflict of interest exists by reason of common representation or if all parties commonly represented do not agree as to the action (or inaction) of counsel. If the Indemnified Party fails to provide such notice to the Borrower, the Borrower is still obligated to indemnify the Indemnified Party for Indemnifiable Losses.

The Bond Trustee shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Bond Trustee unless (i) the employment of such counsel has been authorized by the Borrower or, (ii) the Borrower shall have failed promptly after receiving notice of such action from the Bond Trustee to assume the defense of such action and employ counsel reasonably satisfactory to the Bond Trustee, or (iii) the named parties to any such action (including any impleaded parties) include the Bond Trustee and the Borrower, and the Bond Trustee shall have been advised by counsel that there may be one

or more legal defenses available to such party which conflict with those available to the Borrower, or (iv) the Bond Trustee shall have been advised by counsel that there is a conflict on any issue between the Bond Trustee and the Borrower.

(c) The rights and undertakings set forth in this Section do not terminate and survive the final payment or defeasance of the Bonds and, in the case of the Bond Trustee, any resignation or removal. The provisions of this Section shall also survive the termination or defeasance of this Loan Agreement.

For purposes of this Section, "Indemnifiable Losses" means the aggregate of Losses and Litigation Expenses.

For purposes of this Section, "Losses" means any liability, loss, claim, settlement payment, cost and expense, interest, award, judgment, damages (other than punitive damages to the extent they may not, under law, be indemnified), diminution in value, fine, fee and penalty, and other charge, of every conceivable kind, character and nature whatsoever, contingent or otherwise, known or unknown, except Litigation Expenses. For purposes of this Section, "Litigation Expenses" means any court filing fee, court cost, witness fee, and each other fee and cost of investigating and defending or asserting a claim, including, without limitation, in each case, attorneys' fees, other professionals' fees and disbursements.

SECTION 6.04. RELIANCE BY ISSUER ON FACTS OR CERTIFICATES. Anything in this Loan Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Bond Trustee or the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

SECTION 6.05. ISSUER'S PERFORMANCE. None of the provisions of this Loan Agreement shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Revenues pledged under the Bond Indenture, or the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds and the Facilities (including, without limitation, record keeping and legal services), it being understood that such services shall be performed or provided by the Bond Trustee or the Borrower. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in this Loan Agreement, the Bond Indenture, and any and every Bond executed, authenticated, and delivered under the Bond Indenture; provided, however, that (a) the Issuer shall not be obligated to take any action or execute any instrument pursuant to any

provision hereof until it shall have been requested in writing do so by the Borrower or the Bond Trustee, and (b) the Issuer shall have received the instrument to be executed.

[Remainder of page intentionally left blank]

ARTICLE VII

LOAN DEFAULT EVENTS AND REMEDIES

SECTION 7.01. LOAN DEFAULT EVENTS. The following events shall be "Loan Default Events:"

(a) Failure by the Borrower to pay in full any payment required hereunder or under the Bond Obligation when due, whether on an interest payment date, at maturity, upon a date fixed for prepayment, by declaration, upon tender of the Bonds for purchase pursuant to the Bond Indenture, or otherwise pursuant to the terms hereof or thereof;

(b) Failure by the Borrower to observe and perform any other covenant, condition or agreement on its part to be observed or performed herein for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Borrower by the Issuer, the Credit Facility Provider or the Bond Trustee; provided, however, that if the failure is such that it can be corrected but not within such 60-day period, and corrective action is instituted by the Borrower within such period and diligently pursued until such failure is corrected, then such failure or breach shall not become a Loan Default Event for so long as the Borrower shall diligently proceed to remedy such failure or breach in accordance with and subject to any directions of time established by the Issuer (with respect to the rights specifically retained by the Issuer pursuant to the Bond Indenture) or the Bond Trustee (with respect to rights other than the Issuer's reserved rights);

(c) Any representation made by the Borrower in any document delivered by the Borrower to the Bond Trustee or the Issuer in connection with the sale and delivery of the Bonds or the Bond Obligation proves to be untrue when made in any material respect;

(d) An Event of Default under the Bond Indenture or under the Master Indenture or under each Bondholder Agreement shall occur; or

(e) The Borrower (i) shall admit in writing its inability to pay its debts generally, (ii) shall make a general assignment for the benefit of creditors, (iii) shall institute any proceeding or voluntary case (A) seeking to adjudicate it a bankrupt or insolvent, or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors, or (C) seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, (iv) shall take any action to authorize any of the actions described above in this subsection (e), or (v) shall have instituted against it any proceeding (A) seeking to adjudicate it a bankrupt or insolvent, or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors, or (C) seeking the entry of an order for relief or the appointment

of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Borrower in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days.

Upon having actual notice of the existence of a Loan Default Event, the Bond Trustee shall give written notice thereof to the Borrower, the Liquidity Facility Provider (if any), the Credit Facility Provider (if any) and the Direct Purchaser (if any) unless the Borrower has expressly acknowledged the existence of such Loan Default Event in a writing delivered by the Borrower to the Bond Trustee or filed by the Borrower in any court.

SECTION 7.02. REMEDIES ON DEFAULT. If a Loan Default Event shall occur, then, and in each and every such case during the continuance of such Loan Default Event, the Bond Trustee on behalf of the Issuer, subject to the limitations in the Bond Indenture as to the enforcement of remedies, may take such action as it deems necessary or appropriate to collect amounts due hereunder, to enforce performance and observance of any obligation or agreement of the Borrower hereunder or to protect the interests securing the same, and may, without limiting the generality of the foregoing:

(a) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing the Borrower's performance hereunder (including, without limitation, the Bond Obligation and the Master Indenture);

(b) By written notice to the Borrower, declare an amount equal to all amounts then due and payable on the Bonds, whether by acceleration of maturity or otherwise, to be immediately due and payable under this Loan Agreement, whereupon the same shall become immediately due and payable; and

(c) Take any action at law or in equity to collect the payment required hereunder then due, whether on the stated due date or by declaration of acceleration or otherwise, for damages or for specific performance or otherwise to enforce performance and observance of any obligation, agreement or covenant of the Borrower hereunder.

SECTION 7.03. REMEDIES NOT EXCLUSIVE; NO WAIVER OF RIGHTS. No remedy herein conferred upon or reserved to the Issuer or the Bond Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy, to the extent permitted by law, shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or otherwise. In order to entitle the Issuer or the Bond Trustee to exercise any remedy, to the extent permitted by law, reserved to it contained in this Loan Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given to the Issuer hereunder (other than those rights specifically retained by the Issuer pursuant to the Bond Indenture) shall also extend

to the Bond Trustee, and the Bond Trustee may exercise any rights of the Issuer (other than those rights specifically retained by the Issuer pursuant to the Bond Indenture) and its own rights under this Loan Agreement, and the Bond Trustee and the Holders of the Bonds shall be deemed third-party beneficiaries of all covenants and conditions herein contained.

No delay in exercising or omitting to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

SECTION 7.04. EXPENSES ON DEFAULT. In the event the Borrower should default under any of the provisions of this Loan Agreement and the Issuer or the Bond Trustee should employ attorneys or incur other expenses for the collection of the payments due hereunder, the Borrower agrees that it will on demand therefor pay to the Issuer or the Bond Trustee the fees of such attorneys and such other expenses so incurred by the Issuer or the Bond Trustee.

SECTION 7.05. NOTICE OF DEFAULT. The Borrower agrees that, as soon as is practicable, and in any event within ten (10) days of a Loan Default Event, the Borrower will furnish the Bond Trustee, the Liquidity Facility Provider (if any), the Credit Facility Provider (if any) and the Direct Purchaser (if any) notice of any event which is a Loan Default Event pursuant to Section 7.01 hereof which has occurred and is continuing on the date of such notice, which notice shall set forth the nature of such event and the action which the Borrower proposes to take with respect thereto; provided, however, that with respect to a Loan Default Event pursuant to Section 7.01(a), the Bond Trustee shall give the Borrower and the Credit Facility Provider (if any) immediate notice on the date such default occurs. The Borrower shall contemporaneously provide the Issuer with a copy of any notice given to the Bond Trustee under this section.

SECTION 7.06. ASSIGNMENT BY ISSUER OR BOND TRUSTEE. This Loan Agreement, including the right to receive payments required to be made by the Borrower hereunder and to compel or otherwise enforce performance by the Borrower of its other obligations hereunder and thereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by the Issuer or the Bond Trustee at any time subsequent to its execution without the necessity of obtaining the consent of the Borrower. The Issuer expressly acknowledges that all right, title and interest of the Issuer in and to this Loan Agreement (other than those rights specifically retained by the Issuer pursuant to the Bond Indenture) have been assigned to the Bond Trustee, as security for the Bonds under and as provided in the Bond Indenture, and that if any Loan Default Event shall occur, the Bond Trustee shall be entitled to act hereunder in the place and stead of the Issuer.

SECTION 7.07. APPLICATION OF MONEYS COLLECTED. Any amounts collected pursuant to action taken under this Article shall be applied in accordance

with the provisions of Article VII of the Bond Indenture, and to the extent applied to the payment of amounts due on the Bonds shall be credited against amounts due on the Bond Obligation.

[Remainder of page intentionally left blank]

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01. FURTHER ASSURANCES. The Borrower agrees that it will execute and deliver any and all such further agreements, instruments, financing statements or other assurances as may be reasonably necessary or requested by the Issuer or the Bond Trustee to carry out the intention or to facilitate the performance of this Loan Agreement, including, without limitation, to perfect and continue the security interests herein intended to be created.

SECTION 8.02. NOTICES. All notices or communications herein required or permitted to be given shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being deposited, postage prepaid, in a post office letter box, addressed, as the case may be, to the respective addresses set forth in Section 11.07 of the Bond Indenture. A duplicate copy of each notice or communication given hereunder by either the Issuer or the Borrower to the other shall also be given to the Bond Trustee. The Issuer, the Borrower, and the Bond Trustee may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates and other communications shall be sent.

SECTION 8.03. WAIVER OF PERSONAL LIABILITY. No member, officer, official, agent or employee of the Issuer or any director, officer, agent or employee of the Borrower shall be individually or personally liable for the payment of the principal (or Redemption Price or Purchase Price) of or interest on the Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Loan Agreement; but nothing herein contained shall relieve any such member, director, officer, official, agent or employee of the Issuer from the performance of any official duty provided by law or by this Loan Agreement.

SECTION 8.04. GOVERNING LAW; VENUE. The laws of the State govern all matters arising out of or relating to this Loan Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Loan Agreement shall bring the legal action or proceeding in any court located in Polk County, Florida, and applicable appellate courts unless the Issuer waives this requirement in writing. Each party agrees that the exclusive (subject to waiver as set forth herein) choice of forum set forth in this Section does not prohibit the enforcement of any judgment obtained in that forum or any other appropriate forum. Each party waives, to the fullest extent permitted by law, (a) any objection which it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Loan Agreement brought in any court located in Polk County, Florida, and applicable appellate

courts and (b) any claim that any such action or proceeding brought in such court has been brought in an inconvenient forum.

SECTION 8.05. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the provisions contained in this Loan Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Loan Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Loan Agreement, and this Loan Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Issuer and the Borrower each hereby declares that it would have entered into this Loan Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Loan Agreement may be held illegal, invalid or unenforceable.

SECTION 8.06. AMENDMENTS. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated except by the written agreement of the Borrower and the Issuer and the concurring written consent of the Bond Trustee, given in accordance with the provisions of Section 6.08 of the Bond Indenture.

SECTION 8.07. EXECUTION OF COUNTERPARTS. This Loan Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

SECTION 8.08. TERM OF LOAN AGREEMENT. This Loan Agreement shall be in full force and effect from the date hereof and shall continue in effect as long as any of the Bonds is Outstanding or the Bond Trustee holds any moneys under the Bond Indenture, whichever is later.

SECTION 8.09. SURVIVAL OF COVENANTS. Notwithstanding the payment in full of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of this Loan Agreement, all provisions in this Loan Agreement concerning (a) the tax-exempt status of the Bonds (including, but not limited to provisions concerning rebate), (b) the interpretation of this Loan Agreement, (c) the governing law, (d) the forum for resolving disputes, (e) the Issuer's right to rely on facts or certificates, (f) the immunity of the Issuer's directors, officers, counsel, financial advisors, and agents, and (g) the Issuer's lack of pecuniary liability shall survive and remain in full force and effect.

SECTION 8.10. RULES OF CONSTRUCTION. The parties hereto acknowledge that each such party and its respective counsel have participated in the drafting and revision of this Loan Agreement and the Bond Indenture. Accordingly, the parties agree that the Issuer shall not be deemed to be the drafting party of this Loan

Agreement or the Bond Indenture for purposes of any rule of construction which disfavors the drafting party.

SECTION 8.11. BENEFITS OF AGREEMENT. The Indemnified Parties (other than the Issuer) are third party beneficiaries of Section 6.03 hereof in accordance with its terms. Any amendment or modification of this Loan Agreement executed by the parties is binding upon such Indemnified Parties, and any action or consent taken by the Issuer on its own behalf is binding on such Indemnified Parties for the purposes of this Loan Agreement; provided no Indemnified Party other than the Issuer shall be bound without its consent to any amendment or modification of the provisions of Section 6.03 hereof providing (a) rights and performance of Indemnified Parties other than the Issuer, or (b) performance by the Borrower for the benefit of Indemnified Parties other than the Issuer.

The Bond Trustee is a third party beneficiary of Section 4.02 hereof in accordance with its terms. Subject to the Bond Indenture, any amendment or modification of this Loan Agreement executed by the parties is binding upon the Bond Trustee, and any action or consent taken by the Issuer on its own behalf is binding on the Bond Trustee for the purposes of this Loan Agreement; provided the Bond Trustee shall not be bound without its consent to any amendment or modification of the provisions of Section 4.02 hereof providing (a) rights and performance of the Bond Trustee, or (b) performance by the Borrower for the benefit of the Bond Trustee. In connection with its duties and actions hereunder the Bond Trustee is entitled to all rights, privileges, protections, benefits, immunities and indemnities provided to it under the Bond Indenture.

The Bond Trustee, the Direct Purchaser and the Holders of the Bonds shall be deemed third-party beneficiaries hereof. This Loan Agreement is not intended to, nor may it be deemed to, create any rights of enforcement in any Person who is not a party to this Loan Agreement, an Indemnified Party, the Bond Trustee or the Bondholders.

SECTION 8.12. SUCCESSORS AND ASSIGNS. This instrument shall inure to the benefit of and shall be binding upon the Issuer and the Borrower and their respective successors and assigns; provided, however, that the Bond Trustee shall have only such duties and obligations as are expressly given to it hereunder. This Loan Agreement may not be assigned by the Borrower without the prior consent of the Direct Purchaser (if any) or the majority of the Holders of the Bonds and any assignment in contradiction hereof shall be void.

SECTION 8.13. ENTIRE AGREEMENT. This Loan Agreement constitutes the entire agreement between the Borrower and the Issuer with respect to the subject matter of this Loan Agreement and supersedes all prior agreements and understandings, both written and oral, with respect to the subject matter of this Loan Agreement.

SECTION 8.14. ELECTRONIC SIGNATURES. The parties agree that the electronic signature of a party to this Loan Agreement, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to this Loan Agreement. The parties agree that any electronically signed document (including this Loan Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

[Signature pages follow]

[ISSUER'S SIGNATURE PAGE TO LOAN AGREEMENT]

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Loan Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

(SEAL)

CITY OF LAKELAND, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
City Attorney

[BORROWER'S SIGNATURE PAGE TO LOAN AGREEMENT]

LAKELAND REGIONAL HEALTH SYSTEMS, INC., as Obligated Group Representative and Borrower

By: _____
Executive Vice President and Chief Financial Officer

EXHIBIT A

PROJECT DESCRIPTION

Finance all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Borrowers' healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building located at 2400 Kathleen Road, Lakeland, Florida, (b) a new approximately 24,000 square foot free-standing emergency department building located at 6150 South Florida Avenue, Lakeland, Florida, and (c) other capital improvements related to existing health care facilities located on the LRMC Campus.

EXHIBIT D

FORM OF BOND INDENTURE

BOND INDENTURE

between

CITY OF LAKELAND, FLORIDA,
as Issuer

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Bond Trustee

Dated as of [August] 1, 2024

$[PAR]
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2024

TABLE OF CONTENTS

This Table of Contents is not a part of this Bond Indenture and is provided only for convenience of reference.

Page

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

ARTICLE IV

REDEMPTION AND TENDER OF BONDS

ARTICLE XI

MISCELLANEOUS

BOND INDENTURE

This BOND INDENTURE, dated as of **[**August**]** 1, 2024 (as from time to time amended or supplemented in accordance with the terms hereof, the "Bond Indenture"), is between the CITY OF LAKELAND, FLORIDA, a municipal corporation of the State of Florida, (as more specifically defined herein, the "Issuer"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under the laws of the United States of America and being qualified to accept and administer the trusts hereby created (together with any successors, the "Bond Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer is authorized pursuant to the Constitution of the State of Florida, the Issuer's Charter, Chapter 166, Florida Statutes, Part II of Chapter 159, Florida Statutes, as the same may be supplemented and amended from time to time, and other applicable provisions of law (the "Act"), to issue revenue bonds to finance construction, expansion, remodeling, renovation, furnishing, equipping, and acquisition of health care facilities (including by reimbursing expenditures made for such purpose) and to refund and refinance certain indebtedness; and

WHEREAS, Lakeland Regional Health Systems, Inc. (the "Borrower") is a not-for-profit corporation duly organized and existing under the laws of the State of Florida (the "State") (as defined in the Act); and

WHEREAS, the Borrower has requested that the Issuer issue one or more series of its revenue bonds in an aggregate principal amount not to exceed $[PAR], and make one or more loans of the proceeds thereof to the Borrower to: (1) currently refund that portion of the Issuer's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the bonds so refunded being herein referred to as the "Refunded Bonds") in order to refinance all or a portion of the costs of certain capital improvements to the Obligated Group's medical facilities financed with the proceeds of the Refunded Bonds, generally including acquisition, construction and equipping of the Women and Children Pavilion, emergency department expansion, operating room expansion and inpatient rehabilitation facility, located on or contiguous to the campus of the Lakeland Regional Medical Center 1324 Lakeland Hills Boulevard, Lakeland, Florida (the "LRMC Campus"), and Lakeland Regional Cancer Center expansion located at 3525 Lakeland Hills Boulevard, Lakeland, Florida; (2) finance all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Obligated Group's healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building located at 2400 Kathleen Road, Lakeland, Florida, (b) a new approximately 24,000 square foot free-standing emergency department building located at 6150 South Florida Avenue, Lakeland, Florida, and (c) other capital improvements related to existing

health care facilities located on the LRMC Campus, as more particular described in EXHIBIT A of the Loan Agreement (the "Project"); (3) fund any required reserves, and (4) pay costs associated with the issuance of the Bonds (as defined below); and

WHEREAS, the Issuer has authorized the issuance of the City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Bonds"), in an aggregate principal amount of [WRITTEN PAR] dollars ($[PAR]) and the loan of the proceeds thereof to the Borrower for the purposes set forth in the above recitals; and

WHEREAS, the Issuer has entered into a Loan Agreement, dated as of **[**August**]** 1, 2024 (as from time to time amended or supplemented in accordance with the terms thereof, the "Loan Agreement"), with the Borrower, specifying the terms and conditions of a loan by the Issuer to the Borrower of the proceeds of the Bonds for the purposes set forth in the above recitals and providing for the payment by the Borrower to the Issuer of amounts sufficient for the full payment of the principal, Purchase Price and Redemption Price and interest on the Bonds and certain related costs and expenses; and

WHEREAS, pursuant to the Master Trust Indenture, dated as of February 1, 2015, as supplemented to the date hereof (the "Master Indenture"), among the Borrower, the other Member of the Obligated Group named therein and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), and Supplemental Indenture for Obligation No. 9, dated as of **[**August**]** 1, 2024 (the "Bond Supplemental Master Indenture"), between the Borrower, as Obligated Group Representative, and the Master Trustee, the Borrower has issued Obligation No. 9 (the "Bond Obligation") to evidence the obligation of the Members (as defined in the Master Indenture) to make payments sufficient to pay the principal, Purchase Price and Redemption Price and interest on the Bonds; and

WHEREAS, on the date of issuance of the Bonds (the "Date of Issuance"), the Bonds will be purchased by J.P. Morgan Securities LLC and delivered on its behalf to DTC (as defined herein); and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal, Purchase Price and Redemption Price thereof and interest thereon, the Issuer has authorized the execution and delivery of this Bond Indenture; and

WHEREAS, the Bonds and the Bond Trustee's certificate of authentication and assignment to appear thereon shall be in substantially the form set forth in EXHIBIT A hereto and incorporated into this Bond Indenture by this reference, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Bond Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Issuer, authenticated and delivered by the Bond Trustee and duly issued, the valid, binding and legal limited obligations of the Issuer, and to constitute this Bond Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Bond Indenture have been in all respects duly authorized; and

NOW, THEREFORE, THIS BOND INDENTURE WITNESSETH, that in order to secure the payment of the principal, Purchase Price and Redemption Price of and interest on all Bonds at any time issued and outstanding under this Bond Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Issuer does hereby covenant and agree with the Bond Trustee, for the benefit of the Owners from time to time of the Bonds, as follows:

[Remainder of page intentionally left blank]

ARTICLE I

DEFINITIONS

SECTION 1.01. DEFINITIONS. Except as hereinafter provided, the following words and terms as used in this Bond Indenture or the Loan Agreement shall have the following meanings unless the context or use indicates another or different meaning or intent:

"501(c)(3) Organization" means an organization described in Section 501(c)(3) of the Code.

"Act" means the Constitution of the State of Florida, the Issuer's Charter, Chapter 166, Florida Statutes, Part II of Chapter 159, Florida Statutes, as the same may be supplemented and amended from time to time, and other applicable provisions of law.

"Additional Funding Amount" has the meaning ascribed thereto in Section 4.10(d)(ii) hereof.

"Additional Payments" means the payments so designated and required to be made by the Borrower pursuant to Section 4.02 of the Loan Agreement.

"Administrative Fees and Expenses" means any application, commitment, financing or similar fee charged, or reimbursement for administrative or other expenses incurred by the Issuer or the Bond Trustee, and reasonable fees and expenses of attorneys and other reasonable expenses incurred by either of them in connection with any Loan Default Event, including, without limitation, fees and expenses incurred in the collection of amounts due under the Bond Obligation or any other sum due or the enforcement of performance of any other obligations of the Borrower or the Obligated Group under the Loan Agreement, including the reasonable fees, charges, expenses and indemnities of the Remarketing Agent (if any), the Liquidity Facility Provider (if any) and the Credit Facility Provider (if any).

"Affiliate" means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Alternate Credit Facility" means a Credit Facility issued to replace an existing Credit Facility in accordance with Section 4.20 hereof; provided, however, that any amendment, extension, renewal or substitution of the Credit Facility then in effect for the purpose of extending the Expiration Date of such Credit Facility or modifying such Credit

Facility pursuant to its terms shall not be deemed to be an Alternate Credit Facility for purposes of this Bond Indenture.

"Alternate Liquidity Facility" means a Liquidity Facility issued to replace an existing Liquidity Facility in accordance with Section 4.19 hereof and any amendment or assignment of a Liquidity Facility which results in a change in the Liquidity Facility Provider; provided, however, that any amendment or extension of the Liquidity Facility for the purpose of extending the Expiration Date of such Liquidity Facility or modifying such Liquidity Facility shall not constitute an Alternate Liquidity Facility for purposes of this Bond Indenture.

"Applicable Factor" means during any Direct Purchase Interest Rate Period, a percentage designated by the Market Agent (which shall be a percentage between 65.1% and 135%), or, with a Favorable Opinion of Bond Counsel, such other percentage as may be designated as the Applicable Factor for such Direct Purchase Period pursuant to Section 2.13 hereof.

"Applicable Spread" means, with respect to any Direct Purchase Interest Rate Period, the number of basis points determined on or before the first day of such Direct Purchase Period and designated in writing by the Borrower, the Market Agent or the Direct Purchaser pursuant to Section 2.13 hereof (which may include a schedule for the Applicable Spread based upon the ratings assigned to the unenhanced, long-term debt of the Obligated Group) that, when added to the product of (x) the Direct Purchase Index multiplied by, (y) the Applicable Factor, would equal the minimum interest rate per annum that would enable the Direct Purchase Bonds to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon).

"Authorized Denominations" means with respect to any (a) Long-Term Period, FRN Period or Fixed Period, $5,000 and any integral multiple thereof; (b) Direct Purchase Period, $250,000 and any integral multiple of $5,000 in excess of $250,000; and (c) Short-Term Period, Two Day Period, VRO Interest Rate Period, Window Period, Weekly Period, Daily Period or Flexible Rate Period, $100,000 and any integral multiple of $5,000 in excess of $100,000; provided however that in each case different Authorized Denominations may be selected by the Borrower on or prior to any Conversion Date for the Bonds subject to Conversion upon written notice to the Bond Trustee.

"Authorized Representative" means: (a) with respect to the Issuer, its Mayor (or any Deputy) or any other Person or Persons designated as an Authorized Representative of the Issuer by a Certificate of the Issuer signed by its Mayor (or any Deputy), and such authorization shall remain in effect until the Bond Trustee has received written notice to the contrary accompanied by a new designation; and (b) with respect to the Borrower or any Member, the chairperson of its Governing Board, its Chief Executive Officer or its Chief Financial Officer, or any other person designated as an Authorized Representative by a Certificate signed by one of the above parties and filed with the Bond Trustee.

"Bank Bonds" means any Credit Facility Bonds or Liquidity Facility Bonds.

"Beneficial Owner" means any Person which (a) has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any of the Bonds (including any Person holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Bond Counsel" means a firm of attorneys, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Indenture" means this Bond Indenture, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Bond Indenture or otherwise in accordance with the terms hereof.

"Bond Obligation" means Obligation No. 9 issued, authenticated and delivered under the Bond Supplemental Master Indenture, which evidences and secures the obligations of the Borrower under the Loan Agreement.

"Bond Purchase Agreement" means the Bond Purchase Agreement, dated [SALE DATE], 2024, among the Issuer, the Underwriter, and the Borrower.

"Bond Purchase Fund" means the fund by that name established pursuant to Section 4.10(a)(i) hereof.

"Bond Sinking Fund" means the fund by that name established pursuant to Section 5.04(a) hereof.

"Bond Supplemental Master Indenture" means that certain Supplemental Indenture for Obligation No. 9, dated as of **[**August**]** 1, 2024, between the Borrower and the Master Trustee, as amended from time to time pursuant to its terms.

"Bond Trustee" means The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States of America, and, subject to the limitations contained in Section 8.01 hereof, any successor or successors to said trustee in the trusts created hereunder.

"Bondholder Agreement" means: during any Direct Purchase Interest Rate Period, any continuing covenant agreement, bondholder agreement or similar agreement between the Borrower and a Direct Purchaser that is delivered to the Bond Trustee and the Issuer as the Bondholder Agreement.

"Bondholder Agreement Obligation" means any obligation issued under a Bondholder Agreement Supplemental Master Indenture, which evidences and secures the obligations of the Borrower under a Bondholder Agreement.

"Bondholder Agreement Supplemental Master Indenture" means a Supplemental Indenture issued to secure the Borrower's repayments under any Bondholder Agreement.

"Bonds" means the City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024, authorized by, and at any time Outstanding pursuant to, this Bond Indenture, and includes all Bank Bonds.

"Borrower" means Lakeland Regional Health Systems, Inc., a not-for-profit corporation duly organized and existing under the laws of the State or any entity which is the surviving, resulting or transferee entity in any merger, consolidation or transfer of assets permitted under the Master Indenture.

"Borrower Documents" means the Loan Agreement, the Master Indenture, the Bond Supplemental Master Indenture, the Bond Obligation, a Bondholder Agreement Supplemental Master Indenture (if any), a Bondholder Agreement Obligation (if any), the Bond Purchase Agreement, the Tax Agreement, a Bondholder Agreement (if any), the Continuing Disclosure Agreement and all other documents and instruments executed by the Borrower in connection with the Bonds and the transactions relating to the Bonds.

"Borrower Elective Purchase Date" means the date designated by the Borrower for the purchase of Daily Bonds, Two Day Bonds, Weekly Bonds or Window Bonds pursuant to Section 4.07(g) hereof.

"Borrower Purchase Account" means the account by that name in the Bond Purchase Fund established pursuant to Section 4.10(a)(ii) hereof.

"Business Day" means a day that is not a Saturday, Sunday or legal holiday on which banking institutions in (a) the State or the State of New York, (b) the state in which the designated Corporate Trust Office is located, or (c) the state in which the principal office of the Master Trustee is located, in each case under the preceding clauses (a)-(c) are authorized to remain closed, or a day on which the New York Stock Exchange is closed; provided that (i) as to matters relating to draws on any Credit Facility or Liquidity Facility, Business Day shall also exclude any day on which banking institutions located in the city in which draws on any such Credit Facility or Liquidity Facility are to be presented, and (ii) as to matters relating to the Bonds in the Direct Purchase Mode, the FRN Mode or the Window Mode, Business Day shall also exclude any day on which banking institutions located in the city where the Direct Purchaser or Calculation Agent is located are authorized to remain closed.

"Calculation Agent" means: (a) during any Direct Purchase Interest Rate Period, the Direct Purchaser or any Affiliate thereof during any Direct Purchase Period, or any Person, financial institution or financial advisory firm appointed by the Borrower, with the consent of the Direct Purchaser to serve as Calculation Agent for the Direct Purchase Bonds, and (b) during any FRN Mode or any Window Mode, any Person, financial institution or financial advisory firm appointed by the Borrower prior to a Conversion to any such FRN Mode or Window Mode to serve as Calculation Agent for the FRN Bonds or Window Bonds, as applicable. There is no Calculation Agent during the Initial Period.

"Certificate," "Statement," "Request" and **"Requisition"** of the Issuer or the Borrower means, respectively, a written certificate, statement, request or requisition signed in the name of the Issuer or the Borrower by an Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.03 hereof, each such instrument shall include the statements provided for in Section 1.03 hereof.

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (or a successor administrator).

"Code" means the Internal Revenue Code of 1986, as amended from time to time. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations relating to such section, including temporary and proposed regulations, relating to such section which are applicable to the Bonds or the use of the proceeds thereof.

"Continuing Disclosure Agreement" means any continuing disclosure agreement or certificate executed by the Borrower with respect to the Bonds and which complies with Rule 15c2-12.

"Conversion" means a conversion of all or a portion of the Bonds from one Interest Rate Mode to one or more other Interest Rate Modes in accordance with the terms and provisions of Section 2.15 hereof and shall also include (a) a conversion from any Direct Purchase Interest Rate Period to the next Direct Purchase Interest Rate Period; (b) a conversion from one FRN Period to a new FRN Period; (c) a conversion from one Fixed Period to a new Fixed Period; (d) a conversion from any Short-Term Interest Rate Period to a new Short-Term Interest Rate Period; and (e) a conversion from any Long-Term Interest Rate Period to a new Long-Term Interest Rate Period.

"Conversion Date" means the effective date of a Conversion of the Bonds or a portion of the Bonds.

"Corporate Trust Office" means the office of the Bond Trustee at which its corporate trust business with respect to the Bonds is conducted, which at the date hereof is the office described in Section 11.07 hereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Issuer or the Borrower and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to advertising and printing costs, initial fees of the Issuer, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Bond Trustee and the Master Trustee (including legal fees and charges of its counsel), legal fees and charges, fees and disbursements of consultants and professionals, Rating Agency fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge or fee in connection with the original issuance of Bonds.

"Costs of Issuance Fund" means the fund so designated and established pursuant to Section 3.05 hereof.

"Credit Facility" means a letter of credit, loan, guarantee, bond insurance policy, or similar credit facility issued by a Credit Facility Provider which, by its terms, shall secure the payment of principal of and interest on the Bonds, and delivered to the Bond Trustee in accordance with Section 5.09 of the Loan Agreement or, in the event of the delivery of an Alternate Credit Facility, such Alternate Credit Facility. A Credit Facility may also serve the function of a Liquidity Facility. Initially, there shall be no Credit Facility in effect with respect to the Bonds.

"Credit Facility Account" means the account by that name in the Bond Purchase Fund established pursuant to Section 4.10(a)(ii) hereof.

"Credit Facility Agreement" means any reimbursement or similar agreement pursuant to which a Credit Facility Provider issues or provides a Credit Facility.

"Credit Facility Bonds" means Bonds purchased with moneys drawn under (or otherwise obtained pursuant to the terms of) a Credit Facility, but excluding Bonds no longer considered to be Credit Facility Bonds in accordance with the terms of the applicable Credit Facility.

"Credit Facility Interest Account" means the account by that name in the Interest Fund established pursuant to Section 5.03(a) hereof.

"Credit Facility Principal Account" means the account by that name in the Bond Sinking Fund established pursuant to Section 5.04(a) hereof.

"Credit Facility Provider" means the commercial bank, bond insurer, or other financial institution issuing (or having primary obligation, or acting as agent for the financial institutions obligated, under) a Credit Facility then in effect.

"Credit Facility Rate" means the rate per annum, if any, specified in a Credit Facility as applicable to Credit Facility Bonds, which shall not exceed the Maximum Interest Rate for Credit Facility Bonds.

"Credit Facility Redemption Account" means the account by that name established pursuant to Section 5.05 hereof.

"Daily Bonds" means Bonds that bear interest at Daily Rates.

"Daily Interest Rate Period" means each day during the Daily Period for which a particular Daily Rate is in effect.

"Daily Mode" means the Interest Rate Mode during which the Bonds bear interest at Daily Rates.

"Daily Period" means the entire period during which Bonds constitute Daily Bonds, which Daily Period shall generally be comprised of multiple Daily Interest Rate Periods, during which Daily Rates are in effect.

"Daily Rate" means the interest rate per annum on Daily Bonds determined on a daily basis as provided in Section 2.04 hereof.

"Daily SOFR" means, with respect to any Effective Date:

(a) SOFR on the Federal Reserve's Website as of 4:00 p.m., New York City time, on the Daily SOFR Determination Date for each related Daily SOFR Reference Date. The Daily SOFR Reference Date is the U.S. Government Securities Business Day immediately preceding the related Daily SOFR Determination Date (for example, SOFR for the Effective Date of December 1, 2024, will be the rate on the Federal Reserve's Website on the Daily SOFR Determination Date, November 30, 2024, as of 4:00 p.m., for the Daily SOFR Reference Date of December 29, 2024). SOFR is published every U.S. Government Securities Business Day at 8:00 a.m. and may be revised until 2:30 p.m., New York City time.

(b) If SOFR cannot be determined with respect to such Effective Date as specified in paragraph (a), unless both a SOFR Index Cessation Event and a SOFR Index Cessation Date have occurred, then the Calculation Agent shall use SOFR in respect of the last U.S. Government Securities Business Day for which such SOFR was published on the Federal Reserve's Website.

(c) If a SOFR Index Cessation Event and SOFR Index Cessation Date have occurred, the Calculation Agent shall determine the FRN Rate as if references to Daily SOFR were references to the rate that was recommended as the replacement for SOFR by the Federal Reserve Board and/or the NYFRB or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB for the purpose of

recommending a replacement for SOFR (which rate may be produced by a Federal Reserve Bank or other designated administrator, which rate may include any adjustments or spreads, and which rate will be reasonably expected to measure contemporaneous variations in the cost of newly borrowed funds in U.S. dollars). If no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event, then the Calculation Agent shall use the OBFR published on the Federal Reserve's Website for any Effective Date after the SOFR Index Cessation Date (it being understood that the OBFR for any such Effective Date will be the Overnight Bank Funding Rate on the Federal Reserve's Website as of 4:00 p.m., New York City time, on the Daily SOFR Determination Date for each related Daily SOFR Reference Date).

(d) If the Calculation Agent is required to use the OBFR in paragraph (c) above and an OBFR Index Cessation Event has occurred, then for any Effective Date after the OBFR Index Cessation Date, the Calculation Agent shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website, or if the Federal Open Market Committee has not set a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range).

If Daily SOFR determined as above would be less than zero, then such rate shall be deemed to be zero.

"Daily SOFR Determination Date" means, with respect to any Effective Date, the U.S. Government Securities Business Day immediately preceding such Effective Date.

"Daily SOFR Reference Date" means, with respect to any Effective Date, the U.S. Government Securities Business Day immediately preceding the related Daily SOFR Determination Date.

"Date of Issuance" means [CLOSING DATE], 2024.

"Default Rate" means, with respect to Direct Purchase Bonds, during any Direct Purchase Period, the Default Rate, if any, as defined in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Determination of Taxability" means, with respect to Direct Purchase Bonds during a Direct Purchase Interest Rate Period, a Determination of Taxability, if any, as defined in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Differential Interest Amount" means, upon remarketing of a Liquidity Facility Bond or a Credit Facility Bond by the Remarketing Agent pursuant to Section 4.13(b)

hereof, the excess of (a) interest which has accrued at the Liquidity Facility Rate or the Credit Facility Rate, as applicable, up to but excluding the remarketing date of the Bond, over (b) the interest accrued on such Bond which is received by the Liquidity Facility Provider or the Credit Facility Provider, as applicable, from the Remarketing Agent as part of the Purchase Price.

"Direct Purchase Bonds" means Bonds that bear interest at a Direct Purchase Rate, and any Unremarketed Bonds, if any.

"Direct Purchase Fixed Rate" means the rate per annum established as such in a Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to a Direct Purchase Mode pursuant to Section 2.13 hereof.

"Direct Purchase Index" means during any Direct Purchase Period in which the Bonds do not bear interest at a Direct Purchase Fixed Rate, any of Daily SOFR, Term SOFR, the SIFMA Index or, with a Favorable Opinion of Bond Counsel, such other index as may be designated, in consultation with the Borrower, by the Direct Purchaser or Market Agent as the Direct Purchase Index for such Direct Purchase Period pursuant to Section 2.13 hereof.

"Direct Purchase Interest Rate Period" means each period during the Direct Purchase Period for which a particular Direct Purchase Rate is in effect.

"Direct Purchase Mandatory Purchase Date" means: during any Direct Purchase Interest Rate Period, any date established as such in a Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Direct Purchase Mode" means the Interest Rate Mode during which the Bonds bear interest at the Direct Purchase Rate and during which any Unremarketed Bonds, if any, remain Outstanding.

"Direct Purchase Period" means the entire period during which Bonds constitute Direct Purchase Bonds, which Direct Purchase Period shall generally be comprised of multiple Direct Purchase Interest Rate Periods, during which Direct Purchase Rates are in effect. A Direct Purchase Period shall also include any period during which any Unremarketed Bonds remain Outstanding.

"Direct Purchase Rate" means for any Direct Purchase Interest Rate Period thereafter, the interest rate per annum on Direct Purchase Bonds determined on a periodic basis as provided in Section 2.13 hereof.

"Direct Purchase Rate Determination Date" means during any Direct Purchase Interest Rate Period, such date established as such by the Borrower, the Market Agent or the Direct Purchaser as set forth in the applicable Supplemental Bond Indenture or

Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Direct Purchaser" means during any Direct Purchase Interest Rate Period, the Holder of the Direct Purchase Bonds, if there is a single Holder of all of the Direct Purchase Bonds and provided, however, that the Direct Purchase Bonds are not then held under the book-entry system. If there is more than one Holder of the Direct Purchase Bonds, "Direct Purchaser" means the Holders owning a majority in aggregate principal amount of the Direct Purchase Bonds then Outstanding. If the Direct Purchase Bonds are then held under the book-entry system, "Direct Purchaser" means the Beneficial Owner of the Direct Purchase Bonds, if there is a single Beneficial Owner of all of the Direct Purchase Bonds. If there is more than one Beneficial Owner of the Direct Purchase Bonds, "Direct Purchaser" means the Beneficial Owners who are the Beneficial Owners of a majority in aggregate principal amount of the Direct Purchase Bonds then Outstanding.

"DTC" means The Depository Trust Company.

"Effective Date" means each U.S. Government Securities Business Day.

"Electronic Means" means the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method or system specified by the Bond Trustee as available for use in connection with its services hereunder.

"Electronic Notice" means a notice transmitted through Electronic Means.

"Eligible Bonds" means any Bonds other than Liquidity Facility Bonds, Credit Facility Bonds or Bonds owned by, for the account of, or on behalf of, the Issuer or the Borrower or any other Member of the Obligated Group.

"Eligible Moneys" means:

(a) Bond proceeds deposited with the Bond Trustee contemporaneously with the issuance and sale of the Bonds and which are continuously thereafter held subject to the lien of this Bond Indenture in a separate and segregated fund, account or subaccount established hereunder in which no moneys which are not Eligible Moneys are at any time held;

(b) moneys (i) paid or deposited by the Borrower or any other Member of the Obligated Group to or with the Bond Trustee, (ii) held in any fund, account or subaccount established hereunder in which no other moneys which are not Eligible Moneys are held, and (iii) which have so been on deposit with the Bond Trustee for at least 124 consecutive days from their receipt by the Bond Trustee if the Borrower is the sole Member of the Obligated Group or at least 367 consecutive days from their receipt by the Bond Trustee if there is more than one Member of the Obligated Group, or if such funds are provided by

an "Insider" (within the meaning of Title 11 of the United States Bankruptcy Code), with respect to the Borrower, during and prior to which period no petition by or against the Issuer, the Borrower or any other Member of the Obligated Group or any such Insider under any bankruptcy or similar law now or hereafter in effect shall have been filed and no bankruptcy or similar proceeding otherwise initiated (unless such petition or proceeding shall have been dismissed and such dismissal be final and not subject to appeal), together with investment earnings on such moneys;

(c) moneys received by the Bond Trustee from any payment under a Credit Facility or a Liquidity Facility which are held in any fund, account or subaccount established hereunder in which no other moneys which are not Eligible Moneys are held, together with investment earnings on such moneys;

(d) proceeds from the remarketing of any Bonds pursuant to the provisions of this Bond Indenture to any person other than the Issuer, the Borrower, any other Member of the Obligated Group or any Insider;

(e) proceeds from the issuance and sale of refunding bonds, together with the investment earnings on such proceeds, if there is delivered to the Bond Trustee and Moody's (if Moody's is then a Rating Agency for the Bonds) at the time of issuance and sale of such refunding bonds an opinion of nationally recognized bankruptcy counsel experienced in bankruptcy matters (which opinion may assume that no holder of a Bond is an Insider) to the effect that the use of such proceeds and investment earnings to pay the principal or Redemption Price of or interest on the Bonds would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code recoverable under Section 550 of the Bankruptcy Code should the Issuer, the Borrower or any other Member of the Obligated Group become a debtor in a proceeding commenced thereunder; and

(f) moneys which are derived from any source, including without limitation moneys from the Borrower or any other Member of the Obligated Group, together with the investment earnings on such moneys, if the Bond Trustee and Moody's (if Moody's is then a Rating Agency for the Bonds) has received an unqualified opinion of nationally recognized bankruptcy counsel experienced in bankruptcy matters (which opinion may assume that no holder of a Bond is an Insider) to the effect that payment of such amounts to a holder of a Bond would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code recoverable under Section 550 of the Bankruptcy Code should the Issuer, the Borrower or any other Member of the Obligated Group become a debtor in a proceeding commenced thereunder;

provided that such proceeds, moneys or income shall not be deemed to be Eligible Moneys or available for payment of the Bonds if, among other things, an injunction, restraining order or stay is in effect preventing such proceeds, moneys or income from being applied to make such payment. For the purposes of this definition, the term

"moneys" shall include cash and any Qualified Investments including, without limitation, United States Government Obligations.

"EMMA" means the Electronic Municipal Market Access internet website maintained by the Municipal Securities Rulemaking Board, or any successor designated by the Municipal Securities Rulemaking Board.

"Environmental Laws" means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Materials, chemical waste, materials or substances to which the Borrower or its properties are subject.

"Escrow Agent" means The Bank of New York Mellon Trust Company, N.A., and its successors and assigns.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement, dated as of [August 1], 2024, between the Issuer and the Escrow Agent, and acknowledged by the Borrower, relating to the Refunded Bonds.

"Event of Default" means any of the events specified in Section 7.01 hereof.

"Event of Taxability" has the meaning given to it in any Bondholder Agreement.

"Expiration Date" means: (a) the date upon which a Liquidity Facility or Credit Facility is scheduled to expire (taking into account any extensions of such Expiration Date by virtue of extensions of a particular Liquidity Facility or Credit Facility, from time to time) in accordance with its terms, including without limitation termination upon delivery of a Liquidity Facility, an Alternate Liquidity Facility, a Credit Facility or an Alternate Credit Facility to the Bond Trustee, and (b) the date upon which a Liquidity Facility or Credit Facility terminates following voluntary termination by the Borrower pursuant to the Loan Agreement and the terms of the related Liquidity Facility or Credit Facility.

"Facilities" means the health care facilities owned or leased by the Borrower and/or a Member, and operated by the Borrower and/or a Member, at the locations set forth in the definition of the Project.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel, addressed to the Issuer, the Remarketing Agent, if any, the Direct Purchaser, if any, the Borrower and the Bond Trustee, to the effect that the action proposed to be taken is authorized or permitted or not prohibited by or in contravention of this Bond Indenture and will not, in and of itself, cause interest on the Bonds to be included in gross income for purposes of federal income taxation.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Federal Reserve's Website" means the website of the NYFRB, currently at http://www.newyorkfed.org, or any successor website of the NYFRB.

"Fitch" means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower by notice in writing to the Issuer and the Bond Trustee and the Direct Purchaser, if any.

"Fixed Bonds" means Bonds that bear interest at Fixed Rates.

"Fixed Mode" means the Interest Rate Mode during which the Bonds bear interest at a Fixed Rate or Fixed Rates to their Maturity Date.

"Fixed Period" means the period to the Maturity Date, or to the date on which Fixed Bonds are converted to a new Interest Rate Mode, during which Bonds constitute Fixed Bonds.

"Fixed Rate" means the interest rates per annum on Fixed Bonds set forth in Sections 2.02(b) and 2.14 hereof to their Maturity Date or until the Fixed Rate Conversion Date, if any, and after any Fixed Rate Conversion Date, the fixed interest rate or rates per annum determined prior to such Fixed Rate Conversion Date as provided in Section 2.14 hereof.

"Fixed Rate Conversion Date" means the effective date of a Conversion of the Bonds or a portion of the Bonds into a Fixed Period or from one Fixed Period to a new Fixed Period or another Interest Rate Mode pursuant to the provisions of Section 2.15 hereof.

"Flexible Mode" means the Interest Rate Mode during which the Bonds bear interest at the Flexible Rate.

"Flexible Rate" means the per annum interest rate on a Bond in the Flexible Mode determined for such Bond pursuant to Section 2.09 hereof. The Bonds in the Flexible Mode may bear interest at different Flexible Rates.

"Flexible Rate Bond" means a Bond in the Flexible Mode.

"Flexible Rate Determination Date" means the first day of each Flexible Rate Period.

"Flexible Rate Period" means the period of from one to 270 calendar days (which period must end on a day preceding a Business Day) during which a Flexible Rate Bond

shall bear interest at a Flexible Rate, as established pursuant to Section 2.09 hereof. The Bonds in the Flexible Mode may be in different Flexible Rate Periods.

"FRN Bonds" means Bonds that bear interest at FRN Rates.

"FRN Index" means the SIFMA Index, Daily SOFR, Term SOFR, or, with a Favorable Opinion of Bond Counsel, such other index that the Borrower shall select, as an index reasonably expected to measure contemporaneous variations in the cost of newly borrowed funds or inflation, as applicable, pursuant to Section 2.10(a) hereof.

"FRN Index Percentage" means, with respect to any FRN Period, the percentage determined pursuant to Section 2.10(a) hereof with respect to the determination of the FRN Rate.

"FRN Interest Rate Period" means each period during an FRN Period for which a particular FRN Rate is in effect, as described in Section 2.10 hereof.

"FRN Mode" means the Interest Rate Mode during which Bonds bear interest at FRN Rates.

"FRN Period" means the entire period during which Bonds constitute FRN Bonds, which FRN Period shall generally be comprised of multiple FRN Interest Rate Periods, and ending on the day prior to the related FRN Rate Mandatory Purchase Date therefor.

"FRN Rate" means, with respect to the FRN Bonds in a particular FRN Interest Rate Period, the interest rate per annum on FRN Bonds during such FRN Interest Rate Period determined on each FRN Rate Determination Date as provided in Section 2.10 hereof, which is equal to the sum of (a) the FRN Index multiplied by the FRN Index Percentage, plus (b) the FRN Spread.

"FRN Rate Conversion Date" means: (a) the date on which a continuation of the FRN Bonds in a new FRN Period occurs, and (b) the date on which a conversion of the Bonds to an FRN Period from an Interest Rate Period other than an FRN Period occurs.

"FRN Rate Determination Date" means, with respect to any FRN Period, the Business Day, as determined by the Borrower pursuant to Section 2.10(a) hereof, on which the FRN Rate is determined by the Calculation Agent for each FRN Interest Rate Period. The FRN Rate Determination Date for FRN Bonds, unless otherwise determined pursuant to Section 2.10(a), shall be (a) during a FRN Period for which the FRN Index is the SIFMA Index, each Wednesday, or if such Wednesday is not a Business Day, the following Business Day, (b) during a FRN Period for which the FRN Index is based on Daily SOFR, each Effective Date, and (c) during a FRN Period for which the FRN Index is based on Term SOFR, the FRN Determination Date specified by the Borrower pursuant to Section 2.10(a) hereof.

"FRN Rate Hard Put Bonds" means those FRN Bonds that, pursuant to the election of the Borrower under Section 2.10(a) hereof, are required to be purchased on an FRN Rate Hard Put Mandatory Purchase Date.

"FRN Rate Hard Put Mandatory Purchase Date" means, with respect to the FRN Rate Hard Put Bonds, the first day following the last day of each FRN Period.

"FRN Rate Mandatory Purchase Date" means, with respect to the FRN Bonds, each FRN Rate Hard Put Mandatory Purchase Date and FRN Rate Soft Put Mandatory Purchase Date.

"FRN Rate Soft Put Bonds" means those FRN Bonds that, pursuant to the election of the Borrower under Section 2.10(a) hereof, are required to be purchased on an FRN Rate Soft Put Mandatory Purchase Date, but only to the extent that (a) remarketing proceeds, (b) funds made available from a Credit Facility or a Liquidity Facility, or (c) other amounts made available by the Borrower, in its sole discretion, are available for such purchase.

"FRN Rate Soft Put Mandatory Purchase Date" means, with respect to the FRN Rate Soft Put Bonds, the first day following the last day of each FRN Period.

"FRN Spread" means, with respect to an FRN Period, the spread determined by the Remarketing Agent prior to the commencement of an FRN Period based on the relative spreads of securities that bear interest based on the applicable FRN Index and the applicable FRN Index Percentage that, in the reasonable judgment of the Remarketing Agent, under prevailing market conditions, are otherwise comparable to the Bonds or affect the market for the Bonds or affect such other comparable securities in a manner which, in the reasonable judgment of the Remarketing Agent, will affect the market for the Bonds (assuming for these purposes that the Bonds were to bear interest at FRN Rates for a particular FRN Period). The FRN Spread shall be the spread which, when added to or subtracted from the product of the applicable FRN Index multiplied by the FRN Index Percentage, will, in the judgment of the Remarketing Agent under prevailing market conditions, result in the remarketing of such FRN Bonds in the new FRN Period at a purchase price equal to their principal amount.

"Funding Amount" has the meaning set forth in Section 4.10(c)(iii) hereof.

"Governing Body" means, with respect to the Borrower, the board of directors or similar group in which the right to exercise the powers of corporate directors is vested.

"Government Obligations" means: (a) noncallable United States Government Obligations, or (b) evidences of a direct ownership of a proportionate or individual interest in future interest or principal payments on noncallable United States Government Obligations, which United States Government Obligations are held in a custodial account by a custodian on behalf of the Bond Trustee pursuant to the terms of a custody agreement;

provided, however, that if such Government Obligations consist of obligations for which the principal and interest payments have been "stripped" into separate securities, such custodian shall be a Federal Reserve Bank.

"Governmental Unit" means a state or local governmental unit as defined in Treasury Regulations §1.103-1 or any instrumentality thereof, excluding the United States or any agency or instrumentality thereof.

"Hazardous Material Activity" means any actual, proposed or threatened storage, holding, existence, release, emission, discharge, generation, processing, abatement, removal, disposition, handling or transportation or any Hazardous Materials from, under into or on the Project or surrounding property.

"Hazardous Materials" means: (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Project or to Persons on or about the Project, or (ii) cause the Project to be in violation of any Environmental Law; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of "waste," "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any Environmental Law including, but not limited to, CERCLA; RECRA; the Hazardous Materials Transportation Act, as amended, (49 USC § 1801 et seq.); the Federal Water Pollution Control Act, as amended (33 USC §§ 1251 et seq.); (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of the Project or the owners and/or occupants of property adjacent to or surrounding the Project, or any other Person coming upon the Project or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

"Holder," "Bondholder," "Owner," "Registered Owner" or **"holder"** whenever used herein with respect to a Bond, means the Person in whose name such Bond is registered; provided, however, that any time the Bonds are held in a book-entry system, "Holder" or "Bondholder" shall mean Beneficial Owner of the Bonds.

"Immediate Termination Date" means, with respect to Bonds secured by a Liquidity Facility in the form of a standby bond purchase agreement or other standby liquidity agreement, the date, if any, on which the Liquidity Facility Provider's obligation to advance funds or purchase Bonds under such Liquidity Facility terminates immediately in accordance with its terms.

"Index Reset Date" means the first Business Day of each calendar month or such other date designated upon Conversion of the Bonds.

"Initial Period" means the initial Fixed Period commencing on the Date of Issuance and ending on the first to occur of (a) the Conversion Date next succeeding the Date of Issuance, (b) the date on which the Bonds are redeemed in full, and (c) the Maturity Date.

"Initial Window Rate Spread" means with respect to any Conversion to a Window Period, the spread determined by the Remarketing Agent on the applicable Window Rate Determination Date pursuant to Section 2.12 hereof.

"Interest Accrual Date" means:

(a) with respect to any Weekly Period, any Daily Period, any Two Day Period, any Window Period, any FRN Period, any VRO Interest Rate Period, any Fixed Period or any Long-Term Period, the first day thereof and, thereafter, each Interest Payment Date during such period, other than the last such Interest Payment Date;

(b) with respect to any Short-Term Period, the first day thereof;

(c) with respect to any Flexible Rate Period, the first day thereof; and

(d) with respect to any Direct Purchase Interest Rate Period, either the first calendar day of each month or the first Business Day of each calendar month or such other day, as set forth in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Interest Accrual Period" means, the period from, and including, each Interest Payment Date for such Bonds to, and including, the day next preceding the next Interest Payment Date for such Bonds, provided, however, that the first Interest Accrual Period for any Bond shall begin on (and include) the Date of Issuance and the final Interest Accrual Period shall end on the day next preceding the Maturity Date or the applicable Direct Purchase Mandatory Purchase Date and, during any Direct Purchase Interest Rate Period, means the Interest Accrual Period established in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Interest Fund" means the fund by that name established pursuant to Section 5.03 hereof.

"Interest Payment Date" means:

(a) with respect to any Weekly Period, any Daily Period, any Two Day Period, or any VRO Interest Rate Period, the first Business Day of each calendar month;

(b) with respect to any Fixed Period or Long-Term Period, each May 15 and November 15, which for the Initial Period shall commence on November 15, 2024, or such other dates as established in the applicable Supplemental Bond Indenture;

(c) with respect to any Short-Term Interest Rate Period, the first Business Day next succeeding the last day thereof;

(d) with respect to any FRN Period, the first Business Day of each calendar month or the Interest Payment Date specified by the Borrower pursuant to Section 2.10(a) hereof;

(e) with respect to each Interest Rate Mode, the day next succeeding the last day thereof, any Conversion Date and any Mandatory Purchase Date;

(f) with respect to any Window Period, the first Thursday of each month, or if such first Thursday is not a Business Day, the next succeeding Business Day;

(g) with respect to Bonds in the Flexible Mode, each Mandatory Purchase Date applicable thereto;

(h) with respect to any Liquidity Facility Bonds or Credit Facility Bonds, as provided in the applicable Liquidity Facility or Credit Facility Agreement;

(i) with respect to any Direct Purchase Interest Rate Period, the first Business Day of each calendar month, or as may otherwise be established in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof;

(j) with respect to Unremarketed Bonds, if any, the dates set forth in the Bondholder Agreement for the payment of interest on Unremarketed Bonds; and

(k) the Maturity Date.

"Interest Rate Mode" means a Daily Mode, a Two Day Mode, a Weekly Mode, a Short-Term Mode, a Long-Term Mode, an FRN Mode, a VRO Mode, a Window Mode, a Flexible Mode, a Direct Purchase Mode or a Fixed Mode.

"Interest Rate Period" means a Daily Interest Rate Period, a Two Day Interest Rate Period, a Weekly Interest Rate Period, a Short-Term Interest Rate Period, a Long-Term Interest Rate Period, a Flexible Rate Period, an FRN Interest Rate Period, a VRO Interest Rate Period, a Window Interest Rate Period, a Direct Purchase Interest Rate Period or a Fixed Period.

"Issuer" means the City of Lakeland, Florida, or its successors and assigns.

"Letter of Representations" means the Blanket Issuer Letter of Representations between the Issuer and DTC.

"Liquidity Facility" means a line of credit, letter of credit, standby purchase agreement, loan, guarantee, or similar liquidity facility for a Series of Bonds issued by a commercial bank or other financial institution which, by its terms, provides for the payment of the Purchase Price of Bonds tendered and not remarketed, and delivered to the Bond Trustee in accordance with Section 5.10 of the Loan Agreement or, in the event of the delivery of an Alternate Liquidity Facility, such Alternate Liquidity Facility. To the extent a Credit Facility provides for such payment, it shall also be deemed a Liquidity Facility.

"Liquidity Facility Account" means the account by that name in the Bond Purchase Fund established pursuant to Section 4.10(a)(ii) hereof.

"Liquidity Facility Bonds" means Bonds purchased with moneys drawn under (or otherwise obtained pursuant to the terms of) a Liquidity Facility, but excluding Bonds no longer considered to be Liquidity Facility Bonds in accordance with the terms of such Liquidity Facility.

"Liquidity Facility Provider" means the commercial bank or other financial institution issuing (or having primary obligation, or acting as agent for the financial institutions obligated, under) a Liquidity Facility then in effect.

"Liquidity Facility Rate" means the rate per annum, if any, specified in a Liquidity Facility as applicable to Liquidity Facility Bonds, which shall not exceed the Maximum Interest Rate for Liquidity Facility Bonds.

"Loan" means the loan made by the Issuer to the Borrower under the Loan Agreement.

"Loan Agreement" means the Loan Agreement, dated as of **[**August**]** 1, 2024 between the Issuer and the Borrower, as it may from time to time be amended in accordance with the terms hereof or thereof, initially providing for the loan to the Borrower of the proceeds of the Bonds.

"Loan Default Event" means any of the events specified in Section 7.01 of the Loan Agreement.

"Loan Repayments" means the payments so designated and required to be made by the Borrower on the Loan pursuant to Section 4.01 of the Loan Agreement.

"Long-Term Bonds" means Bonds that bear interest at Long-Term Rates.

"Long-Term Interest Rate Period" means each period during the Long-Term Period for which a particular Long-Term Rate is in effect.

"Long-Term Mode" means the Interest Rate Mode during which the Bonds bear interest at the Long-Term Rate.

"Long-Term Period" means the entire period during which Bonds constitute Long-Term Bonds, which Long-Term Period shall generally be comprised of multiple Long-Term Interest Rate Periods, during which Long-Term Rates are in effect.

"Long-Term Rate" means the non-variable interest rate per annum on Long-Term Bonds determined on a periodic basis as provided in Section 2.08 hereof.

"Long-Term Rate Mandatory Purchase Date" means the first day following the last day of each Long-Term Interest Rate Period.

"Mandatory Purchase Date" means any Purchase Date on which Bonds are subject to mandatory purchase pursuant to Sections 4.07, 4.08 or 4.09 hereof, including as may be set forth in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

"Mandatory Purchase Window" means, during a Window Period, (a) 210 days or (b) such other number of days specified by the Remarketing Agent prior to the commencement of the Window Period, with the consent of the Borrower, in a written notice to the Bond Trustee, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any. Any change in the Mandatory Purchase Window shall become effective only at the commencement of a Window Period, on a Window Rate Mandatory Purchase Date or any other mandatory tender for purchase for Window Bonds that occurs pursuant to Section 4.07 hereof during such Window Period.

"Market Agent" means the Person, if any, appointed by the Borrower to serve as market agent in connection with any Direct Purchase Period.

"Master Indenture" means that certain Master Trust Indenture, dated as of February 1, 2015, among the Borrower, the other Members of the Obligated Group named therein, if any, and the Master Trustee, as originally executed, and as it has been and may from time to time be supplemented, modified, amended or replaced in accordance with the terms thereof.

"Master Trustee" means The Bank of New York Mellon Trust Company, N.A., a national banking association, as master trustee under the Master Indenture, or its successor.

"Maturity Date" means the dates specified in Section 2.02 hereof; or, with respect to a Bond upon change to a Fixed Period (including any Conversion from a Fixed Period to a new Fixed Period), such maturities as are determined pursuant to Section 2.15(f)(vi) or (vii) hereof.

"Maximum Federal Corporate Tax Rate" means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to national banks generally, the maximum statutory rate of federal income taxation which could apply to national banks generally).

"Maximum Interest Rate" means 12% per annum for all Bonds except Direct Purchase Bonds (including Unremarketed Bonds), Liquidity Facility Bonds and Credit Facility Bonds, for which the Maximum Interest Rate shall be the Maximum Lawful Rate; provided, however, that in any case the Maximum Interest Rate on any Bonds shall not exceed the Maximum Lawful Rate.

"Maximum Lawful Rate" means the maximum nonusurious rate of interest on the relevant obligation permitted by applicable law.

"Member" has the meaning set forth in the Master Indenture.

"Moody's" means Moody's Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower by notice in writing to the Issuer and the Bond Trustee and the Direct Purchaser, if any.

"Noticed Termination Date" means, with respect to Bonds secured by a Liquidity Facility in the form of a standby bond purchase agreement or other standby liquidity agreement or a Credit Facility, the date on which a Liquidity Facility Provider's or Credit Facility Provider's obligation to advance funds or purchase Bonds under a Liquidity Facility or Credit Facility terminates or has not been reinstated as stated in the Liquidity Facility Provider's or Credit Facility Provider's notice of termination delivered pursuant to the Liquidity Facility or Credit Facility and related Credit Facility Agreement due to a non-reimbursement of the Credit Facility Provider or Liquidity Facility Provider or default under specified sections of the Liquidity Facility or Credit Facility Agreement, as applicable, which date of termination shall be fifteen (15) days (or such other period as is specified in the Liquidity Facility or Credit Facility Agreement) after the date of receipt by the Bond Trustee of such notice.

"NYFRB" means the Federal Reserve Bank of New York.

"OBFR" means, with respect to any Effective Date, the Overnight Bank Funding Rate on the Federal Reserve's Website as of 4:00 p.m., New York City time, on the Daily SOFR Determination Date for each related Daily SOFR Reference Date.

"OBFR Index Cessation Date" means, in respect of an OBFR Index Cessation Event, the date on which the NYFRB (or any successor administrator of the OBFR), ceases to publish the OBFR, or the date as of which the OBFR may no longer be used.

"OBFR Index Cessation Event" means the occurrence of one or more of the following events:

(a) a public statement by the NYFRB (or a successor administrator of the OBFR) announcing that it has ceased to publish or provide the OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide an OBFR; or

(b) the publication of information which reasonably confirms that the NYFRB (or a successor administrator of the OBFR) has ceased to provide the OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the OBFR.

"Obligated Group" means the Obligated Group created by the Master Indenture.

"Obligated Group Representative" has the meaning set forth in the Master Indenture.

"Opinion of Counsel" means a written opinion, subject to customary qualifications and exceptions, of counsel (who may be Bond Counsel or counsel for the Borrower or the Issuer) selected by the Borrower and not objected to by the Issuer, the Bond Trustee or the Direct Purchaser, if any.

"Optional Redemption Fund" means the account by that name established pursuant to Section 5.05 hereof.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.09 hereof) all Bonds theretofore, or thereupon being, authenticated and delivered by the Bond Trustee under this Bond Indenture except: (a) Bonds theretofore canceled by the Bond Trustee or surrendered to the Bond Trustee for cancellation; (b) Bonds with respect to which all liability of the Issuer shall have been discharged in accordance with Section 10.02 hereof, including Bonds (or portions of Bonds) referred to in Section 11.10 hereof; (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Bond Trustee pursuant to this Bond Indenture; (d) Bonds alleged to have been mutilated, destroyed, lost or stolen and for which security or indemnity has been provided, as provided in Section 2.18 hereof; and (e) any Undelivered Bond.

"Parity Debt" means long-term, unenhanced debt of the Obligated Group, evidenced and/or secured by an Obligation issued under and as defined in the Master Indenture on parity with the Bond Obligation.

"Paying Agent" means the bank or banks, if any, designated pursuant to this Bond Indenture to receive and disburse the principal of and interest on the Bonds. Initially, the Bond Trustee will act as the Paying Agent.

"Person" means an individual, corporation, firm, association, limited liability company, partnership, trust or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Principal Office" of a Remarketing Agent, a Calculation Agent or a Market Agent means the address for such Remarketing Agent, Calculation Agent or Market Agent designated in writing to the Bond Trustee and the Borrower.

"Project" is more particularly described under the caption "Project" in EXHIBIT A to the Loan Agreement.

"Project Fund" means the fund so designated and established pursuant to Section 3.03 hereof.

"Purchase Date" means each date on which Bonds are subject to optional or mandatory purchase pursuant to this Bond Indenture and shall include each Mandatory Purchase Date and each date on which the Borrower provides funds pursuant to the proviso contained in Section 4.18(b) hereof following return of the Bonds to the Holders pursuant to Section 4.18(a) hereof.

"Purchase Price" means, with respect to a Bond subject to purchase on a Purchase Date, other than Direct Purchase Bonds for which only (c) below applies, an amount equal to the principal amount thereof plus accrued interest to, but not including, the Purchase Date; provided, however, that:

(a) if the Purchase Date for any Purchased Bond is an Interest Payment Date, the Purchase Price thereof shall be the principal amount thereof, and interest on such Bond shall be paid to the Holder of such Bond pursuant to this Bond Indenture;

(b) in the case of a purchase on a Conversion Date which is preceded by a Long-Term Interest Rate Period and which commences prior to the day originally established as the last day of such preceding Long-Term Interest Rate Period, "Purchase Price" of any Purchased Bonds means the optional Redemption Price set forth in Section 4.01(g) hereof which would have been payable if such Long-Term Bond were redeemed on such Conversion Date, plus accrued interest, if any, to but not including, the Purchase Date; and

(c) in the case of a purchase on a Purchase Date during a Direct Purchase Interest Rate Period, "Purchase Price" of any Purchased Bonds means the optional Redemption Price set forth in Section 4.01(h) hereof which would have been payable if such Direct Purchase Bond were redeemed on such Purchase Date, plus accrued interest, if any, to but not including, the Purchase Date.

"Purchased Bonds" means the Bonds to be purchased on a Purchase Date pursuant to Sections 4.06, 4.07, 4.08 or 4.09 hereof.

"Qualified Investments" subject to the Tax Agreement, means investments in any of the following:

(a) United States Government Obligations and bonds or securities issued or guaranteed as to principal and interest by a commission, board or other instrumentality of the federal government;

(b) short-term discount obligations of the Federal National Mortgage Association;

(c) certificates of deposit secured at all times by collateral described in clause (a) above if issued by commercial banks, savings and loan associations or mutual savings banks; the collateral must be held by a third party and the Bond Trustee, on behalf of the Bondholders, must have a perfected first security interest in such collateral;

(d) certificates of deposit (including those placed by a third party pursuant to an agreement between the Borrower and the Bond Trustee), demand deposits, interest bearing money market accounts, trust funds, trust accounts, overnight bank deposits, interest bearing deposits, other bank deposit products, bankers acceptances or time deposits constituting direct obligations of any bank, including the Bond Trustee or any of its affiliates, the full amount of which is insured by the Federal Deposit Insurance Borrower;

(e) time deposits in any credit union, bank, savings bank, trust company or savings and loan association that is authorized to transact business in the State if the time deposits mature in not more than three years;

(f) unsecured certificates of deposit, time deposits, bank deposit products, and bankers' acceptances of any bank the short-term obligations of which are rated, at the time of purchase, in one of the three highest Rating Categories by a Rating Agency (without regard to any credit enhancement) (a "Required Rating");

(g) obligations of any state of the United States of America or any political subdivision of any state of the United States of America or any agency or instrumentality of any such state or political subdivision, which has at the time of their purchase a Required Rating;

(h) any security that matures or that may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating that is the highest or second highest Rating Category assigned by S&P, Moody's or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer that has such a rating;

(i) securities of an open-end management investment company or investment trust (including those for which the Bond Trustee or its affiliates receive and retain a fee for services provided to the fund, whether as a custodian, transfer agent or otherwise) if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the Investment Company Act of 1940, 15 USC 80a-1 to 80a-64, and if the portfolio of the investment company or investment trust is limited to the following: (i) bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government, (ii) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government, and (iii) repurchase agreements that are fully collateralized by bonds or securities described under (i) or (ii);

(j) commercial paper having, at the time of investment or contractual commitment to invest therein, a rating of A-1 or better from S&P or P-1 from Moody's.

(k) investment agreements with, or guaranteed by, a domestic or foreign bank, financial institution or other entity the long-term ratings of which are rated at the time of execution in one of the three highest Rating Categories by at least two Rating Agencies;

(l) municipal obligations issued by any state or municipality with a rating by both Moody's and S&P in one of the two highest Rating Categories by such Rating Agencies;

(m) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P;

(n) investment in money market mutual funds having a rating in the highest Rating Category granted thereby from S&P or Moody’s, including those for which the Bond Trustee or an affiliate receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise; and

(o) other forms of investments (including repurchase agreements) provided or guaranteed by a domestic or foreign bank, financial institution or other entity the long-term ratings of which are rated at the time of execution in one of the three highest Rating Categories by at least two Rating Agencies. In the event such obligations are variable rate obligations, the interest rate on such obligations must be reset not less frequently than annually.

"Rating Agency" means S&P, Moody's or Fitch.

"Rating Category" means a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Rebate Amount" means the Rebate Requirement (as defined in the Tax Agreement) determined in accordance with Section 5.09 hereof and the Tax Agreement.

"Rebate Analyst" means an independent certified public accountant, financial analyst or Bond Counsel, or any firm of the foregoing, or financial institution, experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code, selected and compensated by the Borrower to make the computations and give the directions required under Section 5.09 hereof and the Tax Agreement.

"Rebate Fund" means the fund by that name created under Section 5.09 hereof.

"Record Date" means, with respect to any Interest Payment Date, (a) with respect to any Bonds other than Long-Term Bonds or Fixed Bonds or Bonds in the Initial Period, the Business Day immediately preceding such Interest Payment Date, and (b) with respect to Long-Term Bonds or Fixed Bonds or Bonds in the Initial Period, the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day.

"Redemption Price" means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Bond Indenture, and when Bonds are in the Direct Purchase Mode, the Bondholder Agreement, and shall include any make-whole premium or breakage costs, if any.

"Registration Books" means books maintained by the Bond Trustee on behalf of the Issuer at the designated Corporate Trust Office of the Bond Trustee for the purpose of recording the registration, transfer, exchange or replacement of any of the Bonds.

"Reimbursement Obligations" means those amounts required to be reimbursed to a Credit Facility Provider or Liquidity Facility Provider upon payment under a Credit Facility or Liquidity Facility.

"Release" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, leaching, or migration into the indoor or outdoor environment (including, without limitation, the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Materials), or into or out of the Project, including the movement of any Hazardous Materials through the air, soil, surface water, groundwater or property.

"Remarketing Agent" means, with respect to the Bonds, the financial institution or institutions as may be designated by the Borrower as the Remarketing Agent, if any, for such Bonds, or any other Remarketing Agent or successor or additional Remarketing Agent appointed in accordance with this Bond Indenture. No Remarketing Agent shall be required during any Fixed Period, during any Direct Purchase Period until the applicable

Direct Purchase Mandatory Purchase Date or during any Long-Term Rate Period until the applicable Conversion Date or Long-Term Rate Mandatory Purchase Date.

"Remarketing Agreement" means any agreement between the Borrower and a Remarketing Agent whereby the Remarketing Agent undertakes to perform the duties of the Remarketing Agent under this Bond Indenture.

"Remarketing Proceeds Account" means the account by that name within the Bond Purchase Fund established pursuant to Section 4.10(a)(ii) hereof.

"Remarketing Window" has the meaning given in Section 4.10(c)(iv) hereof.

"Required Stated Amount" means with respect to a Liquidity Facility or a Credit Facility, at any time of calculation, an amount equal to the aggregate principal amount of all Bonds then Outstanding secured by such Liquidity Facility or Credit Facility together with interest accruing thereon (assuming an annual rate of interest equal to the Maximum Interest Rate) for the period as shall be specified in a Certificate of the Borrower to be the minimum period specified by the Rating Agencies then rating such Bonds as necessary to obtain (or maintain) a specified short term rating of such Bonds.

"Responsible Officer" means any officer within the corporate trust department of the Bond Trustee, including any managing director, president, vice president, senior associate, associate or any other officer of the Bond Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Bond Indenture.

"Revenue Fund" means the fund by that name established pursuant to Section 5.02 hereof.

"Revenues" means all amounts received by the Issuer or the Bond Trustee pursuant or with respect to the Loan Agreement or the Bond Obligation, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments and any late charges, and whether paid from any source), prepayments, insurance proceeds, condemnation proceeds, and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Bond Indenture (other than the Rebate Fund and the Bond Purchase Fund), but not including indemnification payments, any Additional Payments or Administrative Fees and Expenses or any moneys required to be deposited in the Rebate Fund or the Bond Purchase Fund or any interest, profits or other income required to be retained in the Rebate Fund or the Bond Purchase Fund.

"Rule 15c2-12" means Rule 15c2-12 promulgated by the Securities and Exchange Commission, as amended from time to time.

"S&P" means S&P Global Ratings, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Borrower by notice in writing to the Issuer and the Bond Trustee and the Direct Purchaser, if any.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Depository" means The Depository Trust Company and its successors and assigns, or any other securities depository selected as set forth in Section 2.21 hereof.

"Self-Liquidity Arrangement" means an agreement or other arrangement from the Borrower to pay the Purchase Price of the Bonds.

"Series" or **"Sub-Series,"** when used with respect to the Bonds, means all the Bonds designated as being of the same Series or Sub-Series, whether upon initial issuance thereof or upon any Conversion of a portion of a Series or Sub-Series and redesignation thereof into one or more Sub-Series, authenticated and delivered in a simultaneous transaction, and any Bonds thereafter authenticated and delivered upon a transfer or exchange or in lieu of or in substitution for such Bonds of such Series or Sub-Series, or upon a Conversion of a portion of any Series or Sub-Series of the Bonds, as herein provided. In the event that the Bonds or a portion of the Bonds have been so designated as being in more than a single Series or Sub-Series, references in this Bond Indenture and in the Loan Agreement to the Bonds shall, as the context may require, refer to only the Bonds of the particular Series or Sub-Series in question.

"Short-Term Bonds" means Bonds that bear interest at Short-Term Rates.

"Short-Term Interest Rate Period" means each period during the Short-Term Period for which a particular Short-Term Rate is in effect.

"Short-Term Mode" means the Interest Rate Mode during which the Bonds bear interest at Short-Term Rates.

"Short-Term Period" means each period during which Bonds constitute Short-Term Bonds, which Short-Term Period shall generally be comprised of multiple Short-Term Interest Rate Periods, during which Short-Term Rates are in effect.

"Short-Term Rate" means the interest rate per annum on Short-Term Bonds determined on a periodic basis as provided in Section 2.07 hereof.

"Short-Term Rate Mandatory Purchase Date" means the first day following the last day of each Short-Term Interest Rate Period.

"SIFMA" means the Securities Industry & Financial Markets Association (formerly the Bond Market Association).

"SIFMA Index" means, on any date, a rate determined on the basis of the seven day high grade market index of tax-exempt variable rate demand obligations, as produced by Bloomberg (or successor organizations) and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Borrower and effective from such date or if such index is no longer produced or available, either (a) the S&P Municipal Bond 7 Day High Grade Rate Index as produced and made available by S&P Dow Jones Indices LLC (or successor organizations), or (b) with a Favorable Opinion of Bond Counsel, such other index designed to measure the average interest rate on weekly interest rate reset demand bonds similar to the Bonds as selected by the Borrower.

"Sinking Fund Installment" means the amount required by Section 5.04(d) hereof to be paid on any single date for the retirement of Bonds of a Series.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Index Cessation Date" means, in respect of a SOFR Index Cessation Event, the date on which the NYFRB (or any successor administrator of SOFR) ceases to publish SOFR or the CME Group or the CME Term SOFR Administrator ceases to publish Term SOFR, or the date as of which SOFR may no longer be used.

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

(a) (i) as it relates to Daily SOFR, a public statement by the NYFRB (or a successor administrator of SOFR) announcing that it has ceased to publish or provide SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide SOFR; or

(ii) as it relates to Term SOFR, a public statement by the CME Group or the CME Term SOFR Administrator announcing that it has ceased to publish or provide Term SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide Term SOFR; or

(b) (i) as it relates to Daily SOFR, the publication of information which reasonably confirms that the NYFRB (or a successor administrator of SOFR) has ceased

to provide SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide SOFR; or

(ii) as it relates to Term SOFR, the publication of information which reasonably confirms that the CME Group or the CME Term SOFR Administrator has ceased to provide Term SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide Term SOFR.

"Special Record Date" means the date established by the Bond Trustee pursuant to Section 2.02(b)(vi) hereof as the record date for the payment of defaulted interest on Bonds.

"State" means the State of Florida and its successors and assigns.

"Supplemental Bond Indenture" means any indenture hereafter duly authorized and entered into between the Issuer and the Bond Trustee, supplementing, modifying or amending this Bond Indenture; but only if and to the extent that such Supplemental Bond Indenture is specifically authorized hereunder.

"Tax Agreement" means the Tax Exemption Agreement and Certificate, dated as of the Date of Issuance, between the Issuer and the Borrower with respect to the Bonds.

"Taxable Date" means the date on which interest on the Bonds is first includable in gross income of the Holder (including, without limitation, any previous Holder) thereof as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

"Taxable Rate" means an interest rate per annum at all times equal to the product of the Direct Purchase Rate then in effect multiplied by the Taxable Rate Factor.

"Taxable Rate Factor" means, for each day that the Taxable Rate is determined, the quotient of (a) one divided by, (b) one minus the Maximum Federal Corporate Tax Rate in effect as of such day, rounded upward to the second decimal place.

"Term SOFR" means, with respect to any Effective Date, CME Term SOFR Reference Rates for one-, three-, six-month or 12-month tenors or such other available tenors as published by CME Group determined as follows:

(a) SOFR for the applicable tenor as published by the CME Group's website (or such other service as may be licensed by CME Group for the purpose of displaying term SOFR rates for such tenor) as of 4:00 p.m., New York City time, two U.S. Government Securities Business Days prior to such Effective Date.

(b) If SOFR for the applicable tenor cannot be determined with respect to such Effective Date as specified in paragraph (a), unless both a SOFR Index Cessation Event and a SOFR Index Cessation Date have occurred, then the Calculation Agent shall use SOFR for such tenor in respect of the last U.S. Government Securities Business Day for which such SOFR was published on the CME Group's website (or such other service as may be licensed by CME Group for the purpose of displaying term SOFR rates for such tenor).

(c) If a SOFR Index Cessation Event and SOFR Index Cessation Date have occurred, the Calculation Agent shall determine the FRN Rate as if references to Term SOFR for such tenor were references to the rate that was recommended as the replacement for SOFR for such tenor by the Federal Reserve Board and/or the NYFRB or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB for the purpose of recommending a replacement for SOFR (which rate may be produced by a Federal Reserve Bank or other designated administrator, which rate may include any adjustments or spreads, and which rate will be reasonably expected to measure contemporaneous variations in the cost of newly borrowed funds in U.S. dollars).

If Term SOFR determined as above would be less than zero, then such rate shall be deemed to be zero.

"Two Day Bonds" means Bonds that bear interest at Two Day Rates.

"Two Day Interest Rate Period" means each two day period during a Two Day Period for which a particular Two Day Rate is in effect.

"Two Day Mode" means the Interest Rate Mode during which the Bonds bear interest at Two Day Rates.

"Two Day Period" means the entire period during which Bonds constitute Two Day Bonds, which Two Day Period shall generally be comprised of multiple Two Day Interest Rate Periods, during which Two Day Rates are in effect.

"Two Day Rate" means the interest rate per annum on Two Day Bonds determined on a two day basis as provided in Section 2.05 hereof.

"Undelivered Bond" means any Bond that constitutes an Undelivered Bond under the provisions of Section 4.12 hereof.

"Undelivered Bond Payment Account" means the account by that name within the Bond Purchase Fund established pursuant to Section 4.10(a)(ii) hereof.

"United States Government Obligations" means obligations that are direct, full faith and credit obligations of the United States of America or are obligations with respect to which the United States of America has fully and unconditionally guaranteed the timely

payment of all principal or interest or both, but only to the extent of the principal or interest so guaranteed.

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States Government Obligations.

"Unremarketed Bonds" means Direct Purchase Bonds for which the Holders have not received the full Purchase Price of all of their Bonds on the applicable Direct Purchase Mandatory Purchase Date. A Bond shall cease to be an Unremarketed Bond only if such Unremarketed Bond is remarketed and transferred or such Unremarketed Bond is redeemed in full.

"VRO" means Variable Remarketed Obligation.

"VRO Bonds" means Bonds that bear interest at VRO Rates.

"VRO Interest Rate Period" means each day during a VRO Period for which a particular VRO Rate is in effect.

"VRO Interest Rate Period Designated Amount" has the meaning given in Section 2.11(b)(i) hereof.

"VRO Interest Rate Period Failed Remarketing Event" has the meaning given in Section 2.11(c)(i) hereof.

"VRO Interest Rate Period Purchase Date" has the meaning given in Section 2.11(b)(i) hereof.

"VRO Interest Rate Period Purchase Price" has the meaning given in Section 2.11(b)(ii) hereof.

"VRO Interest Rate Period Remarketing Date" has the meaning given in Section 2.11(c)(ii) hereof.

"VRO Interest Rate Period Remarketing Date Purchase Price" has the meaning given in Section 2.11(c)(ii) hereof.

"VRO Interest Rate Period Remarketing Notice" has the meaning given in Section 2.11(b)(iv) hereof.

"VRO Interest Rate Period Remarketing Window" has the meaning given in Section 2.11(b)(iv) hereof.

"VRO Interest Rate Period Special Mandatory Redemption Date" means the earlier of (a) the maturity date of the VRO Bonds, and (b) the third anniversary of the VRO Interest Rate Period Tender Notice Date relating to the VRO Interest Rate Period Tender Notice that resulted in the applicable VRO Interest Rate Period Failed Remarketing Event (or if such day is not a Business Day, the next preceding Business Day).

"VRO Interest Rate Period Tender Notice" has the meaning given in Section 2.11(b)(i) hereof.

"VRO Interest Rate Period Tender Notice Date" has the meaning given in Section 2.11(b)(i) hereof.

"VRO Interest Rate Period Tendered Bonds" has the meaning given in Section 2.11(b)(ii) hereof.

"VRO Mode" means the Interest Rate Mode during which the Bonds bear interest at the VRO Rate.

"VRO Period" means each period during which Bonds are in the VRO Mode, which VRO Period shall generally be comprised of multiple VRO Interest Rate Periods.

"VRO Rate" means the interest rate per annum on VRO Bonds determined on a periodic basis as provided in Section 2.11 hereof.

"VRO Step Up Rate" means the lesser of (a) 12% per annum, or (b) the Maximum Lawful Rate.

"Weekly Bonds" means Bonds that bear interest at Weekly Rates.

"Weekly Interest Rate Period" means each weekly period during the Weekly Period for which a particular Weekly Rate is in effect.

"Weekly Mode" means the Interest Rate Mode during which the Bonds bear interest at Weekly Rates.

"Weekly Period" means the entire period during which Bonds constitute Weekly Bonds, which Weekly Period shall generally be comprised of multiple Weekly Interest Rate Periods, during which Weekly Rates are in effect.

"Weekly Rate" means the interest rate per annum on Weekly Bonds determined on a weekly basis as provided in Section 2.06 hereof.

"Window Bonds" means Bonds that bear interest at Window Rates.

"Window Interest Rate Period" means each period during the Window Period for which a particular Window Rate is in effect, which shall be a period generally consisting

of 7 days commencing on a Thursday and ending on the following Wednesday, except in the case of (a) the initial Window Rate Interest Period occurring after a Conversion to the Window Mode for which the period shall be from the applicable Conversion Date to and including the following Wednesday, and (b) the last Window Interest Rate Period during a Window Period, for which the period shall end on the day preceding the applicable Conversion Date, redemption date or Maturity Date.

"Window Mode" means the Interest Rate Mode during which the Bonds bear interest at the Window Rate.

"Window Period" means the entire period during which Bonds constitute Window Bonds, which Window Period shall generally be comprised of multiple Window Interest Rate Periods, during which Window Rates are in effect.

"Window Rate" means the interest rate per annum on Window Bonds determined on a periodic basis as provided in Section 2.12 hereof.

"Window Rate Determination Date" means, with respect to Window Bonds, in the case of a Conversion of Bonds to the Window Period, a Business Day not later than the applicable Conversion Date, and thereafter, each Thursday or, if Thursday is not a Business Day, then the Business Day next following such Thursday.

"Window Rate Mandatory Purchase Date" has the meaning given in Section 4.11(b)(iii) hereof.

"Window Rate Optional Purchase Date" has the meaning given in Section 4.06(b)(iii) hereof.

"Window Rate Spread" means, during a Window Period, (a) the Initial Window Rate Spread, or (b) a revised spread determined by the Remarketing Agent pursuant to Section 2.12 hereof.

"Written Request" means with reference to the Issuer, a request in writing signed by an Authorized Representative of the Issuer and, with reference to the Borrower, means a request in writing signed by an Authorized Representative of the Borrower.

SECTION 1.02. INTERPRETATION. (a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and regardless of the referenced gender, pronouns shall include Persons of every kind and character.

(b) Any agreement, instrument or law defined or referred to herein (i) means such agreement or instrument or law as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of law) by succession of comparable successor laws; and (ii) includes (in

the case of agreements or instruments) all attachments thereto and instruments incorporated therein.

(c) References to a Person are also to its successors and permitted assigns.

(d) The word "or" is deemed to mean "and/or." The words "including" and "includes" and terms of similar import shall be deemed to mean "including, without limitation."

(e) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(f) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Bond Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Bond Indenture as a whole and not to any particular Article, Section or subdivision hereof.

(g) Any reference herein to the Issuer, the governing body or any officer thereof shall include those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

(h) Any terms not defined herein but defined in the Loan Agreement or the Master Indenture, shall have the same meaning herein.

(i) Words importing the redemption of a Bond or the calling of a Bond for redemption do not mean or include the payment of a Bond at its Maturity Date or the purchase of a Bond.

SECTION 1.03. CONTENT OF CERTIFICATES AND OPINIONS. Every certificate or opinion provided for in this Bond Indenture with respect to compliance with any provision hereof shall include (a) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (c) a statement that, in the opinion of such Person, such Person has made or caused to be made such examination or investigation as is necessary to enable such Person to express an informed opinion with respect to the subject matter referred to in the instrument to which such Person's signature is affixed; (d) a statement of the assumptions upon which such certificate or opinion is based; and (e) a statement as to whether, in the opinion of such Person, such provision has been satisfied.

Any such certificate or opinion made or given by an Authorized Representative of the Issuer or the Borrower may be based, insofar as it relates to legal, accounting or business matters, upon a certificate or opinion of or representation by counsel, an accountant or a management consultant, unless such officer knows, or in the exercise of

reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is materially erroneous. Any such certificate or opinion made or given by counsel, an accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Issuer or the Borrower, as the case may be) upon a certificate or opinion of or representation by an Authorized Representative of the Issuer or the Borrower, unless such counsel, accountant or management consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person's certificate or opinion or representation may be based, as aforesaid, is materially erroneous. The same Authorized Representative of the Issuer or the Borrower, or the same counsel or accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Bond Indenture, but different officers, counsel, accountants or management consultants may certify to different matters, respectively.

[Remainder of page intentionally left blank]

ARTICLE II

THE BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. An issue of Bonds in one Series to be designated as " City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024" is authorized to be issued hereunder. The Bonds shall be issued initially in the Fixed Mode. If a Bond is converted to another Interest Rate Mode, a different series designation may be assigned to such Bond (or a group of Bonds) to facilitate identification of such Bond or Bonds in the new Interest Rate Mode. In connection with any Conversion of Bonds (in whole or in part) or any mandatory tender and remarketing of Bonds (in whole or in part) on any Purchase Date, at the direction of the Borrower any such Bonds or portions of the Bonds may be reconfigured, combined or re-designated or divided to create Sub-Series or to combine any such Sub-Series. All of such Bonds shall be equally and ratably secured by this Bond Indenture. This Bond Indenture constitutes a continuing agreement with the Holders from time to time of the Bonds to secure the full payment of the principal, Redemption Price and Purchase Price of and interest on all such Bonds subject to the covenants, provisions and conditions herein contained. No additional bonds may be issued under this Bond Indenture. The total principal amount of Bonds that may be issued pursuant to this Bond Indenture is hereby expressly limited to $[PAR].

SECTION 2.02. TERMS OF THE BONDS; REGISTRATION; DENOMINATIONS; PAYMENT OF PRINCIPAL AND INTEREST.

(a) The Bonds shall be issued as fully registered Bonds without coupons in Authorized Denominations. On the Date of Issuance, the Bonds shall be registered in the name of "Cede & Co.," as nominee of the Securities Depository and shall be evidenced by a single physical certificate for all Bonds of the same series, maturity and interest rate, and during any Direct Purchase Period may be issued in physical, certificated form registered in the name of the Holder thereof or as otherwise directed by such Holder; provided that with the consent of the Issuer (in its sole and absolute discretion) and the Direct Purchaser (in its sole and absolute discretion), the Borrower may direct that the Bonds be held in a book-entry system. Each Bond bearing interest at a Direct Purchase Rate shall contain a legend indicating that the transferability of such Bond is subject to the restrictions set forth in the Bond Indenture. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 2.17 hereof.

The Bonds, as initially issued, shall be dated their Date of Issuance. Subsequently issued Bonds will be dated as of the most recent Interest Payment Date to which interest has been paid on or prior to the date on which it is authenticated or, if authenticated prior to the first Interest Payment Date, as of the date of their initial issuance. The Bonds shall be numbered in consecutive numerical order from R-1 upwards.

(b) (i) The Bonds shall be issued initially in the Fixed Mode. The Bonds shall mature on November 15, in years and amounts as set forth in the table below. The Bonds shall have Fixed Rates and Maturity Dates as follows:

Year of Maturity (November 15)	Principal Amount Maturing	Fixed Rate	Initial CUSIP Number
[TO COME]	$	%	

(ii) For any Direct Purchase Period, interest shall be payable on each Interest Payment Date for each immediately preceding Interest Accrual Period. For any Weekly Period, Daily Period, Two Day Period, FRN Period, VRO Interest Rate Period or Window Period, interest shall be payable on each Interest Payment Date for the period commencing on (and including) the immediately preceding Interest Accrual Date and ending on the day immediately preceding the Interest Payment Date (or, if sooner, the last day of the Weekly Period, Daily Period, Two Day Period, FRN Period, VRO Interest Rate Period or Window Period, as applicable), unless changed by the Borrower on or prior to any Conversion Date for the Bonds subject to Conversion upon written notice to the Bond Trustee. For any Short-Term Period, Flexible Rate Period, Fixed Period or Long-Term Period, interest shall be payable on each Interest Payment Date for the period commencing on (and including) the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date.

(iii) Interest on the Bonds shall be payable to the date on which the respective Bonds shall have been paid in full. Interest shall be computed, (x) in the case of Fixed Bonds or Long-Term Bonds or Direct Purchase Bonds using Direct Purchase Fixed Rate, which includes the Bonds in the Initial Period, on the basis of a 360 day year consisting of twelve 30 day months, (y) in the case of Direct Purchase Bonds using Direct Purchase Term SOFR or FRN Bonds using Term SOFR, on the basis of a 360 day year for the actual number of days elapsed, and (z) in the case of Weekly Bonds, Daily Bonds, Two Day Bonds, Short-Term Bonds, FRN Bonds (other than those using Term SOFR), VRO Bonds, Window Bonds, Direct Purchase Bonds (that are not using a Direct Purchase Fixed Rate or using a Direct Purchase Index other than Term SOFR), or Flexible Rate Bonds, on the basis of a 365 or 366 day year, as appropriate, and the actual number of days elapsed, unless changed by

the Borrower on or prior to any Conversion Date for the Bonds subject to Conversion upon written notice to the Bond Trustee.

(iv) The interest rates for the Bonds and the determination of the interest rates for the Bonds by the Remarketing Agent, the Market Agent, or the Calculation Agent, as applicable, shall be conclusive and binding upon the Issuer, the Borrower, the Bond Trustee, the Remarketing Agent, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Holders of such Bonds.

(v) Except as provided in the following sentence and in Section 2.02(f) below for the Direct Purchase Period, interest on the Bonds shall be payable on each Interest Payment Date by the Bond Trustee by check mailed on the date on which due to the Holders of Bonds at the close of business on the Record Date in respect of such Interest Payment Date at the registered addresses of Holders as shall appear on the Registration Books as of the close of business of the Bond Trustee as of such Record Date. In the case of any Holder of Bonds in an aggregate principal amount in excess of $1,000,000 as shown on the Registration Books who, prior to the Record Date next preceding any Interest Payment Date, shall have provided the Bond Trustee with written wire transfer instructions containing the wire transfer address within the continental United States, interest payable on such Bonds shall be paid in accordance with the wire transfer instructions provided by the Holder of such Bond.

(vi) If available funds are insufficient on any Interest Payment Date to pay the interest then due on the Bonds, interest shall continue to accrue thereon but shall cease to be payable to the Holder on such Record Date. Except as provided in Section 2.02(f) below for the Direct Purchase Period, if sufficient funds for the payment of such overdue interest thereafter become available, the Bond Trustee shall (A) establish a "special interest payment date" for the payment of the overdue interest and a Special Record Date (which shall be a Business Day) for determining the Bondholders entitled to such payment, and (B) mail notices by first class mail of such dates as soon as practicable. Notice of each such date so established shall be mailed to each Bondholder at least ten (10) days prior to the Special Record Date but not more than thirty (30) days prior to the special interest payment date. The overdue interest shall be paid on the special interest payment date to the Holders, as shown on the Registration Books as of the close of business on the Special Record Date.

(vii) Notwithstanding the foregoing provisions of this Section 2.02(b), Liquidity Facility Bonds and Credit Facility Bonds shall bear interest, respectively, at the applicable Liquidity Facility Rate or the applicable Credit Facility Rate and shall be payable as set forth in this Bond Indenture and the applicable Liquidity Facility or Credit Facility Agreement.

(c) (i) The Bonds shall mature on their respective Maturity Date.

(ii) The Sinking Fund Installments established for the Bonds pursuant to Section 5.04(d) hereof may be redesignated as Maturity Dates and Sinking Fund Installments on a Fixed Rate Conversion Date for the Bonds to a new `Fixed Period as provided in Section 2.15(f)(vi) hereof.

(iii) The Maturity Dates and Sinking Fund Installments established for any Fixed Period may be redesignated as Maturity Dates and Sinking Fund Installments on a Conversion Date for the Bonds as provided in Section 2.15(f)(vii) hereof.

(iv) The principal or Redemption Price of the Bonds shall be payable in lawful money of the United States of America at the designated Corporate Trust Office of the Bond Trustee upon surrender of the Bonds to the Bond Trustee for cancellation (except, for Direct Purchase Bonds, where no surrender is required and except as provided otherwise in Section 2.13(f) hereof); provided that the Bond Trustee may agree with the Holder of any Bond that such Holder may, in lieu of surrendering the same for a new Bond, endorse on such Bond a record of partial payment of the principal of such Bond in the form set forth below (which shall be typed or printed on such Bond):

PAYMENTS ON ACCOUNT PRINCIPAL

Payment Date	**Principal Amount Paid**	**Balance of Principal Amount Unpaid**	**Signature of Holder**
	$	$	

The Bond Trustee shall maintain a record of each such partial payment made in accordance with the foregoing agreement and such record of the Bond Trustee shall be conclusive. Such partial payment shall be valid upon payment of the amount thereof to the Holder of such Bond, and the Issuer and the Bond Trustee shall be fully released and discharged from all liability to the extent of such payment regardless of whether such endorsement shall or shall not have been made upon such Bond by the Holder thereof and regardless of any error or omission in such endorsement.

(d) The Bonds shall be subject to redemption as provided in Article IV hereof.

(e) Except during any period when the Bonds are not required or permitted to have CUSIP numbers as specified in any Bondholder Agreement, the Bond Trustee shall

identify all payments (whether made by check or by wire transfer) of interest, principal and Redemption Price by CUSIP number of the Bonds.

(f) The Issuer and the Bond Trustee agree, during any Direct Purchase Period, and while Bonds constitute Unremarketed Bonds, unless otherwise given Electronic Notice from the Borrower and Direct Purchaser, that all amounts payable with respect to such Direct Purchase Bonds shall be paid directly by the Borrower to the Direct Purchaser (without any presentment or surrender thereof to the Borrower or to the Bond Trustee, except upon the payment of the final installment of principal, when presentment shall be made to the Bond Trustee, and without any notation of such payment being made thereon) in such manner and at the address or wire instructions specified in the Bondholder Agreement or at such other address in the United States as may be designated by the Direct Purchaser in writing to the Bond Trustee and the Borrower. Any payment made shall be accompanied by sufficient information to identify the source and proper application of such payment. The Direct Purchaser shall notify the Issuer, the Borrower and the Bond Trustee in writing of any failure of the Borrower to make any payment of the principal or Purchase Price of or interest on such Direct Purchase Bonds when due, and the Bond Trustee shall not be deemed to have any notice of such failure unless it has received such notice in writing. If Direct Purchase Bonds are sold or transferred, the selling or transferring Holder shall notify the Issuer, the Bond Trustee and the Borrower in writing of the name and address of the transferee, the effective date of the transfer, the outstanding principal amount of such Direct Purchase Bonds as of the transfer date and the payment information notated on such Direct Purchase Bonds as described below, and it will, prior to delivery of such Direct Purchase Bonds, make a notation on such Direct Purchase Bonds of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. Furthermore, the Bond Trustee shall have no obligations to make payments of the principal or Purchase Price of or interest on such Direct Purchase Bonds, nor shall the Bond Trustee be obligated to collect any required payments under the Loan Agreement or to take any other action in respect thereof, except at the express written direction of the Borrower or the Direct Purchaser.

During each Direct Purchase Period, the Direct Purchaser shall notify the Borrower by Electronic Notice or by other writing, not later than the Business Day preceding each Bond payment date, of the amount of principal and interest due and payable on each such Bond payment date; provided that any failure for the Direct Purchaser to provide such notice or any error in such notice shall not affect the amount of the principal of and interest due and payable on each such Bond payment date and shall not subject the Direct Purchaser to any liability. In the event the principal or interest on the Bonds is not timely paid, the Direct Purchaser shall notify the Issuer and the Bond Trustee.

SECTION 2.03. INITIAL INTEREST RATES; SUBSEQUENT INTEREST RATES.

(a) Initial Interest Rate Mode. The initial Interest Rate Mode for the Bonds shall be the Fixed Mode and the Bonds during the Initial Period shall bear interest at the Fixed Rates described in Section 2.02(b) hereof.

All (or a portion) of the Bonds may be converted to different Interest Rate Modes, as provided in this Article II, except that Direct Purchase Bonds may only be converted in whole.

(b) Interest Rate Periods. In the manner hereinafter provided, the term of the Bonds in each Interest Rate Mode will be divided into consecutive Interest Rate Periods during each of which such Bonds shall bear interest at a Daily Rate, a Two Day Rate, a Weekly Rate, a Short-Term Rate, a Long-Term Rate, a Flexible Rate, an FRN Rate, a VRO Rate, a Window Rate, a Fixed Rate or a Direct Purchase Rate, as may be applicable for the specific Interest Rate Mode.

(c) Determination of Interest Rates.

(i) *Interest Rates*. All Bonds shall be in the same Interest Rate Mode and operate in the same Interest Rate Period, subject to future designations as separate Sub-Series, in which case all Bonds of a Sub-Series shall be in the same Interest Rate Mode and operate in the same Interest Rate Period.

(ii) *Maximum Interest Rate*. Interest on the Bonds shall not exceed the Maximum Interest Rate applicable thereto.

(iii) *Fixed Rate*. The interest rate on the Bonds in the Initial Period is the Fixed Rate.

(iv) *Daily Bonds, Two Day Bonds, Weekly Bonds, Short-Term Bonds, Long-Term Bonds or Fixed Bonds*. Subject to the further provisions of this Section 2.03 with respect to particular Daily Rates, Two Day Rates, Weekly Rates, Short-Term Rates or Long-Term Rates, or Conversions between Daily Rates, Two Day Rates, or Weekly Rates or to Short-Term Rates or Long-Term Rates, the interest rate on Bonds during any Daily Period, Two Day Period, Weekly Period, Short-Term Period or Long-Term Period shall be determined by the Remarketing Agent with respect to the Bonds as provided in this Section 2.03, and notice thereof shall be given as follows:

(A) The interest rate for the Daily Period, Two Day Period, Weekly Period, Short-Term Period or Long-Term Period in question shall be determined by the Remarketing Agent on the date or dates and at the time or times required pursuant to Sections 2.04, 2.05, 2.06, 2.07 or 2.08 hereof, as

applicable. The interest rate to be determined for the Daily Period, Two Day Period, Weekly Period, Short-Term Period or Long-Term Period shall be the lowest rate of interest that, in the reasonable judgment of the Remarketing Agent, would permit the Bonds in question, assuming the Bonds were all available for sale to investors, to have a purchase price equal to the principal amount thereof under prevailing market conditions and based on the market for and the relative yields of the Bonds and other securities that bear interest at a variable rate, that, in the judgment of the Remarketing Agent, are otherwise comparable to the Bonds, as of the date of determination, except as otherwise provided for Long-Term Rates in Section 2.08 hereof.

(B) If the Remarketing Agent fails for any reason to determine the Daily Rate, Two Day Rate, Weekly Rate, Short-Term Rate or Long-Term Rate for any Daily Period, Two Day Period, Weekly Period, Short-Term Period, or Long-Term Period, as applicable, when required hereunder, then the interest rate on such Bonds shall be the interest rate set by the Remarketing Agent for the most recent period for which the interest rate was validly determined by the Remarketing Agent until the interest rate on such Bonds is again validly determined by the Remarketing Agent, or in the event that a court holds that the Daily Rate, Two Day Rate, Weekly Rate, Short-Term Rate or Long-Term Rate for any Daily Period, Two Day Period, Weekly Period, Short-Term Period or Long-Term Period, respectively, is invalid, illegal or unenforceable, then the interest rate on such Bonds shall be equal to (1) with respect to any Daily Period, Two Day Period, Weekly Period, or Short-Term Period, the lesser of the SIFMA Index or the Maximum Interest Rate, and (2) with respect to any Long-Term Period, the SIFMA Index, until the interest rate on such Bonds is again validly determined by the Remarketing Agent, in each case, so long as no Event of Default shall have occurred and be continuing. If there is no Remarketing Agent when a Remarketing Agent is required pursuant to this Bond Indenture, the interest rate on such Bonds shall be the Maximum Interest Rate and in each case until the interest rate on such Bonds is validly determined by a Remarketing Agent appointed pursuant to Sections 4.14 and 4.15 hereof.

(C) All Daily Bonds, Two Day Bonds, Weekly Bonds and Long-Term Bonds shall bear interest accruing at the same Daily Rate, Two Day Rate, Weekly Rate or Long-Term Rate.

(D) Interest on Bonds in a Fixed Period shall be determined pursuant to Section 2.14 hereof. Unless converted prior to the Maturity Date, the Fixed Period shall extend to the Maturity Date, and Bonds bearing interest at a Fixed Rate may only be converted to another Interest Rate Mode or to a new Fixed Period as permitted by Section 2.15 hereof.

(v) *Flexible Rate Bonds*. The Flexible Rate shall be determined in accordance with Section 2.09 hereof.

(vi) *FRN Bonds*. The FRN Rate shall be determined in accordance with Section 2.10 hereof. All FRN Bonds of a Series or Sub-Series shall bear interest accruing at the same FRN Rate.

(vii) *VRO Bonds*. The VRO Rate shall be determined in accordance with Section 2.11 hereof. All VRO Bonds shall bear interest accruing at the same VRO Rate, except as otherwise provided in Section 2.11 hereof.

(viii) *Window Bonds*. The Window Rate shall be determined in accordance with Section 2.12 hereof. All Window Bonds shall bear interest accruing at the same Window Rate.

(ix) *Direct Purchase Bonds*. For any Direct Purchase Interest Rate Period, the Direct Purchase Rate shall be determined in accordance with Section 2.13(b) hereof. All Direct Purchase Bonds shall bear interest at the same Direct Purchase Rate.

(x) *Bank Bonds*. The Liquidity Facility Rate or Credit Facility Rate, as applicable, shall be determined in accordance with the applicable Liquidity Facility or Credit Facility Agreement.

The Bond Trustee shall be under no obligation (i) to monitor, determine or verify the unavailability or cessation of any index utilized with respect to any Interest Rate Mode, (ii) to select, determine or designate any successor or replacement index, or whether the conditions to the designation of such an index or rate for the Bonds have been satisfied, or (iii) to determine whether or what changes are necessary or advisable, if any, in connection with any of the foregoing. The Bond Trustee shall not be liable for any inability, failure or delay on the part of the Bond Trustee in performing any of its duties set forth in this Bond Indenture as a result of the unavailability of any index utilized with any Interest Rate Mode and designation of a replacement index, including as a result of any inability, delay, error or inaccuracy on the part of the Calculation Agent or Remarketing Agent in providing any direction, instruction, notice, or information required or contemplated by the terms of this Bond Indenture and reasonably required for the performance of such duties.

SECTION 2.04. DAILY RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Daily Rate, Daily Interest Rate Periods shall commence on each Business Day and shall extend to, but not include, the next succeeding Business Day.

(b) Effective Period. The interest rate for each Daily Interest Rate Period shall be effective from and including the commencement date thereof and shall remain in effect to, but not including, the next succeeding Business Day.

(c) Determination Time. Each Daily Rate shall be determined by the Remarketing Agent by 10:00 a.m., New York City time, on the commencement date of the Daily Interest Rate Period to which it relates. Notice of each Daily Rate shall be given by the Remarketing Agent to the Bond Trustee, the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, by Electronic Notice no less frequently than once each week, and on the Business Day preceding each Interest Payment Date. The Bond Trustee shall inform the Holders of each Daily Rate determined by the Remarketing Agent upon request.

SECTION 2.05. TWO DAY RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Two Day Rate, Two Day Interest Rate Periods shall commence on the first day of a period during which the Bonds bear interest at a Two Day Rate and on each Monday, Wednesday and Friday thereafter so long as interest on the Bonds is to be payable at a Two Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day, and extend to, but not include the next day on which a Two Day Rate is required to be set in accordance with the terms of Section 2.05(c) below.

(b) Effective Period. The Two Day Rate set on any Business Day for each Two Day Interest Rate Period will be effective as of such Business Day and will remain in effect until the next day on which a Two Day Rate is required to be set in accordance with the terms of Section 2.05(c) below.

(c) Determination Time. The Remarketing Agent shall set a Two Day Rate on or before 10:00 a.m., New York City time, on the first day of a period during which the Bonds bear interest at a Two Day Rate and on each Monday, Wednesday and Friday thereafter so long as interest on the Bonds is to be payable at a Two Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day. Notice of each Two Day Rate shall be given by the Remarketing Agent to the Bond Trustee and the Borrower, with respect to the Bonds to which such Two Day Rate is applicable, by Electronic Notice not later than 10:30 a.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Two Day Rate determined by the Remarketing Agent upon request.

SECTION 2.06. WEEKLY RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Weekly Rate, Weekly Interest Rate Periods shall commence on Wednesday of each week

and end on Tuesday of the following week; provided, however, that (i) in the case of a Conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly Interest Rate Period for such Bonds shall commence on the Conversion Date into the Weekly Period and end on the next succeeding Tuesday, and (ii) in the case of a Conversion from a Weekly Rate to another Interest Rate Mode, the last Weekly Interest Rate Period prior to Conversion shall end on the last day immediately preceding the applicable Conversion Date.

(b) Effective Period. The interest rate for each Weekly Interest Rate Period shall be effective from and including the commencement date of such Weekly Interest Rate Period and shall remain in effect through and including the last day thereof.

(c) Determination Time. Each Weekly Rate shall be determined by the Remarketing Agent by 5:00 p.m., New York City time, on the Business Day immediately preceding the commencement date of the Weekly Interest Rate Period to which it relates. Notice of each Weekly Rate shall be given by the Remarketing Agent to the Bond Trustee, the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with respect to the Bonds to which such Weekly Rate is applicable by Electronic Notice not later than 6:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Weekly Rate determined by the Remarketing Agent upon request.

SECTION 2.07. SHORT-TERM RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Short-Term Rate, each Short-Term Interest Rate Period shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding that Short-Term Interest Rate Period which will, in the judgment of the Remarketing Agent, produce the greatest likelihood of the lowest net interest cost during the term of such Short-Term Bonds; provided that each Short-Term Interest Rate Period (i) shall be from 1 to 364 days in length but, if a Credit Facility or a Liquidity Facility is in effect with respect to such Short-Term Bonds, shall not exceed the number of days of interest coverage provided by such Credit Facility or such Liquidity Facility minus five days, shall not extend beyond the date that is five days before the Expiration Date of such Credit Facility or such Liquidity Facility and shall not exceed the number of days remaining prior to the Conversion Date if the Remarketing Agent has given or received notice of any Conversion to a different Interest Rate Mode, and (ii) shall commence on a Business Day (except that in the case of a Conversion to a Short-Term Mode, the initial Short-Term Rate shall commence on the Conversion Date), and (iii) shall end on a day preceding a Business Day or the day preceding the Maturity Date for such Bonds. The Remarketing Agent may, in the reasonable exercise of its judgment, determine one or more Short-Term Interest Rate Periods that result in a Short-Term Rate or Short-Term Rates on Bonds that are higher than would be borne by such Bonds with a shorter Short-Term Interest Rate Period in order to increase the likelihood of achieving the lowest net interest

cost during the term of such Short-Term Bonds by providing for a longer Short-Term Interest Rate Period. The determination of each Short-Term Interest Rate Period by the Remarketing Agent shall be based upon the relative market yields of the Short-Term Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the Remarketing Agent, are otherwise comparable to the Short-Term Bonds, or any fact or circumstance relating to the Short-Term Bonds or affecting the market for the Short-Term Bonds or affecting such other comparable securities in a manner that, in the reasonable exercise of the judgment of the Remarketing Agent, may affect the market for the Short-Term Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations described in this paragraph, including consultations with the Borrower, but the Remarketing Agent's determination of the Short-Term Interest Rate Periods will be based solely upon the reasonable exercise of the Remarketing Agent's judgment.

(b) Effective Period. The interest rate for each Short-Term Interest Rate Period shall be effective from and including the commencement date of that Interest Rate Period and shall remain in effect through and including the last day thereof.

(c) Short-Term Interest Rate Periods. Short-Term Bonds may bear interest for different Short-Term Interest Rate Periods and at different Short-Term Rates; provided that all Short-Term Bonds with the same Short-Term Interest Rate Period shall bear interest at the same Short-Term Rate.

(d) Determination Time. During each Short-Term Period, each Short-Term Rate shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on the Business Day immediately preceding the commencement of the Short-Term Interest Rate Period to which it relates. Notice of each Short-Term Rate and of each Short-Term Interest Rate Period shall be given by the Remarketing Agent to the Bond Trustee, the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with respect to the Bonds to which such Short-Term Rate or Short-Term Interest Rate Period is applicable, by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Short-Term Rate and each Short-Term Interest Rate Period determined by the Remarketing Agent upon request.

SECTION 2.08. LONG-TERM RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Long-Term Rate, each Long-Term Interest Rate Period shall commence on a Conversion Date, and end on a day which precedes a Business Day and which is at least 12 months after such Conversion Date and which is the day preceding the earlier of (i) the next succeeding Conversion Date, or (ii) the Maturity Date for such Bonds; provided that if a Credit Facility or a Liquidity Facility is in effect with respect to such Bonds, each Long-Term Interest Rate Period shall not extend to a date beyond the fifth day next preceding the Expiration Date of such Credit Facility or Liquidity Facility.

(b) Effective Period. The interest rate for each Long-Term Interest Rate Period shall be effective from and including the commencement of that Long-Term Interest Rate Period and shall remain in effect through and including the last day thereof.

(c) Determination Time. Each Long-Term Rate and the term of each Long-Term Interest Rate Period shall be determined by the Remarketing Agent by 4:00 p.m., New York City time, on or prior to the Business Day immediately preceding the commencement of the Long-Term Interest Rate Period to which it relates.

(d) Remarketing. The Long-Term Rate for each Long-Term Interest Rate Period for the Bonds shall be the rate of interest per annum borne by the Bonds which shall be the lowest rate of interest that, in the reasonable judgment of the Remarketing Agent, would permit the Bonds in question, assuming the Bonds were all available for sale to investors, to have a purchase price equal to the principal amount thereof under prevailing market conditions and based on the market for and the relative yields of the Bonds and other securities that bear interest at interest rates, that, in the judgment of the Remarketing Agent, are otherwise comparable to the Bonds, as of the date of determination. Notwithstanding the foregoing, the Long-Term Rate for a Long-Term Interest Rate Period may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell such Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for such Bonds, after taking into account any premium or discount at which such Bonds are sold by the Remarketing Agent, provided that in connection with selling such Bonds at a premium or discount:

(i) The Remarketing Agent certifies to the Issuer, the Bond Trustee and the Borrower that the sale of the Bonds at the Long-Term Rate and premium or discount specified by the Remarketing Agent is expected to result in the lowest net interest cost for such Bonds on the commencement date of the Long-Term Interest Rate Period;

(ii) The Borrower consents in writing to the sale of the Bonds by the Remarketing Agent at such premium or discount;

(iii) In the case of Bonds to be sold at a discount, either (A) a Credit Facility or a Liquidity Facility is in effect with respect to the Bonds and provides for the purchase of such Bonds from the tendering Holders at par, or (B) the Borrower agrees to transfer to the Bond Trustee on the commencement date of such Long-Term Interest Rate Period, in immediately available funds, for deposit in the Borrower Purchase Account, an amount equal to such discount;

(iv) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer remarketing proceeds equal to such premium in accordance with any direction of Bond Counsel or, if no such direction is included and no other

instructions are received by the Remarketing Agent from Bond Counsel related to the use of such premium, then to the Bond Trustee for deposit in the Revenue Fund; and

(v) On or before the commencement date of the Long-Term Interest Rate Period, a Favorable Opinion of Bond Counsel shall have been delivered.

SECTION 2.09. FLEXIBLE RATES.

(a) Interest Rate Period. A Flexible Rate Period for the Bonds in the Flexible Mode shall be of such duration of from one to 270 calendar days, ending on a day preceding a Business Day or the Maturity Date, as the Remarketing Agent shall determine in accordance with the provisions of this Section; provided, however, that no Flexible Rate Period set after delivery by the Borrower of the notice of the intention to effect a Conversion pursuant to Section 2.15 hereof that has been received by the Remarketing Agent shall extend beyond the Mandatory Purchase Date of the Bonds subject to such Conversion. A Flexible Rate Bond can have a Flexible Rate Period and bear interest at a Flexible Rate, different than another Flexible Rate Bond. In making the determinations with respect to Flexible Rate Periods, subject to limitations imposed by the second preceding sentence and in Section 2.02 hereof, on each Flexible Rate Determination Date for a Flexible Rate Bond, the Remarketing Agent, in consultation with the Borrower, shall select for such Bond the Flexible Rate Period which would result in the Remarketing Agent being able to remarket such Bond at par in the secondary market at the lowest average interest cost for all Flexible Rate Bonds; provided, however, that if the Remarketing Agent has received notice from the Borrower that the Bonds are to be converted from the Flexible Mode to any other Interest Rate Mode, the Remarketing Agent shall select Flexible Rate Periods which do not extend beyond the resulting applicable Mandatory Purchase Date of the Bonds. The Remarketing Agent shall notify the Bond Trustee in writing of the terms of the Flexible Rate Period and the Bonds affected.

(b) Determination Time. By 1:00 p.m., New York City time, on each Flexible Rate Determination Date, the Remarketing Agent, with respect to each Bond in the Flexible Mode which is subject to adjustment on such date, shall determine the Flexible Rate Period then selected for such Bond as described above and shall give notice by Electronic Means to the Bond Trustee and the Borrower, of the Flexible Rate Period, the Mandatory Purchase Date and the Flexible Rate for such Bond. The Remarketing Agent shall make the Flexible Rate and Flexible Rate Period available after 2:00 p.m., New York City time, on each Flexible Rate Determination Date by telephone or Electronic Means to any Beneficial Owner requesting such information.

SECTION 2.10. FRN RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at an FRN Rate, each FRN Period shall commence on the applicable FRN Rate Conversion Date

and end on the day immediately preceding the next FRN Rate Mandatory Purchase Date with respect to such FRN Period. At least two (2) Business Days prior to any FRN Rate Conversion Date, the Borrower shall by Electronic Notice to the Bond Trustee, the Remarketing Agent, the Calculation Agent and the Issuer (i) select the FRN Index (including any definitions relating thereto), the FRN Index Percentage and the FRN Rate Determination Date, (ii) describe any changes to the definitions of Daily SOFR or Term SOFR (including related definitions), Authorized Denominations, Interest Payment Dates or changes to the interest accrual provisions, the business day convention or the rounding convention, and describe the dates during which such FRN Bonds may be called for optional redemption in accordance with Section 4.01(e) hereof, and (iii) declare whether such FRN Bonds shall operate as FRN Rate Hard Put Bonds or FRN Rate Soft Put Bonds, and the related FRN Rate Mandatory Purchase Date with respect to such election. At least one Business Day prior to the FRN Rate Conversion Date, the Remarketing Agent shall, prior to 3:00 p.m., New York City time, determine the FRN Spread, and shall give Electronic Notice of such to the Bond Trustee, the Borrower and the Calculation Agent.

(b) Calculation of FRN Rate.

(i) Each FRN Rate for an FRN Interest Rate Period shall be determined by the Calculation Agent (based on the FRN Index, the FRN Spread and the FRN Index Percentage determined as provided above for an FRN Period) by 5:00 p.m., New York City time, on each FRN Rate Determination Date. Each FRN Rate determined on an FRN Rate Determination Date that is based on the SIFMA Index shall be effective on the Thursday immediately following the FRN Rate Determination Date (or the same day if the FRN Rate Determination Date is a Thursday, as described in the definition of "FRN Rate Determination Date" herein) through, and including, the following Wednesday. Each FRN Rate determined on a FRN Rate Determination Date that is based on Daily SOFR, with respect to any Effective Date, shall be effective on such Effective Date up to but excluding the next Effective Date. Each FRN Rate determined on an FRN Rate Determination Date that is based on Term SOFR shall be effective from such FRN Rate Determination Date through, and including, the day immediately preceding the next succeeding FRN Rate Determination Date, unless otherwise provided in the Electronic Notice provided by the Borrower pursuant to Section 2.10(a) hereof. In the case of a Conversion to the FRN Mode or to a new FRN Period, the initial FRN Rate following the Conversion shall apply from the FRN Rate Conversion Date (A) through, and including, the following Wednesday if such FRN Rate is based on the SIFMA Index, or (B) through, and including, the day immediately preceding the next succeeding FRN Rate Determination Date if such FRN Rate is based on Daily SOFR or Term SOFR, unless otherwise provided in the Electronic Notice provided by the Borrower pursuant to Section 2.10(a) hereof. Notice of each FRN Rate shall be given by the Calculation Agent to the Bond Trustee, the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with respect to

the Bonds to which such FRN Rate is applicable, by Electronic Notice not later than 6:00 p.m., New York City time on each FRN Rate Determination Date. The Bond Trustee shall inform the Holders of FRN Bonds of each FRN Rate upon request.

(ii) If the Calculation Agent fails for any reason to determine the FRN Rate for any FRN Interest Rate Period when required hereunder, then the Borrower may engage a new Calculation Agent or request that the Remarketing Agent determine such FRN Rate, provided that such FRN Rate shall be determined within two Business Days of the date originally required hereunder. If after two Business Days, the FRN Rate still has not been determined, then the FRN Rate shall be the FRN Rate most recently set by the Calculation Agent until the FRN Rate is again determined by the Calculation Agent.

SECTION 2.11. VRO RATES.

(a) Determination of Interest Rates During VRO Interest Rate Period.

(i) During each VRO Interest Rate Period, the Bonds shall bear interest at VRO Rates, which shall be determined by the applicable Remarketing Agent on each Business Day during the VRO Interest Rate Period by 6:00 p.m., New York City time for applicability on the following Business Day.

(ii) Each VRO Rate for any day shall be the rate of interest per annum determined by the applicable Remarketing Agent on or before 6:00 p.m., New York City time, on the previous Business Day to be the minimum interest rate which, if borne by Bonds, would enable the applicable Remarketing Agent (assuming all such Bonds were then available for sale and based on an examination of tax-exempt obligations comparable, in the judgment of the Remarketing Agent, to such series of Bonds and known by the Remarketing Agent to have been priced or traded under then prevailing market conditions) to sell all of such Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided that the VRO Rate shall not exceed the Maximum Interest Rate. In determining the VRO Rate, the Remarketing Agent shall consider (but not be limited to considering) the following factors in determining prevailing market conditions: existing short term tax-exempt market rates for securities, indices of such short term rates and the existing market supply and demand for securities bearing such short term rates, existing yield curves for short term and long-term securities for securities of issuers of credit quality comparable to the Bonds bearing interest at the VRO Rate, general economic conditions, industry economic and financial condition as the Remarketing Agent, in its sole discretion, shall determine to be relevant. The VRO Rate for any day which is not a Business Day shall be the same as the VRO Rate for the immediately preceding Business Day. The determination of the VRO Rate by the Remarketing Agent shall be conclusive and binding on the Issuer, the Borrower, the Bond Trustee and the Bondholders.

(iii) All of the Bonds in the VRO Interest Rate Period shall at all times bear the same rate of interest.

(iv) If for any reason a VRO Rate is not so established on any Business Day by the applicable Remarketing Agent, the VRO Rate for such Business Day to but excluding the next Business Day shall be the same as the VRO Rate for the immediately preceding Business Day, and such rate shall continue until the earlier of (A) the date on which such Remarketing Agent determines a new VRO Rate for such Bonds or (B) the fifth consecutive Business Day succeeding the first such Business Day on which such VRO Rate is not determined by such Remarketing Agent. In the event that a VRO Rate shall be held to be invalid or unenforceable by a court of law, or the applicable Remarketing Agent fails to determine a new VRO Rate for a period of five consecutive Business Days succeeding such Business Day as described in clause (B) of the immediately preceding sentence, all such Bonds shall bear interest at the VRO Step Up Rate from the applicable Business Day until the Business Day following the date on which a new VRO Rate is established by the Remarketing Agent that is, in any case, valid and enforceable under applicable law.

(b) Optional Tender during VRO Interest Rate Period; Remarketing.

(i) During any VRO Interest Rate Period, the Holder of a Bond (or, if the book-entry only system described in Section 2.20 hereof is in effect, the participant to whose account such a Bond is credited) may, at its option, tender such Bond or any portion thereof in an Authorized Denomination (provided that the amount of any such Bond not to be purchased shall also be in an Authorized Denomination) for purchase by delivering an irrevocable written notice (a "VRO Interest Rate Period Tender Notice") to the Bond Trustee and the Remarketing Agent on any Business Day prior to 5:00 p.m., New York City time (the "VRO Interest Rate Period Tender Notice Date"). A VRO Interest Rate Period Tender Notice shall state the principal amount of such Bonds to be purchased (the "VRO Interest Rate Period Designated Amount"). The giving of a VRO Interest Rate Period Tender Notice by a Bondholder or Participant with respect to a Bond shall constitute an irrevocable tender for purchase of the VRO Interest Rate Period Designated Amount of such Bonds effective on the fifth Business Day following the VRO Interest Rate Period Tender Notice Date (the "VRO Interest Rate Period Purchase Date"); provided, however, that if a VRO Interest Rate Period Tender Notice is not received by the Remarketing Agent prior to 5:00 p.m., New York City time, on any Business Day, the VRO Interest Rate Period Tender Notice Date will be deemed to be the next succeeding Business Day.

(ii) Upon receipt of a VRO Interest Rate Period Tender Notice, the Remarketing Agent shall offer for sale, and use its best efforts to sell, the VRO Interest Rate Period Designated Amount of Bonds in the VRO Rate with respect

which a VRO Interest Rate Period Tender Notice has been received by the Remarketing Agent ("VRO Interest Rate Period Tendered Bonds") at a price equal to par plus unpaid interest accrued until but excluding the VRO Interest Rate Period Purchase Date (the "VRO Interest Rate Period Purchase Price") for purchase on the VRO Interest Rate Period Purchase Date.

(iii) If multiple Holders of Bonds deliver VRO Interest Rate Period Tender Notices on different VRO Interest Rate Period Tender Notice Dates, there will be multiple VRO Interest Rate Period Purchase Dates and the Remarketing Agent shall first attempt to remarket VRO Interest Rate Period Tendered Bonds having the earliest VRO Interest Rate Period Purchase Date.

(iv) If the Remarketing Agent successfully remarkets the VRO Interest Rate Period Tendered Bonds by identifying a purchaser for such VRO Interest Rate Period Tendered Bonds during the period beginning on the VRO Interest Rate Period Notice Date for such VRO Interest Rate Period Tendered Bonds and ending on the Business Day immediately preceding the VRO Interest Rate Period Purchase Date for such VRO Interest Rate Period Tendered Bonds (a "VRO Interest Rate Period Remarketing Window"), the Remarketing Agent shall give notice (a "VRO Interest Rate Period Remarketing Notice") to Holders of such VRO Interest Rate Period Tendered Bonds that a purchaser has been identified for a purchase of such VRO Interest Rate Period Tendered Bonds on the VRO Interest Rate Period Purchase Date.

(v) For payment of the VRO Interest Rate Period Purchase Price on the VRO Interest Rate Period Purchase Date, VRO Interest Rate Period Tendered Bonds which have been successfully remarketed must be delivered at or prior to 11:00 a.m., New York City time, on the VRO Interest Rate Period Purchase Date to the Remarketing Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Remarketing Agent. If VRO Interest Rate Period Tendered Bonds are delivered after that time, the VRO Interest Rate Period Purchase Price will be paid on the Business Day immediately following such delivery.

(c) VRO Interest Rate Period Failed Remarketing Event.

(i) If, for any reason, any VRO Interest Rate Period Tendered Bonds are not successfully remarketed during a VRO Interest Rate Period Remarketing Window (a "VRO Interest Rate Period Failed Remarketing Event"), all VRO Interest Rate Period Tendered Bonds shall continue to be owned by their respective Holders and no VRO Interest Rate Period Tendered Bonds shall be tendered or purchased on their respective VRO Interest Rate Period Purchase Dates and such failure shall not constitute an Event of Default. Upon the occurrence of a VRO Interest Rate Period Failed Remarketing Event, (A) the Remarketing Agent shall

notify the Bond Trustee and the Borrower, (B) all Bonds in the VRO Interest Rate Period shall become subject to mandatory redemption on the VRO Interest Rate Period Special Mandatory Redemption Date, (C) the Remarketing Agent will no longer determine the VRO Rate on a daily basis, and (D) all Bonds in the VRO Interest Rate Period shall bear interest at the VRO Step Up Rate until the earliest to occur of (1) the VRO Interest Rate Period Special Mandatory Redemption Date, (2) the optional redemption, at the direction of the Borrower, of all the Bonds in the VRO Interest Rate Period, (3) the date on which all of the Bonds in the VRO Interest Rate Period are successfully remarketed, (4) the redemption of each Bond in the VRO Interest Rate Period, and (5) the date on which a Conversion of the Bonds from the VRO Mode to a different Interest Rate Mode shall occur.

(ii) Following the occurrence of a VRO Interest Rate Period Failed Remarketing Event, the Remarketing Agent shall offer for sale, and use its best efforts to sell, all Bonds in the VRO Interest Rate Period at a price equal to par plus unpaid interest accrued to but excluding the expected VRO Interest Rate Period Remarketing Date (as defined below) (such price, the "VRO Interest Rate Period Remarketing Date Purchase Price"). Upon identifying a purchaser or purchasers for all (but not less than all) of the Bonds (but subject to the immediately following paragraph), the Remarketing Agent shall give a VRO Interest Rate Period Remarketing Notice to the Bond Trustee, the Issuer, the Borrower and all Holders of Bonds that a purchaser or purchasers have been identified for the purchase of the Bonds on the date set forth in such VRO Interest Rate Period Remarketing Notice (the "VRO Interest Rate Period Remarketing Date"), which VRO Interest Rate Period Remarketing Date shall be the fifth Business Day following the date of delivery of the VRO Interest Rate Period Remarketing Notice, and all Bonds shall be subject to mandatory tender for purchase at the VRO Interest Rate Period Remarketing Date Purchase Price. Upon receipt, the Bond Trustee shall file or cause to be filed such VRO Interest Rate Period Remarketing Notice with EMMA and DTC.

(iii) For payment of the VRO Interest Rate Period Remarketing Date Purchase Price on the VRO Interest Rate Period Remarketing Date, Holders of all Bonds in the VRO Interest Rate Period must deliver Bonds at or prior to 11:00 a.m., New York City time, on the VRO Interest Rate Period Remarketing Date to the Remarketing Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Remarketing Agent, executed in blank by the Holder thereof or by the Holder's duly authorized attorney, with such signature guaranteed by a member of the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Bond Trustee. If VRO Interest Rate Period Tendered Bonds are delivered after that time, the VRO Interest Rate Period Remarketing Date Purchase Price will be paid on the immediately following Business Day.

(iv) On the Business Day following the VRO Interest Rate Period Remarketing Date, the Remarketing Agent shall resume resetting the interest rate on such Bonds pursuant to the provisions set forth in the Bonds as described in Section 2.11(a) above and the Bonds will no longer be subject to mandatory redemption on the VRO Interest Rate Period Special Mandatory Redemption Date.

SECTION 2.12. WINDOW RATES.

(a) Interest Rate Period. Whenever Bonds are to bear interest accruing at a Window Rate, each Window Rate shall be in effect for each Window Interest Rate Period, which shall commence on and include Thursday and end on and include the next succeeding Wednesday, unless such Window Interest Rate Period ends on a day other than Wednesday, in which event the last Window Rate for such Window Interest Rate Period will apply to the Window Interest Rate Period commencing on and including the Thursday preceding the last day of such Window Interest Rate Period and ending on and including the last day of such Window Interest Rate Period; provided, however, that in the case of a Conversion to a Window Mode from another Interest Rate Mode, the initial Window Interest Rate Period for the Bonds shall commence on such Conversion Date.

(b) Calculation of Window Rate. Each Window Rate shall be determined by the Calculation Agent by 4:00 p.m., New York City time, on the applicable Window Rate Determination Date, which Window Rate shall be equal to the SIFMA Index on such Window Rate Determination Date plus the Window Rate Spread. The Calculation Agent shall furnish each Window Rate so determined to the Bond Trustee, the Remarketing Agent, the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, by Electronic Notice no later than the Business Day next succeeding the date of determination.

The sum of the SIFMA Index plus the Initial Window Rate Spread shall be equal to the rate of interest per annum determined by the Remarketing Agent (based on an examination of tax-exempt obligations comparable, in the judgment of the Remarketing Agent, to the Bonds and known by the Remarketing Agent to have been priced or traded under then prevailing market conditions) to be the minimum interest rate which, if borne by the Window Bonds, would enable the Remarketing Agent to sell all of such Bonds on the applicable Conversion Date at a price equal to the principal amount thereof. During a Window Period with respect to the Bonds, the Remarketing Agent may (i) with the consent of the Borrower, increase the Window Rate Spread with respect to such Bonds effective as of any Window Rate Optional Purchase Date, any Borrower Elective Purchase Date or any Window Rate Mandatory Purchase Date, or (ii) reduce the Window Rate Spread effective as of any Borrower Elective Purchase Date or any Window Rate Mandatory Purchase Date. The sum of the SIFMA Index plus the revised Window Rate Spread shall be equal to the rate of interest per annum determined by the Remarketing Agent (based on an examination of tax-exempt obligations comparable, in the judgment of the Remarketing Agent, to the Bonds and known by the Remarketing Agent to have been priced or traded under then

prevailing market conditions) to be the minimum interest rate which, if borne by the Window Bonds, would enable the Remarketing Agent to sell all of such Bonds on the effective date of the revised Window Rate Spread at a price equal to the principal amount thereof. A revised Window Rate Spread shall apply to all Bonds bearing interest at a Window Rate as of the effective date of the revised Window Rate Spread.

The Remarketing Agent shall give Electronic Notice of the revised Window Rate Spread to the Bond Trustee and the Borrower not later than the second Business Day after the effective date of such revised Window Rate Spread. The Bond Trustee shall give notice of such revised Window Rate Spread by Electronic Notice, confirmed by first class mail, to the Holders, with a copy to the Borrower, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, not later than the second Business Day after receiving notice of such Window Rate Spread from the Remarketing Agent. If a court holds that the Window Rate set for any Window Interest Rate Period is invalid, illegal or unenforceable or if the SIFMA Index is not available for any week, the Window Rate for such Window Interest Rate Period shall be determined by the Remarketing Agent and shall be equal to a rate per annum equal to 85% of the interest rate on 30 day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* on such Window Rate Determination Date, plus the Window Rate Spread.

SECTION 2.13. DIRECT PURCHASE RATES.

(a) Interest Period and Effective Period. Any Direct Purchase Interest Rate Period shall be as established as such in a Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to a Direct Purchase Mode.

(b) Determination of Direct Purchase Rates. For each other Direct Purchase Interest Rate Period with respect to the Bonds, the Bonds shall bear interest at the Direct Purchase Rate. For any Direct Purchase Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for each applicable Interest Accrual Period commencing on the Interest Accrual Date preceding such Interest Payment Date. For any Direct Purchase Interest Rate Period, the Direct Purchase Rate shall be determined by utilizing the Applicable Spread, the Applicable Factor and the Direct Purchase Index, or it may be set as a fixed rate, for such Direct Purchase Interest Rate Period, all in a manner determined by the Direct Purchaser or the Market Agent prior to the Conversion to any Direct Purchase Interest Rate Period or as otherwise set forth in a Supplemental Bond Indenture or in the applicable Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13 (the Direct Purchase Rate, unless otherwise established in a Supplemental Bond Indenture or in a Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13, to be the sum of (i) the Applicable Factor multiplied by the Direct Purchase Index, plus (ii) the Applicable Spread, per annum). If required by a Supplemental Bond Indenture or in a Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13 during an Event of Default the Bonds in a Direct Purchase Interest Rate

Period shall bear interest at the Default Rate. Additionally, if required by a Supplemental Bond Indenture or in a Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13 following a Determination of Taxability the Bonds in a Direct Purchase Interest Rate Period shall bear interest at a Taxable Rate (as defined in a Supplemental Bond Indenture or a Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13). The Calculation Agent shall determine the Direct Purchase Rate on each Direct Purchase Rate Determination Date to become effective on the immediately succeeding Index Reset Date during the Direct Purchase Interest Rate Period, and interest shall accrue at such rate for each day during the Interest Accrual Period commencing on the Index Reset Date. The Direct Purchase Rate shall be rounded, if necessary, to the third decimal place unless otherwise provided in a Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to this Section 2.13 For each Direct Purchase Interest Rate Period, prior to the commencement of such Direct Purchase Interest Rate Period, the Direct Purchaser or the Market Agent shall also determine the Direct Purchase Interest Rate Period, the Interest Accrual Period, and the Direct Purchase Mandatory Purchase Date. During each Direct Purchase Interest Rate Period, the Direct Purchase Bonds shall be subject to optional redemption as provided in Section 4.01(h) hereof.

(c) Adjustment to Direct Purchase Rates.

(i) *Taxable Rate*. From and after any Taxable Date, the interest rate on Bonds in a Direct Purchase Interest Rate Period and Unremarketed Bonds shall be established at a rate at all times equal to the Taxable Rate.

(ii) *Default Rate*. Notwithstanding the foregoing provisions of this Section 2.13, upon the occurrence and during the continuation of an Event of Default, the interest rate for Bonds in a Direct Purchase Interest Rate Period and Unremarketed Bonds shall be established at a rate at all times equal to the Default Rate, unless the Direct Purchaser shall have notified the Borrower and Bond Trustee in writing that the Default Rate shall not apply and a Favorable Opinion of Bond Counsel has been delivered, which notice may be subject to conditions established by the Direct Purchaser.

(iii) *Excess Interest*. Notwithstanding anything in this Bond Indenture to the contrary, if during a Direct Purchase Interest Rate Period (or at any time the Bonds constitute Unremarketed Bonds) the rate of interest on such Bonds exceeds the Maximum Interest Rate for such Bonds, then (A) such Bonds shall bear interest at the Maximum Interest Rate, and (B) interest on such Bonds shall be calculated at the rate equal to the difference between (1) the rate of interest for such Bonds as calculated pursuant to this Bond Indenture, and (2) the Maximum Interest Rate (the "Excess Interest") and shall be deferred until such date as the rate of interest borne by such Bonds as calculated pursuant to this Section 2.13 is below the Maximum Interest Rate, at which time Excess Interest shall be payable with respect to such

Bonds in amounts that, when combined with the then-current interest due on the Bonds, does not exceed payment at the Maximum Interest Rate. Payments of deferred Excess Interest shall no longer be due and payable upon the earlier to occur of the date on which the Bonds are tendered for purchase in accordance with Section 4.07(a)(ix) hereof and are so paid or such Bonds are paid in full.

(d) Conversion to Direct Purchase Period. Subject to Section 2.15 hereof, at any time, the Borrower, by Electronic Notice to the Bond Trustee, the Direct Purchaser (if Conversion is from a Direct Purchase Interest Rate Period), the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, and the Remarketing Agent, may direct that all, but not less than all, Bonds shall be converted to bear interest at a Direct Purchase Rate. Such direction of the Borrower shall specify the proposed Conversion Date, which shall be a Business Day not earlier than the twentieth (20th) day following receipt by the Bond Trustee of such direction. In addition, such direction shall be accompanied by a letter of Bond Counsel that it expects to be able to render a Favorable Opinion of Bond Counsel on the proposed Conversion Date. In addition, such direction shall specify the duration of the Direct Purchase Interest Rate Period immediately following the proposed Conversion Date.

(e) Notice of Conversion to Direct Purchase Mode. The Bond Trustee shall give notice of a Conversion to a Direct Purchase Mode to the Holders of the Bonds in accordance with Section 2.15(f)(iii) hereof.

(f) Certain Conversions between Direct Purchase Interest Rate Periods. Notwithstanding anything to the contrary in Sections 2.13 or 2.15 hereof, in the event that (i) a single Direct Purchaser is the Holder of all of the Direct Purchase Bonds, and (ii) such Direct Purchaser and the Borrower wish to convert the Bonds to a new Direct Purchase Interest Rate Period where such Direct Purchaser shall continue to be the Holder of all of the Bonds, the Borrower may cause the Bonds to be converted to such new Direct Purchase Interest Rate Period by delivering a notice (an "Direct Purchase Period Conversion Notice") describing the terms of such new Direct Purchase Interest Rate Period, executed by the Borrower to the Bond Trustee, the Direct Purchaser and the Market Agent (if any) not less than twenty (20) days prior to the Conversion Date on which the change in the Direct Purchase Interest Rate Period is to be effective, as specified in such notice.

(g) Direct Purchase Bonds; Bond Indenture Provisions. The following shall apply during each Direct Purchase Period:

(i) The Direct Purchase Bonds shall be in Authorized Denominations.

(ii) Nothing in this Bond Indenture or in the Loan Agreement to the contrary withstanding, the parties hereto acknowledge, pursuant to Section 2.02(f) hereof, during any Direct Purchase Period, that unless the Direct Purchaser gives a written direction otherwise, all payments with respect to the Direct Purchase Bonds are to be made directly by the Borrower to the Direct Purchaser for so long as it is

the Holder of all of the Direct Purchase Bonds; provided that failure of the Direct Purchaser to provide such notice shall not affect the obligations of the Borrower to pay such amounts pursuant to the terms of this Bond Indenture and the Loan Agreement.

(iii) The Direct Purchase Bonds shall be registered in the name of the Direct Purchaser, and shall not have a CUSIP number assigned thereto (unless the Direct Purchaser consents thereto or directs that the Bonds be in book-entry form), and shall not be held under a Securities Depository system, including but not limited to the book-entry only system of DTC and (unless the Direct Purchaser consents thereto or directs that the Bonds be in book-entry form) shall not be registered in the name of "Cede & Co." or otherwise be DTC eligible. The Direct Purchase Bonds, without the prior written consent of the Direct Purchaser, shall not be rated by any Rating Agency and shall not be marketed during any period in which the Direct Purchase Bonds are held by the Direct Purchaser pursuant to any official statement, offering memorandum or any other disclosure documentation (other than in connection with any Conversion to an Interest Rate Mode other than a Direct Purchase Mode).

(iv) Unless otherwise directed by the Direct Purchaser, the Borrower shall cause physical delivery of the Direct Purchase Bonds to the Direct Purchaser and each Bond bearing interest at the Direct Purchase Rate shall contain a legend indicating that the transferability of such Bond is subject to the restrictions set forth in this Bond Indenture.

(v) The calculations, of the principal, premium, if any, Purchase Price, if any, and interest due and paid on the Bonds, by the Direct Purchaser shall, absent manifest error, be conclusive and binding upon the Issuer, the Borrower, and the Bond Trustee.

(vi) There may be no Conversion of less than all of the Bonds, and no Conversion or Mandatory Purchase Date shall apply to less than all of the Bonds.

SECTION 2.14. FIXED RATES.

(a) Interest Rate Period. Interest on the Bonds in the Initial Period shall be effective from the Date of Issuance to their Maturity Date or until the Fixed Rate Conversion Date, if any. Thereafter, whenever Bonds are to bear interest accruing at a new Fixed Rate, the Fixed Rate shall commence on a Fixed Rate Conversion Date and any Fixed Period shall extend to the Maturity Date subject to the ability of the Borrower to designate a Conversion Date for such Fixed Bonds pursuant to the provisions of Section 2.15 hereof.

(b) Determination Time. For any Bonds converted to Fixed Rates after the Initial Period, the Fixed Rate shall be determined by the Remarketing Agent by 4:00 p.m., New

York City time, on or before the Business Day immediately preceding the Fixed Rate Conversion Date. Notice of each Fixed Rate shall be given by the Remarketing Agent to the Bond Trustee and the Borrower by Electronic Notice not later than 5:00 p.m., New York City time, on the date of determination. The Bond Trustee shall inform the Holders of each Fixed Rate determined by the Remarketing Agent upon request of any such Holder.

(c) Remarketing. Other than the Initial Period, the Fixed Rate for the Bonds in a Fixed Period shall be the rate or rates of interest per annum borne by the Bonds which shall be the lowest rate or rates of interest that, in the judgment of the Remarketing Agent, would cause such Bonds to have a purchase price equal to the principal amount thereof plus accrued interest, if any, under prevailing market conditions as of the date of determination. Notwithstanding the foregoing, the Fixed Rate may be the rate of interest per annum determined by the Remarketing Agent to be the interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell such Bonds on the date and at the time of such determination at a price which will result in the lowest net interest cost for such Bonds, after taking into account any premium or discount at which such Bonds are sold by the Remarketing Agent; provided that in connection with selling such Bonds at a premium or discount:

(i) The Remarketing Agent certifies to the Issuer, the Bond Trustee and the Borrower that the sale of the Bonds at the Fixed Rate and premium or discount specified by the Remarketing Agent is expected to result in the lowest net interest cost for such Bonds on the commencement date of the Fixed Period;

(ii) The Borrower consents in writing to the sale of the Bonds by the Remarketing Agent at such premium or discount;

(iii) In the case of Bonds to be sold at a discount, either (A) a Credit Facility or a Liquidity Facility is in effect with respect to the Bonds at the time of the Fixed Rate Conversion Date and provides for the purchase of such Bonds from the tendering Holders at par, or (B) if no Credit Facility or Liquidity Facility is in effect with respect to the Bonds at the time of the Fixed Rate Conversion Date, the Borrower agrees to transfer to the Bond Trustee on the Fixed Rate Conversion Date, in immediately available funds, for deposit in the Borrower Purchase Account, an amount equal to such discount;

(iv) In the case of Bonds to be sold at a premium, the Remarketing Agent shall transfer remarketing proceeds equal to such premium in accordance with any direction of Bond Counsel or, if no such direction is included and no other instructions are received by the Remarketing Agent from Bond Counsel related to the use of such premium, then to the Bond Trustee for deposit in the Revenue Fund; and

(v) On or before the Fixed Rate Conversion Date, a Favorable Opinion of Bond Counsel shall have been delivered.

SECTION 2.15. CONVERSIONS. (a) In the event that the Borrower shall elect to convert the interest rate on the Bonds (or, a portion of the Bonds, as applicable) to another Interest Rate Mode, then the written Conversion direction furnished by the Borrower shall be made by Electronic Notice. Notwithstanding anything in this Bond Indenture to the contrary, any such Conversion may be with respect to all or a portion of the Bonds. Any Bonds to be converted in part shall be selected randomly, and the portion of the Bonds to be converted shall be re-designated as a new Sub-Series to distinguish such portion from the portion of Bonds not to be converted. Direct Purchase Bonds may only be converted in whole. All references herein to any Conversion of Bonds shall refer to the portion of Bonds that is subject to Conversion in the event that less than all of such Bonds are subject to Conversion. The following shall constitute a Conversion for purposes of this Section 2.15: (i) a conversion from any Direct Purchase Interest Rate Period to the next Direct Purchase Interest Rate Period; (ii) a conversion from one FRN Period to a new FRN Period; (iii) a conversion from one Fixed Period to a new Fixed Period; (iv) a conversion from any Short-Term Interest Rate Period to a new Short-Term Interest Rate Period; (v) a conversion from any Long-Term Interest Rate Period to a new Long-Term Interest Rate Period; and (vi) conversion from any Interest Rate Mode to a different Interest Rate Mode.

(b) Notwithstanding anything in this Article II, in connection with any proposed Conversion of Bonds (or a portion of the Bonds, as applicable) on a Purchase Date that is not otherwise a Mandatory Purchase Date, the Borrower shall have the right to deliver to the Bond Trustee, the Issuer, the Remarketing Agent, if any, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, on or prior to 10:00 a.m., New York City time, on the proposed effective date of any such Conversion or prior to the date on which the interest rate for the new Interest Rate Mode is to be determined, whichever is earlier, a notice to the effect that the Borrower elects to rescind its election to implement any such Conversion. If the Borrower rescinds its election to implement any such Conversion, then such Conversion shall not occur, the mandatory tender shall not occur (unless such proposed Conversion Date is also a Mandatory Purchase Date pursuant to Sections 4.07(a)(ii), (iii), (iv), (v), (vi), (vii) (viii), (ix) and (x) hereof), and, except as otherwise provided herein, the Bonds shall continue to bear interest in the current Interest Rate Mode and the current interest rate in effect immediately prior to such proposed Conversion Date.

(c) No Conversion shall take effect under this Bond Indenture unless each of the following conditions and the conditions set forth in paragraph (f) of this Section 2.15, to the extent applicable, shall have been satisfied.

(i) In the case of any Conversion with respect to which there shall be no Liquidity Facility or Credit Facility in effect to provide funds for the purchase of Bonds to be converted on the Conversion Date, the remarketing proceeds and funds

in the Borrower Purchase Account and available on the Conversion Date shall not be less than the amount required to purchase all of the Bonds to be converted at the applicable Purchase Price.

(ii) In the case of any Conversion of Bonds to any Interest Rate Mode (except a Direct Purchase Mode), prior to the Conversion Date the Borrower shall have appointed a Remarketing Agent and there shall have been executed and delivered a Remarketing Agreement.

(iii) If such Conversion is with respect to less than all of the Bonds, the Bonds shall be designated as separate Sub-Series as provided in Section 2.01 hereof.

(d) If, on a Conversion Date, any condition precedent to a proposed Conversion shall not have been satisfied, then such Conversion shall not occur and the Bonds or portion thereof to have been converted shall continue to bear interest in the current Interest Rate Mode and at the current interest rate as in effect immediately prior to such proposed Conversion Date, and the Bonds or portion thereof, subject to and unless otherwise provided in Section 4.18 hereof, shall not be subject to mandatory tender for purchase on the proposed Conversion Date, unless such proposed Conversion Date is also a Mandatory Purchase Date pursuant to Sections 4.07(a)(ii), (iii), (iv), (v), (vi), (vii), (viii), (ix) and (x) hereof.

(e) Notwithstanding anything in this Article II to the contrary, in connection with any Conversion that would require the mandatory tender for purchase of Bonds at a Purchase Price greater than the principal amount thereof, the Borrower, as a condition to implementing such Conversion, shall deliver to the Bond Trustee on or prior to the Conversion Date, immediately available funds for the purpose of paying such premium; provided however, if a Liquidity Facility or Credit Facility is then in effect with respect to such Bonds either (i) such Liquidity Facility or Credit Facility must provide for the payment of such premium on such Conversion Date, or (ii) such premium shall be paid with Eligible Moneys on such Conversion Date.

(f) The Bonds may be converted in whole or in part in Authorized Denominations, except Direct Purchase Bonds which may only be converted in whole. Any Bonds subject to such Conversion may be assigned a new CUSIP number and shall be designated or numbered to distinguish each Sub-Series of Bonds from another Sub-Series. Bonds may be converted as follows:

(i) *Conversion Date*. Subject to the following provisions of this paragraph, all Conversion Dates may only occur on any date on which such Bonds are subject to optional redemption pursuant to Section 4.01(b), (c), (d), (f), (g) or (h), as applicable; provided, however, that (A) for a Conversion of Long-Term Bonds, such Conversion shall only occur on a Long-Term Rate Mandatory Purchase Date on which such Long-Term Bonds are subject to purchase pursuant to Section

4.07(a)(iii) or on any date when the Long-Term Bonds are subject to optional redemption pursuant to Section 4.01(g) hereof, (B) for a Conversion of FRN Bonds such Conversion shall only occur on an FRN Rate Mandatory Purchase Date on which such FRN Bonds are subject to purchase pursuant to Section 4.07(a)(v) hereof or any date such FRN Bonds are subject to optional redemption pursuant to Section 4.01(e), and (C) for a Conversion of Direct Purchase Bonds, such Conversion shall only occur on a date which such Direct Purchase Bonds are subject to optional redemption pursuant to Section 4.01(h) hereof or on a Direct Purchase Mandatory Purchase Date. Interest shall accrue on such Bonds at the new interest rate commencing on such Conversion Date, whether or not a Business Day. Any action required to be taken on such Conversion Date, if such day is not a Business Day, may be taken on the next succeeding Business Day as if it had occurred on such Conversion Date.

(ii) *Notice of Intent to Convert*. The Borrower shall give written notice of its intent to exercise its option to implement any such Conversion to the Issuer, the Remarketing Agent, the Bond Trustee, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with respect to the affected Bonds by Electronic Notice not fewer than two Business Days (or such shorter period as shall be acceptable to the applicable parties) prior to the date on which the Bond Trustee is required to provide notice of Conversion to the Holders. Such notice shall specify the proposed Conversion Date (as well as the Sub-Series of Bonds to which the Conversion will be applicable).

(iii) *Notice of Conversion and Mandatory Tender*. Not fewer than 15 days (or for any Conversion of Fixed Bonds, not fewer than 20 days) prior to the proposed Conversion Date, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, of the Conversion and, if applicable, of the mandatory tender of such Bonds to the Holders of such Bonds at their addresses as they appear on the Registration Books as of the date Electronic Notice of the election is received by the Bond Trustee from the Borrower. If the Borrower rescinds the Conversion, the Bond Trustee shall give Electronic Notice, confirmed by first class mail, on the Business Day next succeeding receipt of the notice of rescission to the Holders of such Bonds at their addresses as they appear on the Registration Books as of the date Electronic Notice of the rescission is received by the Bond Trustee from the Borrower.

(iv) *Favorable Opinion of Bond Counsel*. Any Conversion pursuant to this Section 2.15 shall be subject to the conditions that, on or before the Conversion Date, there shall have been delivered a Favorable Opinion of Bond Counsel.

(v) *Conditions to Conversion*. Notwithstanding the Borrower's delivery of notice of the exercise of its option to effect a Conversion, such Conversion shall not take effect if:

(A) the Borrower withdraws such notice of the exercise of its option to effect Conversion not later than the date as provided by Section 2.15(b) hereof or the date on which the interest rate for the new Interest Rate Mode or Interest Rate Period, as applicable, is to be determined, if permitted by Section 2.15(b) hereof;

(B) the Remarketing Agent fails to determine, when required, the interest rate for the new Interest Rate Mode or Interest Rate Period, as applicable;

(C) the notice to Holders of Bonds of the Conversion is not given when required;

(D) the Borrower fails to deliver a Favorable Opinion of Bond Counsel referred to above;

(E) sufficient funds are not available by 2:00 p.m., New York City time, on the Conversion Date to purchase all of the Bonds required to be purchased on such Conversion Date; or

(F) in the case of Conversion from a Window Period or from a Fixed Period, not all of the Bonds are remarketed in the new Interest Rate Mode or Interest Rate Period, as applicable, on the applicable Conversion Date.

(vi) *Serialization Upon Fixed Rate Conversion*. All Bonds shall have the same Maturity Date and bear interest at the same Fixed Rate on and after the Fixed Rate Conversion Date, unless on the date the Remarketing Agent determines the Fixed Rate, the Remarketing Agent also determines that such Bonds would bear a lower effective net interest cost if such Bonds were serial bonds, term bonds or a combination of serial bonds and term bonds with the Maturity Dates (or Sinking Fund Installments) and principal amounts matching the Sinking Fund Installments in effect prior to such Fixed Rate Conversion Date, in which event such Bonds shall become serial bonds, term bonds, or a combination of serial bonds and term bonds with such Maturity Dates (or Sinking Fund Installments) and principal amounts and may bear separate Fixed Rates for each Maturity Date. Notwithstanding the foregoing, the Borrower may deliver to the Bond Trustee a schedule of revised Maturity Dates and maturity amounts, including Sinking Fund Installments, for the Bonds then being converted to the Fixed Mode; provided that such schedule be accompanied by a Favorable Opinion of Bond Counsel.

(vii) *Changes to Serial Maturity Dates in Connection with a Conversion from the Fixed Mode*. Upon the Conversion of the Bonds from the Fixed Mode, the Maturity Date for any serial maturities of the Bonds shall become the last maturity

date in each Bond and principal amounts of such serial maturities of the Bonds while operating in the prior Fixed Mode shall become Sinking Fund Installments. All existing Sinking Fund Installments shall remain in effect and any term bond maturity installment (other than the installment due on the final Maturity Date) shall become a Sinking Fund Installment. The final Maturity Date of the Bonds and the amount of principal due on such final Maturity Date will not be changed. Notwithstanding the foregoing, the Borrower may deliver to the Bond Trustee a schedule of revised Maturity Dates and maturity amounts, including Sinking Fund Installments, for the Bonds then being converted from the Fixed Mode; provided that such schedule be accompanied by a Favorable Opinion of Bond Counsel.

SECTION 2.16. EXECUTION AND AUTHENTICATION. The Bonds issued under this Bond Indenture shall be substantially in the form set forth in EXHIBIT A hereto with such appropriate variations, omissions and insertions as are permitted or required by this Bond Indenture or deemed necessary by the Bond Trustee. No Bond shall be secured hereby or entitled to the benefit hereof, or shall be valid or obligatory for any purpose, unless the certificate of authentication, substantially in the form attached hereto as EXHIBIT A, has been duly executed by the Bond Trustee by manual signature; and such certificate of the Bond Trustee upon any Bond shall be conclusive evidence and the only competent evidence that such Bond has been authenticated and delivered hereunder. The certificate of authentication shall be deemed to have been duly executed if manually signed by an authorized signatory of the Bond Trustee, but it shall not be necessary that the same authorized signatory sign the certificate of authentication on all of the Bonds issued hereunder.

The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor (or any duly authorized Deputy to the Mayor) under its seal attested by the manual or facsimile signature of its Clerk or Deputy Clerk and approved as to form and correctness by the City Attorney. Such seal may be in the form of a facsimile of the Issuer's seal and may be reproduced, imprinted or impressed on the Bonds. The Bonds shall then be delivered to the Bond Trustee for authentication by it. In case any officers of the Issuer who shall have signed or attested any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed or attested shall have been authenticated or delivered by the Bond Trustee or issued by the Issuer, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Issuer as though those who signed and attested the same had continued to be such officers of the Issuer, and also any Bond may be signed and attested on behalf of the Issuer by such persons as at the actual date of execution of such Bond shall be the proper officers of the Issuer although at the nominal date of such Bond any such person shall not have been such officers of the Issuer.

SECTION 2.17. REGISTRATION, TRANSFER AND EXCHANGE. The Bond Trustee is hereby appointed "bond registrar" for the purpose of registering Bonds and transfers of Bonds as herein provided. The Bond Trustee shall cause to be kept at its designated Corporate Trust Office the Registration Books, in which, subject to such reasonable regulations as it may prescribe, the Bond Trustee shall provide for the registration, transfer and exchange of Bonds as herein provided.

Bonds may be transferred or exchanged only upon the Registration Books maintained by the Bond Trustee as provided in this Section. Upon surrender for transfer or exchange of any Bond at the designated Corporate Trust Office of the Bond Trustee, the Issuer shall execute, and the Bond Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of the same maturity and of any Authorized Denominations and of a like aggregate principal amount.

Every Bond presented or surrendered for transfer or exchange shall (if so required by the Bond Trustee, as bond registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Bond Trustee, as bond registrar, duly executed by the Owner thereof or his attorney or legal representative duly authorized in writing.

All Bonds issued upon any transfer or exchange of Bonds shall be the valid special limited obligations of the Issuer, evidencing the same debt, and entitled to the same security and benefits under this Bond Indenture, as the Bonds surrendered upon such transfer or exchange.

Any Direct Purchaser will execute an investor letter in a form satisfactory to Bond Counsel and the Issuer. Except as otherwise provided herein, Direct Purchase Bonds may be transferred without limitation to any Affiliate of the Direct Purchaser or to a trust or custodial arrangement established by the Direct Purchaser or its Affiliates, the owners of any beneficial interest in which is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act or an "accredited investor" as defined in Rule 501 of Regulation D of the Securities Act, subject to the limitations, if any, set forth in the Bondholder Agreement. Direct Purchase Bonds may be transferred to such purchaser (other than an Affiliate of the Direct Purchaser or a trust or custodial arrangement as described in the preceding sentence) if written notice of such transfer, together with addresses and related information with respect to such purchaser, is delivered to the Borrower and the Bond Trustee by such transferor; provided that each such purchaser shall constitute (a) a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act or an "accredited investor" as defined in Rule 501 of Regulation D of the Securities Act, or (b) a trust or other custodial arrangement established by the Direct Purchaser or one of its Affiliates, the owners of any beneficial interest in which are limited to "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act or an "accredited investor" as defined in Rule 501 of Regulation D of the Securities Act. Additionally, the transferability of Direct Purchase Bonds shall be subject

to any further restrictions set forth in the applicable Bondholder Agreement. Neither the Issuer nor the Bond Trustee has any duty or obligation to confirm whether or not the requirements set forth above have been satisfied in connection with any transfer of the Bonds.

No service charge shall be imposed for any registration, transfer or exchange of Bonds, but the Bond Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, and such charge shall be paid before any such new Bond shall be delivered. The fees and charges of the Bond Trustee for making any transfer or exchange and the expense of any bond printing necessary to affect any such transfer or exchange shall be paid by the Borrower. In the event any Registered Owner fails to provide a certified taxpayer identification number to the Bond Trustee, the Bond Trustee may impose a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Bond Trustee from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The Bond Trustee shall not be required to (a) transfer or exchange any Bond (other than a Bond tendered for purchase under Section 4.06, 4.07, 4.08 or 4.09 hereof) during a period beginning 15 days before the day of the mailing of a notice of redemption of such Bond and ending at the close of business on the day of such mailing, or (b) transfer or exchange any Bond so selected for redemption in whole or in part, during a period beginning at the opening of business on any Record Date for such Bonds and ending at the close of business on the relevant Interest Payment Date therefor.

The Person in whose name any Bond is registered on the Registration Books shall be deemed and regarded as the absolute Owner thereof for all purposes, except as otherwise provided in this Bond Indenture when a book-entry system is in effect for the Bonds, and payment of or on account of the principal and Redemption Price of and interest on any such Bond shall be made only to or upon the order of the Registered Owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Bond Trustee will keep the Registration Books on file at its designated Corporate Trust Office, which shall include a list of the names and addresses of the last known Owners of all Bonds and the serial numbers of such Bonds held by each of such Owners. At reasonable times and under reasonable regulations established by the Bond Trustee (including, without limitation, reasonable prior written notice), the list may be inspected and copied by the Issuer, the Borrower, or the Owners of 10% in Outstanding principal amount of the Bonds or the authorized representative thereof, provided that the ownership of such Owner and the authority of any such designated representative shall be evidenced to the satisfaction of the Bond Trustee.

The transferor of a Bond shall also provide or cause to be provided to the Bond Trustee all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Bond Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

SECTION 2.18. MUTILATED, LOST, STOLEN OR DESTROYED BONDS. If (a) any mutilated Bond is surrendered to the Bond Trustee, or the Bond Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Trustee such security or indemnity as may be required by the Bond Trustee to save each of them harmless, then, in the absence of notice to the Bond Trustee that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and the Bond Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same principal amount, bearing a number not contemporaneously outstanding.

Upon the issuance of any new Bond under this Section, the Issuer and the Bond Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Bond, shall constitute an original additional contractual obligation of the Issuer, whether or not the mutilated, destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Bond Indenture equally and ratably with all other Outstanding Bonds.

SECTION 2.19. CANCELLATION OF BONDS. All Bonds surrendered to the Bond Trustee for payment, redemption, transfer, exchange or replacement shall be promptly cancelled by the Bond Trustee. The Issuer or the Borrower may at any time deliver to the Bond Trustee for cancellation any Bonds previously authenticated and delivered hereunder, which the Issuer or the Borrower may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Bond Trustee. No Bond shall be authenticated in lieu of or in exchange for any Bond cancelled as provided in this Section, except as expressly provided by this Bond Indenture. All cancelled Bonds held by the Bond Trustee shall be destroyed and disposed of by the Bond Trustee in accordance with applicable record retention requirements. The Bond Trustee, upon request, shall execute and deliver to the Issuer and the Borrower a certificate describing the Bonds so cancelled.

SECTION 2.20. USE OF SECURITIES DEPOSITORY. Subject to Section 2.13(d) hereof during any Direct Purchase Period when the Bonds shall be in definitive certificated form registered in the name of the Direct Purchaser until otherwise directed by the Direct Purchaser, it is intended that the Bonds be registered so as to participate in a

securities depository system with DTC (the "DTC System"), as set forth herein, and the ownership of each such Bond shall be registered on the Registration Books in the name of Cede & Co., or any successor thereto, as nominee for DTC. The Issuer and the Bond Trustee are authorized to execute and deliver such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations.

With respect to Bonds registered in the Registration Books in the name of Cede & Co., as nominee of DTC, the Issuer and the Bond Trustee shall have no responsibility or obligation to any broker dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker dealer, bank or other financial institution being referred to herein as a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (each such person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, the Issuer and the Bond Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., any Depository Participant or any Indirect Participant with respect to the ownership interest in the Bonds, (b) the delivery to any Depository Participant or any Indirect Participant or any other person, other than a registered owner of a Bond as shown in the Registration Books, of any notice with respect to the Bonds which is permitted or required to be given to or by Bondholders hereunder (except such notice as is required to be given by the Issuer to the Bond Trustee or to the Securities Depository as Bondholder), including any notice of redemption, (c) the payment to any Depository Participant or Indirect Participant or any other person, other than a registered owner of a Bond as shown in the Registration Books, of any amount with respect to principal or Redemption Price of or interest on, the Bonds, (d) any consent given or other action taken by the Securities Depository as registered owner, or (e) subject to Article IV hereof, the selection by the Securities Depository or any Depository Participant of any beneficial owners to receive payment if Bonds are redeemed in part. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond certificate with respect to any Bond. Upon delivery by DTC to the Bond Trustee of written notice from DTC to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest by the mailing of checks or drafts to the registered owners of Bonds at the close of business on the Record Date applicable to any interest payment date, the name "Cede & Co." in this Bond Indenture shall refer to such new nominee of DTC.

The Issuer has executed the Letter of Representations. Such Letter of Representations is for the purpose of effectuating the book-entry only system only and shall not be deemed to amend, supersede or supplement the terms of this Bond Indenture, which are intended to be complete without reference to the Letter of Representations. In the event of any conflict between the terms of the Letter of Representations and the terms of this Bond Indenture, the terms of this Bond Indenture shall control. The Securities Depository

may exercise the rights of a Bondholder hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

SECTION 2.21. SUCCESSOR SECURITIES DEPOSITORY; TRANSFERS OUTSIDE BOOK-ENTRY ONLY SYSTEM. In the event that (a) the Bond Trustee determines (with the Issuer's consent) that DTC is incapable of discharging its responsibilities described herein and in the Letter of Representations, (b) the Letter of Representations shall be terminated for any reason, or (c) the Borrower determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Bond Trustee or the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository, or (ii) notify DTC of the availability through DTC of Bond certificates and transfer one or more separate Bond certificates to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered on the Registration Books in the name of Cede & Co., as nominee of DTC but may be registered in the name of the successor security depository, or its nominee, in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof. In connection with any proposed transfer outside the book-entry only system, the Issuer, the Borrower or DTC shall provide or cause to be provided to the Bond Trustee all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Bond Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

SECTION 2.22. PAYMENTS AND NOTICES TO CEDE & CO. Notwithstanding any other provision of this Bond Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or Redemption Price of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations. The Bond Trustee shall request in each notice sent to Cede & Co. pursuant to the terms of this Bond Indenture that Cede & Co. forward or cause to be forwarded such notice to the DTC Participants.

SECTION 2.23. CALCULATION AGENT. (a) The Borrower shall appoint a Calculation Agent for the Bonds when the Bonds are converted to an Interest Rate Mode requiring a Calculation Agent, subject to the conditions set forth below. Any Calculation Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Bond Trustee in which the Calculation Agent will agree

to perform all calculations and provide all notices required of the Calculation Agent under this Bond Indenture.

(b) The Calculation Agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture by giving at least 60 days' notice to the Issuer, the Borrower, the Bond Trustee, the Remarketing Agent, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any. Upon receipt of such notice, during any Interest Rate Period in which the services of a Calculation Agent are required under this Bond Indenture, the Borrower has agreed in the Loan Agreement to diligently seek to appoint a successor Calculation Agent to assume the duties of the Calculation Agent on the effective date of the prior Calculation Agent's resignation. During the pendency of the Borrower appointing a new Calculation Agent, the Borrower shall itself act as Calculation Agent, and service in such case shall commence on the effective date of the resignation of the prior Calculation Agent and to remain in effect until a successor Calculation Agent assumes such position in accordance with the provisions hereof. The Calculation Agent may be removed at any time by written notice from the Borrower to the Issuer, the Bond Trustee, the Credit Facility Provider, if any, the Liquidity Facility Provider, if any, and the Remarketing Agent, provided that such removal shall not be effective until a successor Calculation Agent assumes such position in accordance with the provisions hereof.

(c) The Bond Trustee shall, within 30 days of the resignation or removal of the Calculation Agent or the appointment of a successor Calculation Agent, give notice thereof by Electronic Notice, confirmed by first class mail, to the registered owners of the Bonds.

(d) Promptly after determining any interest rate required to be determined by the Calculation Agent under this Bond Indenture, the Calculation Agent shall provide Electronic Notice to the Bond Trustee, the Remarketing Agent and any requesting Holder who has provided it with appropriate notice address.

SECTION 2.24. BONDS LIMITED OBLIGATIONS OF THE ISSUER. THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS THEREFOR PROVIDED. NEITHER THE STATE NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL, PURCHASE PRICE, THE REDEMPTION PRICE (INCLUDING PREMIUM, IF ANY), OF OR INTEREST ON THE BONDS EXCEPT FROM REVENUES AND THE OTHER ASSETS PLEDGED UNDER THIS BOND INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE OR THE REDEMPTION PRICE (INCLUDING PREMIUM, IF ANY), OF OR INTEREST ON THE BONDS. THE ISSUANCE OF THE BONDS

SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. NOTWITHSTANDING ANYTHING IN THIS BOND INDENTURE OR IN THE BONDS CONTAINED, THE ISSUER SHALL HAVE NO PECUNIARY LIABILITY UNDER THIS BOND INDENTURE EXCEPT THAT WHICH CAN BE SATISFIED FROM REVENUES AND THE OTHER ASSETS PLEDGED HEREUNDER, AND THE ISSUER SHALL NOT BE REQUIRED TO ADVANCE ANY MONEYS DERIVED FROM ANY SOURCE OTHER THAN REVENUES AND THE OTHER ASSETS PLEDGED HEREUNDER FOR ANY OF THE PURPOSES IN THIS BOND INDENTURE MENTIONED, WHETHER FOR THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE, REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR THE INTEREST ON THE BONDS OR FOR ANY OTHER PURPOSE OF THIS BOND INDENTURE.

[Remainder of page intentionally left blank]

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. ISSUANCE OF BONDS. At any time after the execution of this Bond Indenture, the Issuer may execute and the Bond Trustee shall authenticate and, upon Request of the Issuer, deliver the Bonds. The Bonds shall initially be delivered in the principal amount of $[PAR].

SECTION 3.02. APPLICATION OF PROCEEDS OF THE BONDS.

(a) The proceeds received from the sale of the Bonds in the amount of $[PAR] (consisting of the aggregate principal amount of the Bonds), shall be deposited in trust with the Bond Trustee and Escrow Agent, who shall forthwith transfer all of such funds as follows:

(i) The Bond Trustee shall deposit the sum of $[PROJECT] to the Project Fund.

(ii) The Escrow Agent shall deposit the sum of $[ESCROW] to the escrow fund established pursuant to the Escrow Deposit Agreement and applied towards repayment of the Refunded Bonds in accordance with the terms of the Escrow Deposit Agreement.

(iii) The Bond Trustee shall deposit the sum of $[COI] to the Costs of Issuance Fund.

(b) The Bond Trustee may establish and use temporary funds or accounts in its records to facilitate and record such deposits and transfers.

SECTION 3.03. ESTABLISHMENT AND APPLICATION OF PROJECT FUND. (a) The Bond Trustee shall establish, maintain and hold in trust a separate fund designated as the "Project Fund." The moneys in the Project Fund shall be used and withdrawn by the Bond Trustee to pay or reimburse the costs of the Project, in accordance with the terms of the Tax Agreement. No moneys in the Project Fund shall be used to pay Costs of Issuance.

(b) Before any payment from the Project Fund for costs of the Project shall be made, the Borrower shall file or cause to be filed with the Bond Trustee (i) initially, on the Date of Issuance, a flow of funds memorandum providing instructions to the Bond Trustee to reimburse the Borrower for certain costs of the Project, and (ii) thereafter, a Requisition, in substantially the form attached hereto as EXHIBIT B, stating:

(i) The item number of such payment;

(ii) The name of the Person to whom each such payment is due, which may be the Borrower in the case of reimbursement for Project costs theretofore paid by the Borrower;

(iii) The respective amounts to be paid;

(iv) The purpose by general classification for which each obligation to be paid was incurred;

(v) That obligations in the stated amounts have been incurred by the Borrower and are presently due and payable and that each item thereof is a proper charge against the Project Fund and has not been previously paid from the Project Fund;

(vi) That there has not been filed with or served upon the Borrower any notice of claim of lien, or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the Persons named in such Requisition, that has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law; and

(vii) That the balance remaining in the Project Fund after payment of such amounts, together with any investment income reasonably anticipated to be deposited in the Project Fund pursuant to this Bond Indenture and any other funds reasonably anticipated to be available therefor, will be sufficient to pay the costs of completing the Project.

(c) Upon receipt of a Requisition, the Bond Trustee shall pay the amount set forth in such Requisition as directed by the terms thereof out of the Project Fund. The Bond Trustee shall not make any such payment if it has received any written notice of claim of lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the monies to be so paid, that has not been released or will not be released simultaneously with such payment.

(d) When the Project shall have been completed, there shall be delivered to the Bond Trustee a Certificate of the Borrower stating the fact and date of such completion and stating that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the Project Fund is to be maintained in the full amount of such claims until such dispute is resolved). Upon the receipt of such Certificate, the Bond Trustee shall, as directed by said Certificate, transfer any remaining balance in the Project Fund to the Optional Redemption Fund. Upon such transfer, the Project Fund shall be closed.

(e) Each such Requisition or Certificate shall be sufficient evidence to the Bond Trustee and the Bond Trustee shall rely fully on any such request and certificate delivered pursuant to this Section and shall not be required to make any investigation in connection therewith.

(f) The Bond Trustee shall be under no duty or obligation to analyze or verify any documentation supporting the payments or reimbursements, but shall hold and provide to Bondholders upon request such documentation supporting the payments or reimbursements requested, solely as a repository for the benefit of Bondholders.

SECTION 3.04. RESERVED.

SECTION 3.05. ESTABLISHMENT AND APPLICATION OF COSTS OF ISSUANCE FUND. The Bond Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Bond Trustee to pay the Costs of Issuance upon receipt by the Bond Trustee of a Requisition of the Borrower, in substantially the form attached hereto as EXHIBIT C, on which the Bond Trustee is entitled to conclusively rely, stating the Person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the one hundred eightieth (180th) day following the Date of Issuance, or upon the earlier Request of the Borrower, amounts, if any, remaining in the Costs of Issuance Fund shall be transferred to the Interest Fund. The Issuer has no obligation hereunder or under the Act to deposit any funds (other than the proceeds of the Bonds as provided in Section 3.02 hereof) into the Costs of Issuance Fund, or to apply any funds to the payment of the Costs of Issuance except the funds in the Costs of Issuance Fund or other funds specifically made available therefor by or on behalf of the Borrower.

[Remainder of page intentionally left blank]

ARTICLE IV

REDEMPTION AND TENDER OF BONDS

SECTION 4.01. TERMS OF REDEMPTION. Extraordinary Optional Redemption. The Bonds are subject to redemption prior to their stated maturity, at the option of the Borrower in whole or in part on any Business Day in such amounts as are designated by the Borrower, from hazard insurance or condemnation proceeds received with respect to the facilities of any of the Obligated Group Members and deposited in the Optional Redemption Fund, at a Redemption Price equal to the principal amount thereof, plus accrued interest thereon (if any) to the date fixed for redemption, without premium; however during a Direct Purchase Interest Rate Period, the Redemption Price shall include the make-whole premium or breakage fee, if any, as calculated by the Direct Purchaser pursuant to the Bondholder Agreement.

(b) Optional Redemption of Daily Bonds, Two Day Bonds, Weekly Bonds and Window Bonds. Daily Bonds, Two Day Bonds, Weekly Bonds and Window Bonds are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part on any Business Day in such amounts as are designated by the Borrower at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(c) Optional Redemption of VRO Bonds. VRO Bonds are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part on any Business Day in such amounts as are designated by the Borrower, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(d) Optional Redemption of Short-Term Bonds. Short-Term Bonds are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part on any Interest Payment Date for such Short-Term Bonds, in such amounts as are designated by the Borrower, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(e) Optional Redemption of FRN Bonds. FRN Bonds are subject to redemption prior to their Maturity Date, at the option of the Borrower, as follows: (i) for Bonds operating in a FRN Period of less than five years, on any date during the period beginning 180 days prior to the last day of such FRN Period and ending on the FRN Rate Mandatory Purchase Date; (ii) for Bonds operating in a FRN Period of five years or more, on any date during the period beginning one year prior to the last day of such FRN Period and ending on the FRN Rate Mandatory Purchase Date; or (iii) with a Favorable Opinion of Bond Counsel, on any Business Day during the period beginning on the date established pursuant to Section 2.10(a) hereof and ending on the FRN Rate Mandatory Purchase Date, in whole or in part, in such amounts as are designated by the Borrower, at a Redemption Price equal

to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(f) Optional Redemption of Flexible Rate Bonds. Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. Bonds in the Flexible Mode shall be subject to redemption at the option of the Borrower, in whole or in part on their respective Purchase Dates at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(g) Optional Redemption of Long-Term Bonds or Fixed Bonds.

(i) During the Initial Period, the Bonds maturing on and after November 15, 20[__] are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part, in such amounts as may be designated by the Borrower, on any date on or after [____], 20[_], at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(ii) Long-Term Bonds and Fixed Bonds (other than during the Initial Period) are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part, in such amounts as may be designated by the Borrower, (A) on each Long-Term Rate Mandatory Purchase Date with respect to Bonds in a Long-Term Period, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium, and (B) after the applicable no call periods specified below with respect to Long-Term Bonds or Fixed Bonds (or, with a Favorable Opinion of Bond Counsel, during such different periods and at such different Redemption Prices specified in a notice of the Borrower to the Bond Trustee in connection with the establishment of the Long-Term Rate(s) or a Fixed Rate(s)) on any date, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium:

Length of Long-Term Interest Rate Period or Years Remaining to Maturity as of Fixed Rate Conversion Date or Long-Term Conversion Date	**Initial Redemption Dates (Anniversary of Fixed Rate Conversion Date or Long-Term Conversion Date)**
Equal to or less than 10 years	Not subject to optional redemption
Greater than 10 years	10th anniversary

(iii) The foregoing notwithstanding, if the Borrower delivers to the Bond Trustee, the Remarketing Agent and the Issuer on any Conversion Date or Purchase Date (for Bonds remaining Long-Term Bonds for an additional Long-Term Interest

Rate Period) (A) a notice containing alternative call protection periods and/or Redemption Prices for Long-Term Bonds or Fixed Bonds, and (B) a Favorable Opinion of Bond Counsel, then the Bonds shall be subject to redemption at the option of the Borrower, pursuant to the call protection periods and at the Redemption Prices, if any, set forth in that notice, and this Section 4.01(g) shall be deemed to be modified as set forth in such notice.

(h) Optional Redemption of Direct Purchase Bonds. During any Direct Purchase Period, subject to any limitations set forth in the applicable Bondholder Agreement, Direct Purchase Bonds are subject to redemption prior to their Maturity Date, at the option of the Borrower, in whole or in part, on any Business Day or on any Direct Purchase Mandatory Purchase Date, at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, and shall include the make-whole premium or breakage fee, if any, as calculated by the Direct Purchaser pursuant to the applicable Bondholder Agreement, or, with a Favorable Opinion of Bond Counsel, upon Conversion to another Direct Purchase Interest Rate Period, such other date or dates, established by the Borrower, the Market Agent or the Direct Purchaser, or as is set forth in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof.

(i) Mandatory Redemption of VRO Bonds. VRO Bonds are subject to mandatory redemption on each VRO Interest Rate Period Special Mandatory Redemption Date (unless no longer effective pursuant to the terms of Section 2.11(c)(iv) hereof) at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(j) Mandatory Redemption of Direct Purchase Bonds. Direct Purchase Bonds are subject to mandatory redemption at the times, in the amounts, and at the Redemption Prices, as may be set forth in the applicable Supplemental Bond Indenture or Bondholder Agreement or notice of conversion to the new Direct Purchase Mode pursuant to Section 2.13 hereof. Anything in this Bond Indenture to the contrary notwithstanding, no notice related to a mandatory redemption related to Sinking Fund Installments shall be required while the Bonds are in the Direct Purchase Mode.

(k) Sinking Fund Redemption. During the Initial Period the Bonds are also subject to redemption in part prior to their stated maturity from Sinking Fund Installments established pursuant to Section 5.04(d) hereof on the date that any Sinking Fund Installment is due at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium. During any other Interest Rate Period, the Bonds may also be subject to redemption in part prior to their stated maturity from Sinking Fund Installments determined in accordance with Section 2.15(f)(vii) hereof in the amounts set forth in Section 5.04(d) hereof on any November 15 at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(l) Redemption of Bank Bonds. All Liquidity Facility Bonds and Credit Facility Bonds shall also be subject to redemption as may be provided in the applicable Liquidity Facility or Credit Facility Agreement at a Redemption Price equal to the principal amount thereof, plus interest accrued thereon, if any, to the date fixed for redemption, without premium.

(m) Purchase in Lieu of Optional Redemption. Notwithstanding the above provisions in this Section 4.01, any Bonds subject to optional redemption and cancellation pursuant to Section 4.01(b), (c), (d), (e), (f), (g) or (h) above shall also be subject to optional call for purchase by the Borrower and, at the option of the Borrower, holding, resale or cancellation by the Borrower (i.e., a so called purchase in lieu of redemption) at the same times and at the same purchase price equal to the Redemption Prices as are applicable to the optional redemption of such Bonds as provided in such paragraphs. To exercise such option, the Borrower shall give the Bond Trustee a Written Request exercising such option within the time period specified in Section 4.03 hereof as though such Written Request were a written request for redemption, and the Bond Trustee shall thereupon give the holders of the Bonds to be purchased notice of such purchase in the manner specified in Section 4.03 hereof as though such purchase by the Borrower were a redemption and the purchase of such Bonds shall be mandatory and enforceable against the holders. On the date fixed for purchase pursuant to any exercise of such option, the Borrower or its assignee shall pay the purchase price of the Bonds then being purchased to the Bond Trustee in immediately available funds, and the Bond Trustee shall pay the same to the sellers of such Bonds against delivery thereof; provided however that in the case of any Bonds that are at the time enhanced with a Credit Facility that is a direct-pay letter of credit, such purchase price shall be paid with Eligible Moneys. Following such purchase, the Bond Trustee shall cause such Bonds to be registered in the name of the Borrower or its assignees and shall deliver them to the Borrower or its assignee. In the case of the purchase of less than all of the Bonds, the particular Bonds to be purchased shall be selected in accordance with Section 4.02 hereof. No purchase of the Bonds pursuant to these provisions shall operate to extinguish the indebtedness of the Issuer evidenced thereby (subject to all the terms and limitations contained in this Bond Indenture). Notwithstanding the foregoing, no purchase shall be made pursuant to this section (m) unless a Favorable Opinion of Bond Counsel has been delivered.

(n) Denominations. All redemptions of less than all Bonds shall be in Authorized Denominations.

(o) Sinking Fund Adjustments. If there shall be any redemptions of Bonds other than sinking fund redemptions, the Borrower shall provide the Bond Trustee a revised Sinking Fund Installment schedule in order to reflect any such other redemptions.

(p) Unremarketed Bonds. Unremarketed Bonds are subject to special mandatory redemption at a Redemption Price equal to 100% of the principal amount of the Bonds to

be redeemed plus accrued interest thereon to but not including the date of such redemption, on the dates, in the amounts and in the manner set forth in the Bondholder Agreement.

(q) Redemption Price to be Paid with Eligible Moneys while Credit Facility that is Direct-Pay-Letter of Credit in Effect for Bonds. At any time during which there is a Credit Facility that is a direct-pay letter of credit in effect with respect to the Bonds, the Redemption Price for such Bonds shall be paid only with Eligible Moneys.

SECTION 4.02. SELECTION OF BONDS FOR REDEMPTION. Whenever provision is made in this Bond Indenture for the redemption of less than all of the Bonds or any given portion thereof, the Bond Trustee shall select the Bonds to be redeemed, from all Bonds subject to redemption or such given portion thereof not previously called for redemption, as directed in writing by the Borrower or in the absence of direction by lot; provided, however, that Bonds shall be redeemed in the following order of priority (and randomly within each priority):

FIRST: Any Bonds which are Bank Bonds; and

SECOND: Any other Bonds.

SECTION 4.03. NOTICE OF REDEMPTION. Notice of redemption shall be mailed by the Bond Trustee, not less than 30 days nor more than 60 days prior to the redemption date to the Issuer and the respective Holders of Bonds called for redemption at their addresses appearing on the Registration Books as of the date of the giving of such notice. During the Initial Period, no notice of redemption is required with respect to Sinking Fund Installment redemption pursuant to Section 4.01(k) hereof. The Bond Trustee shall also give notice of redemption by Electronic Notice to the Master Trustee, Remarketing Agent, if any, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Securities Depository. Each notice of redemption shall state the date of such notice, the date of issuance of the Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Bond Trustee), the Maturity Date, the CUSIP numbers, if any, and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that, subject to the deposit of sufficient funds with the Bond Trustee on or prior to the redemption date to effect the redemption and to prior rescission as provided in the next paragraph of this Section 4.03, on that date there will become due and payable on each of the Bonds the Redemption Price thereof or of the specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered.

Any notice of optional redemption or extraordinary optional redemption given pursuant to this Section 4.03 shall state (a) that it is conditioned upon the deposit with the

Bond Trustee on or prior to the redemption date of moneys in an amount equal to the amount necessary to effect the redemption and may also be conditioned on any other conditions as may be set forth in the notice of redemption, and (b) that the notice may be rescinded by written notice given to the Bond Trustee by the Borrower on or prior to the date specified for redemption, and in either of such cases such notice and redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Bond for which a notice of redemption has been rescinded or for which sufficient funds to pay the Redemption Price thereof have not been deposited with the Bond Trustee on or prior to the redemption date shall remain outstanding and neither the rescission of the notice nor the failure to fund the Redemption Price shall constitute an Event of Default hereunder. The Bond Trustee shall give notice of such rescission or failure to fund the Redemption Price as soon thereafter as practicable in the same manner, and to the same Persons, as notice of such redemption was given pursuant to this Section 4.03.

Failure by the Bond Trustee to give notice pursuant to this Section 4.03 to any one or more of the securities information services or depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. Failure by the Bond Trustee to mail notice of redemption pursuant to this Section 4.03 to any one or more of the respective Holders of any Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Holders to whom such notice was mailed.

Notice of redemption of Bonds shall be given by the Bond Trustee, at the direction and expense of the Borrower, for and on behalf of the Issuer.

SECTION 4.04. PARTIAL REDEMPTION OF BONDS. Upon surrender of any Bond redeemed in part only, the Issuer shall execute (but need not prepare) and the Bond Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Borrower, a new Bond or Bonds of Authorized Denominations, and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered; provided, however, that during any Direct Purchase Period, there shall be no requirement for the Holder to present the Bonds for surrender in connection with a partial redemption of the Bonds.

SECTION 4.05. EFFECT OF REDEMPTION. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Bond Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon to the redemption date, interest on the Bonds so called for redemption shall cease to accrue from and after the redemption date, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Bond Indenture and the Holders of said

Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest to the date fixed for redemption from funds held by the Bond Trustee for such payment.

All Bonds redeemed pursuant to the provisions of this Article IV shall be canceled upon surrender thereof (and if applicable credited against Sinking Fund Installments), unless resold at the direction of the Borrower in accordance with Section 4.01(m) hereof.

SECTION 4.06. OPTIONAL TENDERS DURING DAILY PERIODS, TWO DAY PERIODS, WEEKLY PERIODS, WINDOW PERIODS AND VRO PERIODS.

(a) Holders of Eligible Bonds may elect to have their Daily Bonds, Two Day Bonds, Weekly Bonds, Window Bonds or VRO Bonds, or portions thereof in amounts in Authorized Denominations, purchased at the Purchase Price on the following Purchase Dates and upon giving the following Electronic Notice or written notice meeting the further requirements set forth below:

(i) Eligible Bonds with interest payable at a Daily Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice of tender to the Bond Trustee and the Remarketing Agent with respect to such Bonds not later than 11:00 a.m., New York City time, on the designated Purchase Date.

(ii) Eligible Bonds with interest payable at a Two Day Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon Electronic Notice of tender to the Bond Trustee and the Remarketing Agent with respect to such Bonds not later than 1:00 p.m., New York City time, on a Business Day not fewer than two days prior to the designated Purchase Date.

(iii) Eligible Bonds with interest payable at a Weekly Rate may be tendered for purchase at the Purchase Price payable in immediately available funds on any Business Day upon delivery of Electronic Notice of tender to the Bond Trustee and the Remarketing Agent with respect to such Bonds not later than 5:00 p.m., New York City time, on a Business Day not fewer than seven days prior to the designated Purchase Date.

(iv) Eligible Bonds with interest payable at a Window Rate may be tendered for purchase at the Purchase Price payable in immediately available funds upon delivery of Electronic Notice of tender to the Bond Trustee and the Remarketing Agent with respect to such Bonds not later than 5:00 p.m., New York City time, on any Business Day for tender on a Window Rate Optional Purchase Date designated by the Remarketing Agent, if any.

(v) Eligible Bonds with interest payable at a VRO Rate may be tendered for purchase at the VRO Interest Rate Period Purchase Price in accordance with the applicable provisions of Section 2.11(b) hereof.

(b) Each notice of tender (other than a VRO Interest Rate Period Tender Notice which shall conform to the requirements set forth in Section 2.11(b) hereof):

(i) Shall, in case of a written notice, be delivered to the Bond Trustee at its Corporate Trust Office and the Remarketing Agent at its Principal Office and be in form satisfactory to the Bond Trustee and the Remarketing Agent;

(ii) Shall state (A) the principal amount of the Daily Bond, Two Day Bond, Weekly Bond or Window Bond to which the notice relates and the CUSIP number of such Daily Bond, Two Day Bond, Weekly Bond or Window Bond, (B) that the Holder irrevocably demands purchase of such Daily Bond, Two Day Bond, Weekly Bond or Window Bond or a specified portion thereof in an Authorized Denomination, (C) for any Daily Bond, Two Day Bond or Weekly Bond, the Purchase Date on which such Daily Bond, Two Day Bond or Weekly Bond or portion thereof is to be purchased, and (D) payment instructions with respect to the Purchase Price; and

(iii) Shall automatically constitute (A) an irrevocable offer to sell the Daily Bond, Two Day Bond, Weekly Bond or Window Bond (or portion thereof) to which such notice relates on the Purchase Date (which, in the case of Window Bonds, shall be the Purchase Date, if any, designated by the Remarketing Agent pursuant to Section 4.11(b)(iii) hereof (a "Window Rate Optional Purchase Date")), to any purchaser selected by the Remarketing Agent, with respect to the applicable Bonds at a price equal to the Purchase Price, (B) an irrevocable authorization and instruction to the Bond Trustee to effect transfer of such Daily Bond, Two Day Bond, Weekly Bond or Window Bond (or portion thereof) upon receipt by the Bond Trustee of funds sufficient to pay the Purchase Price on the Purchase Date (subject to Section 4.11(b)(iii) hereof with respect to Window Bonds), (C) an irrevocable authorization and instruction to the Bond Trustee to effect the exchange of the Daily Bond, Two Day Bond, Weekly Bond or Window Bond to be purchased in whole or in part for other Daily Bonds, Two Day Bonds, Weekly Bonds or Window Bonds in an equal aggregate principal amount so as to facilitate the sale of such Daily Bond, Two Day Bond, Weekly Bond or Window Bonds (or portion thereof to be purchased), and (D) an acknowledgment that such Holder will have no further rights with respect to such Daily Bond, Two Day Bond, Weekly Bond or Window Bond (or portion thereof) upon deposit of an amount equal to the Purchase Price therefor with the Bond Trustee on the Purchase Date, except for the right of such Holder to receive such Purchase Price upon surrender of such Daily Bond, Two Day Bond, Weekly Bond or Window Bond to the Bond Trustee.

The determination of the Bond Trustee and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder. The Bond Trustee or the Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.

(c) The right of Holders to tender Daily Bonds, Two Day Bonds, Weekly Bonds, Window Bonds or VRO Bonds for purchase pursuant to this Section 4.06 shall terminate upon a Conversion Date with respect to such Daily Bonds, Two Day Bonds, Weekly Bonds, Window Bonds or VRO Bonds, respectively, to an Interest Rate Mode that is not a Daily Mode, Two Day Mode, Weekly Mode, Window Mode or VRO Mode, respectively.

(d) Notwithstanding anything to the contrary herein, all Daily Bonds, Two Day Bonds or Weekly Bonds as to which Electronic Notice specifying the Purchase Date has been delivered pursuant to this Section 4.06 (and which have not been tendered to the Bond Trustee) shall be deemed tendered on the specified Purchase Date. From and after the specified Purchase Date of a Bond or Bonds tendered to the Bond Trustee or deemed tendered pursuant to this Section 4.06, the former Holder of such Bond or Bonds shall be entitled solely to the payment of the Purchase Price of such Bond or Bonds tendered or deemed tendered, which Purchase Price shall be payable only as set forth in Section 4.10(e) hereof.

(e) The Bond Trustee shall promptly return any notice of tender delivered pursuant to Section 4.06(b) hereof (together with the Bonds submitted therewith) that is incomplete or improperly completed or not delivered within the times required by Section 4.06(b) hereof to the Person or Persons submitting such notice and Bonds upon surrender of the receipt, if any, issued therefor.

SECTION 4.07. MANDATORY TENDER FOR PURCHASE OF BONDS.

(a) Bonds shall be subject to mandatory tender for purchase by the Bond Trustee at the Purchase Price on the following Mandatory Purchase Dates with respect to such Bonds:

(i) Each Conversion Date for Bonds, as provided in Section 4.08 hereof except Conversions from the Weekly Mode to the Daily Mode and from the Daily Mode to the Weekly Mode; provided, however, that if such Conversion Date is already a Mandatory Purchase Date, as specified in Sections 4.07(a)(ii), (iii), (iv), (v), (vi), (vii), (viii), (ix) and (x) hereof, no separate mandatory tender shall occur;

(ii) Each Short-Term Rate Mandatory Purchase Date;

(iii) Each Long-Term Rate Mandatory Purchase Date;

(iv) In connection with a Noticed Termination Date, an Expiration Date of the Credit Facility or the Liquidity Facility in effect with respect to any Bonds or

the delivery of an Alternate Liquidity Facility or an Alternate Credit Facility, on the dates and as provided in Sections 4.09, 4.17, 4.19 and 4.20 hereof, and, (A) during any time in which the Borrower has delivered a Self-Liquidity Arrangement for the Bonds as permitted herein, on the effective date of any Liquidity Facility or Credit Facility that is delivered to the Bond Trustee in substitution for such Self-Liquidity Arrangement, and (B) during any time in which the Bonds are not supported by a Liquidity Facility, a Credit Facility or a Self-Liquidity Arrangement, on the effective date of any Liquidity Facility, Credit Facility or Self-Liquidity Arrangement that is delivered to the Bond Trustee in support of the Bonds;

(v) Each FRN Rate Mandatory Purchase Date;

(vi) Each Window Rate Mandatory Purchase Date, as provided in Section 4.11(b)(iii) hereof;

(vii) Each Borrower Elective Purchase Date for any Daily Bonds, Two Day Bonds, Weekly Bonds or Window Bonds, as provided in Section 4.07(g) hereof;

(viii) Each VRO Interest Rate Period Remarketing Date as provided in Section 2.11(c)(ii) hereof;

(ix) Each Direct Purchase Mandatory Purchase Date; and

(x) with respect to a Flexible Rate Bond, the first Business Day following the last day of each Flexible Rate Period.

(b) Bonds to be purchased pursuant to Section 4.07(a) hereof shall be delivered by the Holders thereof to the Bond Trustee (together with necessary assignments and endorsements) at or prior to 10:00 a.m., New York City time, on the applicable Purchase Date (provided, however, that the Holder of a Direct Purchase Bond subject to Conversion from a Direct Purchase Interest Rate Period to another Direct Purchase Interest Rate Period shall have the option to retain possession of such Direct Purchase Bond if such Holder is to continue to hold such Direct Purchase Bond for the ensuing Direct Purchase Interest Rate Period).

(c) Any Bonds to be purchased by the Bond Trustee pursuant to this Section 4.07 that are not delivered for purchase on or prior to the Mandatory Purchase Date, for which there has been irrevocably deposited in trust with the Bond Trustee an amount sufficient to pay the Purchase Price of such Bonds, shall be deemed to have been tendered to the Bond Trustee for purchase, and the Holders of such Bonds shall not be entitled to any payment (including any interest to accrue on or after the Mandatory Purchase Date) other than the respective Purchase Prices of such Bonds, and such Bonds shall not be entitled to any benefits of this Bond Indenture, except for payment of such Purchase Price out of the

moneys deposited for such payment as aforesaid, subject, however, to the provisions of Article X hereof.

(d) In addition to any other requirements set forth in this Bond Indenture (except as otherwise provided in Section 2.11 hereof), notices of mandatory tender of Bonds delivered to Holders shall:

(i) Specify the proposed Mandatory Purchase Date and the event which gives rise to the proposed Mandatory Purchase Date;

(ii) State that such Bonds shall be subject to mandatory tender for purchase on such Mandatory Purchase Date;

(iii) State that Holders may not elect to retain such Bonds subject to mandatory tender (unless otherwise permitted pursuant to the terms of the Bond Indenture);

(iv) State that all such Bonds subject to mandatory tender shall be required to be delivered to the designated Corporate Trust Office of the Bond Trustee at or before 10:00 a.m., New York City time, on the Mandatory Purchase Date;

(v) State that if the Holder of any Bond subject to mandatory tender fails to deliver such Bond to the Bond Trustee for purchase on the Mandatory Purchase Date, and if the Bond Trustee is in receipt of funds sufficient to pay the Purchase Price thereof, such Bond (or portion thereof) shall nevertheless be deemed purchased on the Mandatory Purchase Date and ownership of such Bond (or portion thereof) shall be transferred to the purchaser thereof;

(vi) State that any Holder that fails to deliver any Bond for purchase shall have no further rights thereunder or under this Bond Indenture except the right to receive the Purchase Price thereof upon presentation and surrender of said Bond to the Bond Trustee and that the Bond Trustee will place a stop transfer against the Bonds subject to mandatory tender registered in the name of such Holder(s) on the Registration Books;

(vii) State that if moneys sufficient to effect such purchase shall have been provided through (A) the remarketing of such Bonds by the Remarketing Agent, (B) the Credit Facility, if any, or the Liquidity Facility, if any, or (C) funds provided by the Borrower (if applicable), all such Bonds shall be purchased;

(viii) In the case of mandatory tender upon any proposed Conversion of Bonds, state that such Conversion and such mandatory tender will not occur in the event the conditions to Conversion specified in Section 2.15 hereof do not occur, and that any such failure to effect the Conversion shall not constitute an Event of

Default (unless the Bonds, by their terms are otherwise subject to mandatory tender as described in Section 4.07(a) hereof);

(ix) In the case of mandatory tender as a result of the upcoming Expiration Date of the Credit Facility, if any, or the Liquidity Facility, if any, state that such mandatory tender will not occur, if, on or prior to the Mandatory Purchase Date, such Expiration Date is extended; and

(x) In the case of a mandatory tender on a VRO Rate Mandatory Purchase Date, contain the information required pursuant to Section 2.11 hereof.

(e) Notice of mandatory tender of Bonds by reason of a proposed Conversion shall be given in accordance with Section 2.15 hereof. Notice of mandatory tender of Bonds by reason of other events described in Section 4.07(a) hereof shall be given by the Bond Trustee (i) to the Holders of the Bonds subject to mandatory tender (at their addresses as they appear on the Registration Books as of the date of such notice) by Electronic Notice, confirmed by first class mail, and (ii) to the Borrower, the Issuer, the Remarketing Agent, the Calculation Agent, if any, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, with respect to such Bonds by Electronic Notice not fewer than 10 days prior to the applicable Mandatory Purchase Date (except in the case of a mandatory tender pursuant to Section 4.17 hereof, which notice period shall be as described therein, in the case of a mandatory tender of VRO Bonds pursuant to Section 4.07(a)(viii) hereof, which notice period shall be in accordance with Section 2.11, and in the case of a Window Rate Mandatory Purchase Date, which notice shall be given in accordance with Section 4.11(b)(iii) hereof). Any notice of mandatory tender pursuant to Section 4.07(g) hereof shall state that the mandatory tender of the Bonds on a Borrower Elective Purchase Date (as defined in Section 4.07(g) hereof) is conditioned upon receipt by the Bond Trustee of sufficient remarketing proceeds to pay the Purchase Price of the Bonds on the Borrower Elective Purchase Date, that any failure to provide such funds shall not constitute an Event of Default, and that the notice of mandatory tender shall be rescinded in the event that sufficient remarketing proceeds are not deposited with the Bond Trustee on such Borrower Elective Purchase Date.

(f) If, following the giving of notice of mandatory tender of Bonds pursuant to Section 4.07(a) hereof, an event occurs which, in accordance with the terms of this Bond Indenture causes such mandatory tender not to occur, then (i) the Bond Trustee shall so notify the Holders of such Bonds (at their addresses as they appear on the Registration Books on the date of such notice), by Electronic Notice, confirmed by first class mail, as soon as may be practicable after the applicable Mandatory Purchase Date, and (ii) the Bond Trustee shall return to the Holders any such Bonds tendered to the Bond Trustee in connection with such mandatory tender of such Bonds.

(g) During any Daily Period, Two Day Period, Weekly Period or Window Period, the Bonds are subject to mandatory tender for purchase on any Business Day (a

"Borrower Elective Purchase Date") designated by the Borrower, with the consent of the Liquidity Facility Provider, if any, or the Credit Facility Provider, if any, at the Purchase Price, payable in immediately available funds. Such Borrower Elective Purchase Date shall be a Business Day not earlier than the 10th day following the second Business Day after receipt by the Bond Trustee of such designation. If on a Borrower Elective Purchase Date sufficient remarketing proceeds are not available for the purchase of all Bonds, as applicable, then the Borrower's designation of such Borrower Elective Purchase Date for such Bonds shall be deemed rescinded, the Borrower shall have no obligation to purchase the Bonds tendered or deemed tendered on such Borrower Elective Purchase Date, and the failed remarketing shall not constitute an Event of Default under this Bond Indenture. The Bond Trustee shall give Electronic Notice of such rescission to the Holders, with a copy to the Borrower, the Issuer, the Remarketing Agent and the Liquidity Facility Provider or the Credit Facility Provider, if any, as soon as practicable and in any event not later than the date of rescission of the proposed Borrower Elective Purchase Date.

SECTION 4.08. MANDATORY TENDER FOR PURCHASE ON CONVERSION DATE, ON FIRST DAY OF EACH INTEREST RATE MODE, OR DURING DIRECT PURCHASE PERIOD. (a) Eligible Bonds shall be subject to mandatory tender for purchase on any Conversion Date (except for Conversions from the Weekly Mode to the Daily Mode and from the Daily Mode to the Weekly Mode) or on the first day of each Interest Rate Mode with respect to such Bonds, at the applicable Purchase Price for such Bonds, payable in immediately available funds, or, in the case of a purchase on a Conversion Date or the first day of an Interest Rate Mode which is preceded by a Long-Term Period and which commences prior to the day originally established as the last day of such preceding Long-Term Period, at a Purchase Price equal to the optional Redemption Price set forth in Section 4.01(g) hereof which would have been applicable to such Bonds if the preceding Long-Term Period had continued to the day originally established as its last day, plus accrued interest, if any. The Purchase Price of any Bond so purchased shall be payable only upon surrender of such Bond to the Bond Trustee at its designated Corporate Trust Office at or prior to 10:00 a.m., New York City time, on the date specified for such delivery in this paragraph or in the notice provided pursuant to Section 2.15 hereof.

(b) The Direct Purchase Bonds shall be subject to mandatory tender for purchase on each Direct Purchase Mandatory Purchase Date.

SECTION 4.09. MANDATORY TENDER UPON TERMINATION OR EXPIRATION OF LIQUIDITY FACILITY OR CREDIT FACILITY. If a Liquidity Facility or Credit Facility has been delivered to the Bond Trustee in accordance with the provisions of the Loan Agreement, the Bonds secured by such Liquidity Facility or Credit Facility shall be subject to mandatory tender for purchase prior to the Noticed Termination Date or the Expiration Date, as applicable, for such Liquidity Facility or Credit Facility, on the dates determined pursuant to Section 4.17 hereof and as more particularly set forth in

Section 4.17 hereof, at the Purchase Price, payable in immediately available funds. The Purchase Price of any Bond so purchased shall be payable only upon surrender of such Bond to the Bond Trustee at its designated Corporate Trust Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Bond Trustee, executed in blank by the Holder thereof or by the Holder's duly authorized attorney, at or prior to 10:00 a.m., New York City time, on the date specified for such delivery in a notice provided to the Holders by the Bond Trustee. Any drawing upon a Liquidity Facility or Credit Facility to pay the Purchase Price of Bonds subject to mandatory tender in connection with the delivery of an Alternate Credit Facility or an Alternate Liquidity Facility shall be made upon the existing Credit Facility or Liquidity Facility and not upon the Alternate Credit Facility or Alternate Liquidity Facility.

SECTION 4.10. GENERAL PROVISIONS RELATING TO TENDERS.

(a) Creation of Bond Purchase Fund.

(i) There shall be created and established hereunder with the Bond Trustee a fund to be designated the "Bond Purchase Fund - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Bond Purchase Fund") to be held in trust only for the benefit of the Holders of tendered Bonds who shall thereafter be restricted exclusively to the moneys held in such fund for the satisfaction of any claim for the Purchase Price of such tendered Bonds; provided that the Bond Trustee need not establish the Bond Purchase Fund and the accounts therein until deposits are required to be made to the Bond Purchase Fund.

(ii) There shall be created and designated the following accounts within the Bond Purchase Fund: the "Remarketing Proceeds Account," the "Liquidity Facility Account," the "Credit Facility Account," the "Borrower Purchase Account," and the "Undelivered Bond Payment Account," and within each such account, a sub-account for each Sub-Series of Bonds if and as may be applicable. Moneys paid to the Bond Trustee for the purchase of tendered or deemed tendered Bonds received from (A) the Remarketing Agent shall be deposited in the Remarketing Proceeds Account (and any sub-account) in accordance with the provisions of Section 4.10(d)(i) hereof, (B) payments pursuant to a Liquidity Facility, if any, shall be deposited in the Liquidity Facility Account (and any sub account) in accordance with the provisions of Section 4.10(d)(ii) hereof, (C) payments pursuant to a Credit Facility, if any, shall be deposited in the Credit Facility Account (and the sub-account) in accordance with the provisions of Section 4.10(d)(ii) hereof, and (D) the Borrower (but only when and if the Borrower is obligated to provide such funds or otherwise elects to provide such funds) shall be deposited in the Borrower Purchase Account (and any sub-account) in accordance with the provisions of Section 4.10(d)(iii) hereof. Moneys provided from payments made under a Liquidity Facility, if any, or Credit Facility, if any, not required to be used in connection with the purchase of tendered Bonds shall be returned to the applicable Liquidity Facility

Provider or Credit Facility Provider in accordance with Section 4.10(d) and (e) hereof. Moneys provided by the Borrower not required to be used in connection with the purchase of tendered Bonds shall be returned to the Borrower in accordance with Sections 4.10(d) and (e) hereof.

(iii) Moneys in the Liquidity Facility Account, the Credit Facility Account, the Borrower Purchase Account, the Undelivered Bond Payment Account, and the Remarketing Proceeds Account shall not be commingled with other funds held by the Bond Trustee and shall remain uninvested in an Eligible Account and without liability for interest on the part of the Bond Trustee. "Eligible Account" shall mean an account that is maintained with the corporate trust department of a federal depository institution, trust company or state chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the U.S. Code of Federal Regulation Section 9.10(b), which, has corporate trust powers and is acting in its fiduciary capacity. In the event that an account required to be an Eligible Account no longer complies with such requirement, the Bond Trustee should promptly upon having received notice of such event (and in any case, within not more than thirty (30) calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

(iv) At no time shall the Bond Trustee draw on a Liquidity Facility or Credit Facility (A) with respect to any Bonds operating in an Interest Rate Mode not covered by such Liquidity Facility or Credit Facility, or (B) to the pay the Purchase Price of any Bonds that are not Eligible Bonds.

(v) Neither the Borrower nor the Issuer shall have any right, title or interest in any of the funds held on deposit in the Remarketing Proceeds Account, the Liquidity Facility Account, the Credit Facility Account or the Undelivered Bond Payment Account nor any remarketing proceeds held for any period of time by the Remarketing Agent.

(b) Deposit of Bonds. The Bond Trustee agrees to hold all Bonds delivered to it pursuant to Sections 4.06, 4.07, 4.08 and 4.09 hereof in trust for the benefit of the respective Holders which shall have so delivered such Bonds until moneys representing the Purchase Price of such Bonds have been delivered to such Holder in accordance with the provisions of this Bond Indenture and until such Bonds shall have been delivered by the Bond Trustee in accordance with Section 4.10(f) hereof.

(c) Remarketing of Bonds.

(i) Immediately upon its receipt, but not later than 11:30 a.m., New York City time, on the Purchase Date with respect to a notice pursuant to Section 4.06(b) hereof with respect to Daily Bonds, not later than 1:15 p.m. New York City time, on the Business Day following receipt from a Holder of a notice pursuant to Section

4.06(b) hereof with respect to Two Day Bonds, and not later than 12:00 noon, New York City time, on the Business Day following receipt from a Holder of a notice pursuant to Section 4.06(b) hereof with respect to Weekly Bonds, the Bond Trustee shall notify the Remarketing Agent, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Borrower by Electronic Notice of such receipt, specifying the principal amount of Bonds for which it has received a notice pursuant to Section 4.06(b) hereof, the names of the Holders thereof, the date on which such Bonds are to be purchased in accordance with Section 4.06 hereof, the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Purchase Date.

(ii) As soon as practicable, but in no event later than 10:15 a.m., New York City time, on the Purchase Date in the case of Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof, and in no event later than 11:30 a.m., New York City time, on the Purchase Date in the case of Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof, and in no event later than 10:15 a.m., New York City time, on the Purchase Date in the case of Bonds to be purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereof and in no event later than 4:00 p.m., New York City time, on the last Business Day prior to the Mandatory Purchase Date in the case of Bonds to be purchased pursuant to Sections 4.08 or 4.09 hereof, the Remarketing Agent shall inform the Bond Trustee by Electronic Notice, of the principal amount of Purchased Bonds for which the Remarketing Agent has identified prospective purchasers and of the name, and if known to the Remarketing Agent, address and taxpayer identification number of each such purchaser, the principal amount of Purchased Bonds to be purchased and the Authorized Denominations in which such Purchased Bonds are to be delivered. Upon receipt from the Remarketing Agent of such information, the Bond Trustee shall prepare Purchased Bonds in accordance with such information received from the Remarketing Agent for the registration of transfer and redelivery to the Remarketing Agent.

(iii) By 10:30 a.m., New York City time, on the Mandatory Purchase Date in the case of Bonds to be purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereof, by 10:30 a.m., New York City time, on the Purchase Date in the case of Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 or 4.09 hereof, and by 11:45 a.m., New York City time, on the Purchase Date in the case of Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof, the Bond Trustee shall notify the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Borrower by Electronic Notice or telephone, promptly confirmed in writing, as to the aggregate Purchase Price of the Purchased Bonds and as to the projected Funding Amount.

The term "Funding Amount" means an amount equal to the difference between (A) the total Purchase Price of those Purchased Bonds to be purchased pursuant to Sections 4.06(a), 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x), 4.08 and 4.09 hereof, and (B) the Purchase Price of those Purchased Bonds to be purchased pursuant to Sections 4.06(a), 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x), 4.08 or 4.09 hereof with respect to which the Remarketing Agent expects to transfer, or to cause to be transferred, immediately available funds to the Bond Trustee by 10:30 a.m., New York City time, on the Purchase Date in the case of the Weekly Bonds purchased pursuant to Section 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 and 4.09 hereof, and by 11:45 a.m., New York City time, on the Purchase Date in the case of Daily Bonds or Two Day Bonds purchased pursuant to Section 4.06(a) hereof, and by 10:30 a.m., New York City time, on the Mandatory Purchase Date in the case of the Bonds purchased pursuant to Section 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x), hereof for deposit in the Remarketing Proceeds Account pursuant to Section 4.10(d) hereof.

(iv) Upon receipt of any Electronic Notice or written notice of tender relating to Bonds bearing interest at a Window Rate pursuant to Section 4.06(a)(iv) hereof, the Bond Trustee shall, not later than 12:00 noon, New York City time, on the next Business Day, send notice of such tender to the Borrower, the Remarketing Agent, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, by Electronic Notice, including in such notice the amount of the Purchase Price of such Bonds and the portion, if any, thereof representing accrued and unpaid interest on such Bonds to the Window Rate Optional Purchase Date. The Bond Trustee shall give notice of such optional tender, including the principal amount of Bonds to be purchased (but not the name of the tendering Bondholder), by first class mail to the Holders not later than the second Business Day after receipt of a notice of optional tender by the Bond Trustee pursuant to this paragraph. If the Remarketing Agent identifies a purchaser for a Window Bond for which a notice of tender has been given during the period beginning on the Business Day such notice of tender is received by the Remarketing Agent and ending on the 30th day (or, if the 30th day is not a Business Day, the next succeeding Business Day) after such notice of tender is received by the Remarketing Agent (a "Remarketing Window"), the Remarketing Agent shall give Electronic Notice to the tendering Holder, the Borrower, the Bond Trustee and the Issuer that a purchaser has been identified. Such notice shall designate the Window Rate Optional Purchase Date for such Bond, which shall be the earlier of (A) the last day of the Remarketing Window, or (B) any Business Day that is at least seven days after such notice is received by the tendering Holder. The Bond Trustee shall purchase such Bond pursuant to Section 4.11(b) hereof on the Window Rate Optional Purchase Date at the Purchase Price, but only with remarketing proceeds or with any other amounts made available by the Borrower, in its sole discretion. If sufficient remarketing proceeds are not available for the purchase of such Bond on the Window Rate Optional Purchase

Date, and amounts are not made available by the Borrower, in its sole discretion, for the purchase of such Bond on the Window Rate Optional Purchase Date, then the Remarketing Agent's designation of a Window Rate Optional Purchase Date for such Bond shall be deemed to be rescinded, such Bond shall not be tendered or deemed tendered or required to be purchased on such date and no Event of Default shall occur. The Remarketing Agent shall give Electronic Notice of such rescission to the tendering Holder, the Bond Trustee, the Issuer and the Borrower as soon as practicable, and in any event, not later than the next succeeding Business Day.

(v) Any Purchased Bonds which are subject to mandatory tender for purchase in accordance with Sections 4.07, 4.08 or 4.09 hereof which are not presented to the Bond Trustee on the Mandatory Purchase Date and any Purchased Bonds which are the subject of a notice pursuant to Section 4.06 hereof which are not presented to the Bond Trustee on the Purchase Date, shall be deemed to have been purchased upon the deposit of moneys equal to the Purchase Price thereof into any or all of the accounts of the Bond Purchase Fund.

(d) Deposits of Funds.

(i) The Bond Trustee shall deposit into the Remarketing Proceeds Account any amounts received by it in immediately available funds by 10:30 a.m., New York City time, on any Purchase Date in the case of Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 and 4.09 hereof, and by 11:45 a.m., New York City time, on the Purchase Date in the case of Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof, and by 10:30 a.m., New York City time, on any Purchase Date in the case of Bonds purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereof from the Remarketing Agent (which amounts received from the remarketing of the Bonds the Remarketing Agent is hereby directed to deposit with the Bond Trustee by such times) against receipt of Bonds by the Remarketing Agent pursuant to Section 4.10(f) hereof and on account of Purchased Bonds remarketed pursuant to the terms of the Remarketing Agreement.

(ii) By 10:45 a.m., New York City time, on the Purchase Date in the case of Bonds purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereof, and by 10:45 a.m., New York City time, on the Purchase Date (or such other time as may be required to ensure the payment of funds by the Liquidity Facility Provider or the Credit Facility Provider, as applicable, on the Purchase Date in accordance with the terms of the Liquidity Facility or the Credit Facility, as applicable) in the case of Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 and 4.09 hereof, and by 11:45 a.m., New York City time, on the Purchase Date with respect to Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof, the

Bond Trustee shall notify the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Direct Purchaser, if any, for the Purchased Bonds and the Borrower by Electronic Notice of the additional amount of funds, if any, required to be transferred to the Bond Trustee (the "Additional Funding Amount") which shall be the amount, if any, by which the total Purchase Price of the Purchased Bonds exceeds the sum of the amounts then on deposit in the Remarketing Proceeds Account. If a Liquidity Facility or Credit Facility is in effect with respect to the Purchased Bonds, the Bond Trustee shall, at or before: (A) 11:00 a.m., New York City time, on the Purchase Date (or such other time as may be required to ensure the payment of funds by the Liquidity Facility Provider or the Credit Facility Provider, as applicable, on the Purchase Date in accordance with the terms of the Liquidity Facility or the Credit Facility, as applicable) with respect to Weekly Bonds to be purchased pursuant to Sections 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 and 4.09 hereof; (B) 12:00 noon, New York City time, on the Purchase Date with respect to Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof; and (C) 11:00 a.m., New York City time, on the Purchase Date with respect to Bonds to be purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x), present drafts for payment under the Liquidity Facility or Credit Facility, as may be applicable, in an amount equal to the Additional Funding Amount. The Liquidity Facility Provider or the Credit Facility Provider, as may be applicable, shall be required to provide such Additional Funding Amount, in immediately available funds, to the Bond Trustee no later than (1) 2:30 p.m., New York City time, on the Purchase Date with respect to Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof or any Bonds to be purchased pursuant to Sections 4.08 and 4.09 hereof, and (2) 2:30 p.m., New York City time, on the Purchase Date with respect to Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof and Bonds to be purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x) hereof. The Bond Trustee shall deposit such amounts in the Liquidity Facility Account or Credit Facility Account, as applicable, depending on the source of such amounts. If more than one Liquidity Facility or Credit Facility is then in effect, the Bond Trustee shall establish a separate sub-account in the Liquidity Facility Account or Credit Facility Account, as applicable, for each Liquidity Facility or Credit Facility and apply the moneys in such sub-accounts solely to pay the Purchase Price of Purchased Bonds secured by such Liquidity Facility or Credit Facility.

(iii) The Borrower has agreed in Section 4.05 of the Loan Agreement to pay to the Bond Trustee in immediately available funds, the Additional Funding Amount by 2:45 p.m., New York City time other than with respect to the payment of the Purchase Price due and owing relating to the following dates or events: (A) a Window Rate Optional Purchase Date; (B) in connection with a VRO Interest Rate Period Failed Remarketing Event; (C) a Borrower Elective Purchase Date; (D) an FRN Rate Soft Put Mandatory Purchase Date; and (E) a Conversion from Bonds

operating in the Fixed Period. The Bond Trustee shall deposit any such amounts received from or provided by the Borrower into the Borrower Purchase Account; provided, however, that in the event the Bonds bearing interest at a Daily Rate or a Weekly Rate are secured by a Liquidity Facility or a Credit Facility constituting a direct-pay letter of credit, as applicable, and the Liquidity Facility Provider or the Credit Facility Provider, as applicable, fails to honor a properly presented and conforming drawing under the Liquidity Facility or the Credit Facility, as applicable, to pay the Purchase Price of tendered Bonds in connection with a Purchase Date, the Borrower shall pay the Bond Trustee the Additional Funding Amount required to pay the Purchase Price of the tendered Bonds with respect to which the failure occurred within 370 days after the date on which the tendered Bonds are required to be purchased.

(iv) The Bond Trustee shall hold all proceeds received from the Remarketing Agent, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, or the Borrower pursuant to this Section 4.10(d) hereof in trust for the tendering Bondholders. In holding such proceeds and moneys, the Bond Trustee will be acting on behalf of such Bondholders by facilitating purchases of the Bonds and not on behalf of the Issuer, any Liquidity Facility Provider, any Credit Facility Provider, or the Borrower, and will not be subject to the control of any of them. Subject to the provisions of Section 4.10(e) hereof, following the discharge of the lien created by this Bond Indenture or after payment in full of the Bonds, the Bond Trustee shall pay any moneys remaining in any account of the Bond Purchase Fund directly to the Persons for whom such money is held upon presentation of evidence reasonably satisfactory to the Bond Trustee that such Person is rightfully entitled to such money, and the Bond Trustee shall not pay such amounts to any other Person.

(e) Disbursements; Payment of Purchase Price. Moneys delivered to the Bond Trustee on a Purchase Date shall be applied at or before 3:00 p.m., New York City time, on such Purchase Date (or on a later date as provided in Section 4.10(d)(iii) hereof in the event the Credit Facility Provider or Liquidity Facility Provider, as applicable, fails to honor a properly presented and conforming drawing under the Credit Facility or Liquidity Facility, as applicable, to pay the Purchase Price of tendered Bonds in connection with a Purchase Date) to pay the Purchase Price of Purchased Bonds that are delivered to the Bond Trustee at or prior to 10:00 a.m., New York City time, on such Purchase Date in accordance with Section 4.07(b) hereof, or at or prior to 11:00 a.m., New York City time, on such Purchase Date in accordance with Section 4.06(a) hereof, in immediately available funds, as follows in the indicated order of application and, to the extent not so applied, shall be held in the separate and segregated accounts of the Bond Purchase Fund for the benefit of the Holders of the Purchased Bonds which were to have been purchased:

FIRST: Moneys deposited in the Remarketing Proceeds Account of the Bond Purchase Fund with respect to the Bonds (representing the proceeds of the remarketing by the Remarketing Agent with respect to the Bonds).

SECOND: Moneys, if any, deposited in the Liquidity Facility Account or the Credit Facility Account, as applicable, of the Bond Purchase Fund with respect to the Bonds (representing the proceeds of a drawing under such Liquidity Facility or Credit Facility).

THIRD: Moneys, if any, deposited in the Borrower Purchase Account of the Bond Purchase Fund with respect to the Bonds (representing amounts paid by the Borrower to the Bond Trustee for the purchase of such Bonds).

Any moneys held by the Bond Trustee in the Borrower Purchase Account remaining unclaimed by the Holders of the Purchased Bonds which were to have been purchased for three (3) years after the respective Purchase Date for such Bonds shall be paid and after all amounts due and owing under the Bondholder Agreement, if any, have been paid to the State in accordance with applicable escheat law or, upon the Written Request of the Borrower, to the Borrower, against written receipt therefor. The Holders of Purchased Bonds who have not yet claimed money in respect of such Bonds shall thereafter be entitled to look only to the Bond Trustee, to the extent it shall hold moneys on deposit in the Bond Purchase Fund, or to the extent moneys have been transferred in accordance with this Section to the Borrower or the State, as applicable. Any such delivery shall be in accordance with customary practices and procedures of the Bond Trustee and the escheat law. Unless otherwise required by any applicable escheat law, any money held by the Bond Trustee pursuant to this paragraph shall be held uninvested and without any liability for interest.

(f) Delivery of Purchased Bonds.

(i) The Remarketing Agent shall give Electronic Notice, promptly confirmed in writing, to the Bond Trustee on each date on which Bonds shall have been purchased pursuant to Sections 4.06, 4.07, 4.08 and 4.09 hereof, specifying the principal amount of such Bonds, if any, sold by the Remarketing Agent pursuant to Section 4.13(a) hereof along with a list of such purchasers showing the names and Authorized Denominations in which such Bonds shall be registered, and, if known to the Remarketing Agent, the addresses and social security or taxpayer identification numbers of such purchasers. By 10:30 a.m., New York City time, on any Purchase Date in the case of Weekly Bonds to be purchased pursuant to Section 4.06(a) hereof or any Bond to be purchased pursuant to Sections 4.08 and 4.09 hereof, and by 12:00 noon, New York City time, with respect to Daily Bonds or Two Day Bonds to be purchased pursuant to Section 4.06(a) hereof, and by 10:30 a.m., New York City time, on the Purchase Date in the case of Bonds to be purchased pursuant to Sections 4.07(a)(ii), (iii), (v), (vi), (vii), (viii), (ix) and (x)

hereof, a principal amount of Bonds equal to the amount of Purchased Bonds purchased with moneys from the Remarketing Proceeds Account shall be made available by the Bond Trustee to the Remarketing Agent against payment therefor in immediately available funds. The Bond Trustee shall prepare each Bond to be so delivered in such names as directed by the Remarketing Agent pursuant to Section 4.10(c)(ii) hereof.

(ii) A principal amount of Bonds equal to the amount of Purchased Bonds purchased from moneys on deposit in the Liquidity Facility Account, if any, or the Credit Facility Account, if any, shall be delivered on the day of purchase by the Bond Trustee to or as directed by the Liquidity Facility Provider or the Credit Facility Provider, as applicable. The Bond Trustee shall register such Bonds in the name of the Liquidity Facility Provider or the Credit Facility Provider, as applicable, or as otherwise provided in the Liquidity Facility or the Credit Facility Agreement.

(iii) A principal amount of Bonds equal to the amount of Purchased Bonds purchased from moneys on deposit in the Borrower Purchase Account, if any, shall be delivered on the day of such purchase by the Bond Trustee to or as directed by the Borrower. The Bond Trustee shall register such Bonds in the name of the Borrower or as otherwise directed by the Borrower.

SECTION 4.11. NOTICE OF TENDER. (a) Simultaneously with the giving of notice (pursuant to Section 4.07(e) hereof) of any mandatory tender of Bonds pursuant to Section 4.07(a) hereof, the Bond Trustee shall give Electronic Notice, promptly confirmed by a written notice, to the Borrower, the Remarketing Agent, the Credit Facility Provider, if any, and the Liquidity Facility Provider, if any, specifying the applicable Mandatory Purchase Date, the aggregate principal amount and Purchase Price of Bonds subject to mandatory tender on such Mandatory Purchase Date, and the portion, if any, of such Purchase Price representing accrued and unpaid interest on such Bonds to such Mandatory Purchase Date.

(b) On each Purchase Date, the Bond Trustee shall determine the Additional Funding Amount, if any, at the times required by Section 4.10(d)(ii) hereof; and

(i) If a Liquidity Facility is in effect with respect to the Bonds on such Purchase Date, then (a) the Bond Trustee shall draw upon the Liquidity Facility at the times required by Section 4.10(d)(ii) hereof moneys for the purchase of Bonds in the amount equal to the Additional Funding Amount by submitting to such Liquidity Facility Provider in accordance with such Liquidity Facility all such documents as are required for such purpose, and (b) the Bond Trustee shall deposit the proceeds of such drawing upon the Liquidity Facility received by the Bond Trustee from the Liquidity Facility Provider into the Liquidity Facility Account of the Bond Purchase Fund with respect to the Bonds (for purposes of this paragraph (i), if the Credit Facility, if any, is also serving as a Liquidity Facility, references in

this paragraph to Liquidity Facility shall be deemed to refer to Credit Facility) on the Purchase Date at the times required by Section 4.10(d)(ii) hereof; or

(ii) If the Borrower is obligated under the Loan Agreement or the terms of this Bond Indenture to provide the Purchase Price therefor, or the Borrower otherwise elects in its sole discretion to provide the Purchase Price therefor, then the Bond Trustee shall notify the Borrower at the times required by Section 4.10(d)(ii) hereof that the amount of such excess is the amount payable by the Borrower to the Bond Trustee pursuant to Section 4.10(d)(iii) hereof for purposes of causing the Bond Trustee to purchase, on behalf of the Borrower, Bonds having a Purchase Price equal to such excess and, thereby, for the Bond Trustee to have sufficient funds to pay the Purchase Price of all Bonds subject to purchase on such Purchase Date or, in the event Bonds bearing interest at a Daily Rate or a Weekly Rate are secured by a Liquidity Facility or a Credit Facility constituting a direct-pay letter of credit, and the Liquidity Facility Provider or the Credit Facility Provider, as applicable, fails to honor a properly presented and conforming drawing under the Liquidity Facility or the Credit Facility, as applicable, to pay the Purchase Price of tendered Bonds in connection with a Purchase Date, within 370 days after the date on which the tendered Bonds are required to be purchased. The Bond Trustee shall deposit the amount received by the Bond Trustee from the Borrower for such purpose into the Borrower Purchase Account of the Bond Purchase Fund in accordance with Section 4.10(d)(iii) hereof; or

(iii) Notwithstanding anything to the contrary contained herein, if by 10:30 a.m., New York City time, on a Window Rate Optional Purchase Date, the Remarketing Agent despite its best efforts has been unable to remarket the Bonds to be purchased on such Window Rate Optional Purchase Date at par and the Borrower, in its sole discretion, has not provided amounts for the purchase of such Bonds on the Window Rate Optional Purchase Date: (A) the Remarketing Agent shall deliver Electronic Notice to the Bond Trustee, the Calculation Agent, the Borrower, and the Issuer by 10:45 a.m., New York City time, that such Window Rate Optional Purchase Date is deemed rescinded and that such failure shall not constitute an Event of Default and shall include in such notice the principal amount of such Bonds that will not be purchased on such Purchase Date; and (B) the Bond Trustee shall promptly provide written notice to each Rating Agency of such rescission. If for any reason a Bond for which a notice of tender for purchase pursuant to Section 4.06(a)(iv) hereof has been delivered is not purchased by the last day of the applicable Remarketing Window, then (1) all such Bonds bearing interest at a Window Rate shall be subject to mandatory tender for purchase on the last day of the Mandatory Purchase Window (or, if the last day is not a Business Day, the next succeeding Business Day) after such notice is received by the Remarketing Agent (a "Window Rate Mandatory Purchase Date") at the Purchase Price, payable in immediately available funds, and (2) the Remarketing Agent shall

give notice of such Window Rate Mandatory Purchase Date to the Bond Trustee by Electronic Notice no later than the second Business Day after the end of the applicable Remarketing Window. The Bond Trustee shall give Electronic Notice of the Window Rate Mandatory Purchase Date to the Holders of the Bonds, the Borrower, the Issuer, the Liquidity Facility Provider, if any, and the Credit Facility Provider, if any, not later than the second Business Day after receiving notice of such Window Rate Mandatory Purchase Date from the Remarketing Agent. The failure to pay the Purchase Price of all tendered Window Bonds when due and payable on a Window Rate Mandatory Purchase Date shall constitute an Event of Default. Notwithstanding the foregoing provisions of this paragraph, the Bonds shall not be subject to mandatory tender for purchase on a Window Rate Mandatory Purchase Date if they are otherwise subject to mandatory tender for purchase pursuant to Section 4.07 hereof after the last day of the Remarketing Window and before such Window Rate Mandatory Purchase Date.

(c) Any moneys remaining in the Remarketing Proceeds Account, the Liquidity Facility Account, the Credit Facility Account, or the Borrower Purchase Account of the Bond Purchase Fund with respect to the Bonds and representing (but not exceeding) the Purchase Price of Bonds subject to purchase on the applicable Purchase Date but not tendered and delivered for purchase on the applicable Purchase Date (following the payments from such Bond Purchase Fund described in Section 4.10(e) hereof), shall be transferred by the Bond Trustee to the Undelivered Bond Payment Account of such Bond Purchase Fund not later than 3:30 p.m., New York City time, on the applicable Purchase Date (and retained therein, subject to this Section 4.11, for application in accordance with Section 4.11(d) hereof). Any moneys remaining in the Remarketing Proceeds Account, the Liquidity Facility Account, the Credit Facility Account, and the Borrower Purchase Account of the Bond Purchase Fund with respect to the Bonds on the applicable Purchase Date (after the payments from such Bond Purchase Fund described in Section 4.10(e) hereof and the transfer described in the preceding sentence of this Section 4.11(c)) shall be wire transferred by the Bond Trustee, in immediately available funds, prior to the close of business on such Purchase Date, to the Remarketing Agent, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Borrower, respectively.

(d) Moneys transferred to the Undelivered Bond Payment Account of the Bond Purchase Fund with respect to the Bonds on any Purchase Date shall be applied, on or after such Purchase Date, by the Bond Trustee to pay the Purchase Price of Undelivered Bonds in respect of which they were so transferred, upon the surrender of such Bonds to the Bond Trustee for such purpose.

SECTION 4.12. IRREVOCABLE NOTICE DEEMED TO BE TENDER OF BOND; UNDELIVERED BONDS. (a) The giving of notice by a Holder of a Bond as provided in Section 4.06(a) hereof shall constitute the irrevocable tender for purchase of each such Bond with respect to which such notice shall have been given, regardless of whether such Bond is delivered to the Bond Trustee for purchase on the relevant Purchase Date as provided in this Article IV.

(b) The Bond Trustee may refuse to accept delivery of any such Bonds for which a proper instrument of transfer has not been provided; such refusal, however, shall not affect the validity of the purchase of such Bond as herein described. For purposes of this Article IV, the Bond Trustee shall determine timely and proper delivery of such Bonds and the proper endorsement of such Bonds. Such determination shall be binding on the Holders of such Bonds, the Borrower and the Remarketing Agent, absent manifest error. If any Holder of a Bond who shall have given notice of tender of purchase pursuant to Section 4.06(a) hereof or any Holder of a Bond subject to mandatory tender for purchase pursuant to Sections 4.07, 4.08 or 4.09 hereof shall fail to deliver such Bond to the Bond Trustee at the place and on the applicable Purchase Date and at the time specified in its notice or in the notice provided to the Holder, as applicable, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Holder thereof on the Purchase Date and at the time specified, from and after the Purchase Date and time of that required delivery, (i) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding under this Bond Indenture; (ii) interest shall no longer accrue thereon; and (iii) funds in the amount of the Purchase Price of the Undelivered Bond shall be held by the Bond Trustee in the Undelivered Bond Payment Account for the benefit of the Holder thereof (provided that the Holder shall have no right to any investment earnings thereon), to be paid on delivery of the Undelivered Bond to the Bond Trustee at its designated Corporate Trust Office. Any funds held by the Bond Trustee in the Undelivered Bond Payment Account as described in clause (iii) of the preceding sentence shall be held uninvested and not commingled.

SECTION 4.13. REMARKETING OF BONDS; NOTICE OF INTEREST RATES. (a) Upon a mandatory tender or notice of the tender for purchase of Bonds, the Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds, any such sale to be made on the date of such purchase in accordance with this Article IV at a price equal to the principal amount thereof plus accrued interest, if any, thereon to the Purchase Date up to the Maximum Interest Rate. In connection with any remarketing of Bonds upon a mandatory tender thereof, such remarketing may be, with respect to such Bonds, in whole or with respect to a portion thereof, as directed by the Borrower. No Bonds that have been tendered pursuant to Section 4.09 hereof shall be remarketed as Weekly Bonds, Two Day Bonds or Daily Bonds unless and until (i) the Liquidity Facility or Credit Facility, if applicable, has been reinstated or extended for such Bonds; (ii) an Alternate Liquidity

Facility or Alternate Credit Facility has been provided for such Bonds; or (iii) the Borrower has agreed to provide a Self-Liquidity Arrangement for such Bonds.

(b) The Remarketing Agent shall offer for sale and use its best efforts to sell Liquidity Facility Bonds and Credit Facility Bonds at a price equal to the principal amount thereof plus accrued interest to the Purchase Date up to the Maximum Interest Rate. On such a Purchase Date, the proceeds of the remarketing of such Liquidity Facility Bonds or Credit Facility Bonds shall be received by the Bond Trustee on behalf of the applicable Liquidity Facility Provider or Credit Facility Provider and paid in immediately available funds to the applicable Liquidity Facility Provider or Credit Facility Provider on such Purchase Date. On such a Purchase Date, the applicable Liquidity Facility Provider or Credit Facility Provider shall notify the Bond Trustee of the Differential Interest Amount. The Bond Trustee shall pay the Differential Interest Amount to the Liquidity Facility Provider or the Credit Facility Provider, as applicable, on the date of remarketing, but only from funds available under this Bond Indenture or otherwise provided by the Borrower. Liquidity Facility Bonds or Credit Facility Bonds shall not be delivered upon remarketing unless the Bond Trustee shall have received Electronic Notice from the Liquidity Facility Provider or the Credit Facility Provider that the Liquidity Facility or the Credit Facility, as applicable, has been reinstated in accordance with its terms to the full amount of the then Required Stated Amount.

(c) The Remarketing Agent shall not knowingly remarket Bonds to the Issuer, the Borrower or any affiliate thereof.

SECTION 4.14. THE REMARKETING AGENT. The Remarketing Agent shall be authorized by law to perform all the duties imposed upon it hereby. The Remarketing Agent or any successor shall signify its acceptance of the duties and obligations imposed upon it hereunder by entering into a Remarketing Agreement under which the Remarketing Agent will agree to:

(a) determine the interest rates and/or spreads, when required under this Bond Indenture, applicable to the Bonds and give notice to the Bond Trustee of such rates, spreads and periods in accordance with Article II hereof;

(b) keep such books and records as shall be consistent with prudent industry practice; and

(c) use its best efforts to remarket the Bonds in accordance with this Bond Indenture.

The Remarketing Agent shall hold all amounts received by it in accordance with any remarketing of the Bonds pursuant to Section 4.13 hereof for the benefit of the Holders of such tendered Bonds and shall transfer such amounts to the Bond Trustee for deposit to the Remarketing Proceeds Account created hereunder.

SECTION 4.15. QUALIFICATIONS OF REMARKETING AGENT; RESIGNATION; REMOVAL. (a) Any Remarketing Agent shall (i) be a member of the Financial Industry Regulatory Issuer or shall be a commercial bank, a national banking association or a trust company, having a combined capital stock, surplus and undivided profits of at least $15,000,000, and (ii) be authorized by law to perform all the duties imposed upon it by this Bond Indenture.

(b) The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture by giving Electronic Notice to the Bond Trustee, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Borrower. Such resignation shall take effect not earlier than the 30th day after the receipt by the Borrower of the notice of resignation. The Remarketing Agent may be removed at the direction of the Borrower at any time on 30 days prior Electronic Notice, by an instrument signed by the Borrower, filed with the Remarketing Agent, the applicable Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Bond Trustee. In the event that a successor Remarketing Agent has not been appointed by the Borrower within 30 days following the notice of resignation or removal of the Remarketing Agent, the notice period for resignation or removal shall be extended for an additional 30 days, but in no event shall such notice period, including any such 30-day extension, be longer than 60 days.

SECTION 4.16. SUCCESSOR REMARKETING AGENTS. (a) Any corporation, association, partnership or firm which succeeds to the business of the Remarketing Agent as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of such Remarketing Agent hereunder.

(b) In the event that the Remarketing Agent has given notice of resignation or has been notified of its impending removal in accordance with Section 4.15(b) hereof, the Borrower shall appoint a successor Remarketing Agent that meets the requirements of Section 4.15(a) hereof.

(c) In the event that the Remarketing Agent shall resign, be removed or be dissolved, or if the property or affairs of the Remarketing Agent shall be taken under control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Borrower shall not have appointed its successor, and, if no appointment is made within 30 days, the Trustee shall apply to a court of competent jurisdiction for such appointment. Nothing herein shall require any Remarketing Agent that has resigned or been removed to remain as Remarketing Agent beyond the notice period required by Section 4.15(b) hereof.

SECTION 4.17. TERMINATION OF LIQUIDITY FACILITY OR CREDIT FACILITY PRIOR TO EXPIRATION DATE; PURCHASE BY LIQUIDITY FACILITY PROVIDER OR CREDIT FACILITY PROVIDER; NOTICES. (a) The obligation of the Liquidity Facility Provider to provide funds for the purchase of tendered Bonds pursuant to the Liquidity Facility may be terminated or suspended automatically and without prior notice upon the occurrence of certain defaults as shall be set forth in the Liquidity Facility.

(b) If an Immediate Termination Date of the Liquidity Facility occurs, the Bond Trustee shall upon receiving written notice thereof provide Electronic Notice to the Borrower, the Remarketing Agent, the Credit Facility Provider, if any, and the Holders of all Outstanding Bonds the payment of the Purchase Price of which is secured by such Liquidity Facility that the Liquidity Facility has been terminated and the reasons therefor, that the Bond Trustee will no longer be able to draw on the Liquidity Facility to purchase Bonds and the Liquidity Facility Provider will be under no obligation to advance funds or to purchase Bonds under the Liquidity Facility; provided, however, that if the Bond Trustee is unable to provide Electronic Notice to the Bondholders because it does not have the necessary contact information to do so, it shall provide written notice to the Bondholders.

(c) Following the Noticed Termination Date, the Bond Trustee will no longer be able to draw on the Liquidity Facility or Credit Facility, as applicable, to purchase Bonds. Promptly upon the receipt of notice of the proposed Noticed Termination Date from the Liquidity Facility Provider or the Credit Facility Provider, as applicable, but in no event more than three Business Days after receipt, the Bond Trustee shall provide Electronic Notice to the Borrower, the Remarketing Agent, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Holders of all Outstanding Bonds secured by such Liquidity Facility or Credit Facility, as applicable, of the Noticed Termination Date and the proposed Mandatory Purchase Date for such Bonds, which Purchase Date shall be no later than five days prior to the Noticed Termination Date; provided, however, that if the Bond Trustee is unable to provide Electronic Notice to the Bondholders because it does not have the necessary contact information to do so, it shall provide written notice to the Bondholders. In addition, at least 14 days prior to the Expiration Date of the Liquidity Facility or Credit Facility, as may be applicable, the Bond Trustee shall also give notice to the Holders of Outstanding Bonds of the Expiration Date for the Liquidity Facility or the Credit Facility and the proposed Mandatory Purchase Date for such Bonds, which shall be no later than one Business Day prior to the Expiration Date, or, in the case of a delivery of an Alternate Liquidity Facility or an Alternate Credit Facility, shall be the effective date of delivery of, and acceptance by the Bond Trustee of, such Alternate Liquidity Facility or Alternate Credit Facility. Each such notice shall be given by Electronic Means and first class mail and shall (i) state that the Bond Trustee may no longer draw on the Liquidity Facility or Credit Facility (and the Liquidity Facility Provider or Credit Facility Provider will have no obligation) to purchase (or provide funds for the purchase of) Bonds after the proposed Noticed Termination Date or the Expiration Date, as the case may be, (ii) specify

the Noticed Termination Date or the Expiration Date, as the case may be and the applicable Mandatory Purchase Date, (iii) state that the Eligible Bonds are subject to mandatory tender for purchase on the applicable Mandatory Purchase Date, (iv) specify, if, but only if applicable, that the Borrower will be the only party obligated to purchase Eligible Bonds after the Noticed Termination Date or the Expiration Date, and (v) state that all Eligible Bonds (if subject to mandatory purchase) must be delivered for purchase to the Bond Trustee and that on such Mandatory Purchase Date, the Bond Trustee expects to hold moneys equal to the Purchase Price for all Eligible Bonds in trust for the Holders of such Eligible Bonds, which moneys will be paid upon surrender of such Eligible Bonds to the Bond Trustee. Any notice given substantially as provided in this subsection (c) shall be conclusively presumed to have been duly given, whether or not actually received by each Bondholder.

(d) Upon receipt of the notice specified in (c) above, and if said notice provides that all Eligible Bonds are subject to mandatory purchase, all Holders of Outstanding Eligible Bonds shall be required to tender their Bonds to the Bond Trustee for purchase on such Mandatory Purchase Date. In addition, in the event that a Holder of Bonds has delivered a tender notice pursuant to Section 4.06(a) hereof on or prior to the date on which the Liquidity Facility Provider or Credit Facility Provider has sent notice to the Bond Trustee of the proposed Noticed Termination Date or the Expiration Date with a Purchase Date to occur on or after the date of such notice (but prior to the Noticed Termination Date or the Expiration Date), the Bonds to which such tender notice relates shall be purchased by the Bond Trustee on such Purchase Date. Any Eligible Bond so delivered shall be purchased by the Bond Trustee at a Purchase Price equal to the principal amount thereof plus accrued interest to the Purchase Date (unless such date is an Interest Payment Date, in which case the Purchase Price will be the principal amount of such Bond).

SECTION 4.18. INSUFFICIENT FUNDS FOR THE PAYMENT OF PURCHASE PRICE. (a) If the funds available for the purchase of Bonds subject to purchase on a Purchase Date are insufficient to purchase all of such Bonds on such Purchase Date (including Undelivered Bonds), then no purchase of any Bond shall occur on such Purchase Date and, on such Purchase Date, the Bond Trustee shall (i) return all of such Bonds that were tendered to the Holders thereof, and (ii) return all moneys received by the Bond Trustee for the purchase of such Bonds to the respective Persons that provided such moneys (in the respective amounts in which such moneys were so provided).

(b) The failure to purchase Bonds on a Purchase Date shall constitute an Event of Default, provided, however, the failure to purchase Bonds on any of the following dates or events shall not constitute an Event of Default: (i) a Window Rate Optional Purchase Date; (ii) in connection with a VRO Interest Rate Period Failed Remarketing Event; (iii) a Borrower Elective Purchase Date; (iv) an FRN Rate Soft Put Mandatory Purchase Date; and (v) a Conversion from Bonds operating in the Fixed Period. Provided, further, that failure of the Borrower to pay when due the Additional Funding Amount pursuant to

Section 4.10(d)(iii) hereof and Section 4.05 of the Loan Agreement in connection with a Purchase Date while the Bonds bear interest at a Daily Rate or Weekly Rate and are secured by a Liquidity Facility or a Credit Facility, as applicable, shall not constitute an Event of Default or a Loan Default Event if (i) the failure is the result of failure of the Liquidity Facility Provider or the Credit Facility Provider, as applicable, to honor a properly presented and conforming drawing under the Liquidity Facility or the Credit Facility, as applicable, to pay the Purchase Price of the tendered Bonds, and (ii) the Additional Funding Amount required to pay the Purchase Price of the tendered Bonds with respect to which the failure occurred is deposited with the Bond Trustee and applied to pay the Purchase Price of the tendered Bonds, within 370 days after the date on which such tendered Bonds were required to be purchased.

(c) Subject to the provisions of paragraphs (d) through (k) below, if Bonds are not purchased when required pursuant to Section 4.06(a) hereof or Section 4.07(a) hereof, all of the Bonds shall bear interest at the Maximum Interest Rate from such Purchase Date until such date that all of such unpurchased Bonds have been purchased or payment of the principal of and interest thereon has otherwise been made in accordance with this Bond Indenture.

(d) If Daily Bonds, Two Day Bonds or Weekly Bonds are not purchased on a Borrower Elective Purchase Date, then such Daily Bonds, Two Day Bonds or Weekly Bonds shall continue to bear interest at a Daily Rate, Two Day Rate or Weekly Rate, as applicable, as determined as provided in Sections 2.04, 2.05 and 2.06 hereof, respectively.

(e) If FRN Rate Soft Put Bonds are not purchased on an FRN Rate Soft Put Mandatory Purchase Date, such failure to pay the Purchase Price shall not constitute an Event of Default under this Bond Indenture, and the FRN Rate Soft Put Bonds shall bear interest at the FRN Rate, plus an increased FRN Spread as may be specified in connection with a Conversion to an FRN Period, or, if less, the Maximum Interest Rate, from such FRN Rate Soft Put Mandatory Purchase Date until such time, if any, as all of the FRN Rate Soft Put Bonds are remarketed or paid.

(f) If Window Bonds are not purchased on a Window Rate Optional Purchase Date or on a Borrower Elective Purchase Date, then such Window Bonds shall continue to bear interest as determined in accordance with Section 2.12 hereof.

(g) If VRO Bonds are not purchased on a VRO Interest Rate Period Purchase Date, then such VRO Bonds shall continue to bear interest as determined in accordance with Section 2.11 hereof.

(h) If Fixed Bonds are not purchased on a Purchase Date related to a Conversion of such Bonds, then such Fixed Bonds shall continue to bear interest at the interest rates in effect prior to such proposed Conversion Date.

(i) Notwithstanding the foregoing, if Bonds bearing interest at a Daily Rate or a Weekly Rate are not purchased when required due to the Liquidity Facility Provider failing to honor a properly conforming draw to pay the Purchase Price of the Bonds pursuant to a Liquidity Facility (that is not also a Credit Facility), all of the Bonds shall bear interest at the Maximum Interest Rate from such Purchase Date until such date that all such unpurchased Bonds have been purchased or payment of the principal of and interest thereon has otherwise been made in accordance with this Bond Indenture. Once all such unpurchased Bonds have been purchased or payment of the principal of and interest thereon has otherwise been made, and upon confirmation that the Liquidity Facility is still in effect, the applicable Remarketing Agent shall resume setting the Daily Rate or Weekly Rate, on the applicable Purchase Date, as set forth in Section 2.04 hereof or Section 2.06 hereof, as applicable. The Remarketing Agent shall have no obligation to remarket Bonds during such period, unless the Remarketing Agent agrees in its sole discretion, at the request of the Borrower, and can cease such remarketing at the Remarketing Agent's sole option. The Bond Trustee shall continue to take all such action available to it to obtain funds from the applicable Liquidity Facility Provider, the Remarketing Agent or the Borrower to pay the Purchase Price of such tendered Bonds. When the Bond Trustee has received sufficient funds to pay the Purchase Price of the tendered Bonds, the Bond Trustee must immediately notify the Holders and the Holders must surrender their Bonds to the Bond Trustee for payment of the Purchase Price of such tendered Bonds.

(j) Notwithstanding the foregoing, if Bonds bearing interest at a Daily Rate or a Weekly Rate are not purchased when required due to the Credit Facility Provider failing to honor a properly conforming draw to pay the Purchase Price of the Bonds pursuant to a Credit Facility constituting a direct-pay letter of credit, all of the Bonds shall bear interest at the Maximum Interest Rate from such Purchase Date until such date that all such unpurchased Bonds have been purchased or payment of the principal of and interest thereon has otherwise been made in accordance with this Bond Indenture. Once all such unpurchased Bonds have been purchased or payment of the principal of and interest thereon has otherwise been made, and upon confirmation that the Credit Facility is still in effect, the applicable Remarketing Agent shall resume setting the Daily Rate or Weekly Rate, on the applicable Purchase Date, as set forth in Section 2.04 hereof or Section 2.06 hereof, as applicable. The Remarketing Agent shall have no obligation to remarket Bonds during such period, unless the Remarketing Agent agrees in its sole discretion, at the request of the Borrower, and can cease such remarketing at the Remarketing Agent's sole option. The Bond Trustee shall continue to take all such action available to it to obtain funds from the applicable Credit Facility Provider, the Remarketing Agent or the Borrower to pay the Purchase Price of such tendered Bonds. When the Bond Trustee has received sufficient funds to pay the Purchase Price of the tendered Bonds, the Bond Trustee must immediately notify the Holders and the Holders must surrender their Bonds to the Bond Trustee for payment of the Purchase Price of such tendered Bonds.

(k) If Direct Purchase Bonds are not purchased on a Direct Purchase Mandatory Purchase Date, then such Unremarketed Bonds shall bear interest at the Default Rate.

SECTION 4.19. LIQUIDITY FACILITY; SELF-LIQUIDITY ARRANGEMENT; ALTERNATE LIQUIDITY FACILITY. (a) The Borrower may provide for delivery to the Bond Trustee of a Liquidity Facility pursuant to the provisions of Section 5.10 of the Loan Agreement or a Self-Liquidity Arrangement pursuant to Section 5.11 of the Loan Agreement. However, during a Fixed Mode, an FRN Mode or a Long-Term Mode a Liquidity Facility may only be delivered on the first day of a Fixed Period, FRN Period or Long-Term Interest Rate Period.

(b) Prior to the expiration or termination of a Liquidity Facility in accordance with the terms of that Liquidity Facility, the Borrower may provide for the delivery to the Bond Trustee of an Alternate Liquidity Facility pursuant to Section 5.10 of the Loan Agreement or a Self-Liquidity Arrangement pursuant to Section 5.11 of the Loan Agreement. Any Alternate Liquidity Facility or Self-Liquidity Arrangement delivered to the Bond Trustee pursuant to this Section 4.19(b) shall meet the requirements of Section 5.10 or Section 5.11 of the Loan Agreement, respectively, and shall be delivered as provided in the Loan Agreement.

(c) If at any time there is delivered to the Bond Trustee (i) an Alternate Liquidity Facility or Self-Liquidity Arrangement, (ii) the information, opinions and data required by Section 5.10 or 5.11 of the Loan Agreement, as the case may be, and (iii) all information required to give the notice of mandatory tender for purchase of the Bonds, then the Bond Trustee shall accept such Alternate Liquidity Facility or Self-Liquidity Arrangement. The Bond Trustee shall surrender the Liquidity Facility pursuant to Section 4.19(d) hereof.

(d) If an Alternate Liquidity Facility or a Self-Liquidity Arrangement is delivered to the Bond Trustee and accepted pursuant to Section 4.19(c) above, then the Bond Trustee shall surrender the existing Liquidity Facility for cancellation; provided that no Liquidity Facility shall be surrendered until after the date on which Purchased Bonds have been purchased or deemed purchased in accordance with the provisions of this Bond Indenture. If a Liquidity Facility terminates or is no longer required to be maintained hereunder, the Bond Trustee shall surrender such Liquidity Facility to the Liquidity Facility Provider for cancellation in accordance with the terms of the Liquidity Facility. Upon the defeasance of the Bonds pursuant to this Bond Indenture and if, at such time, the Bonds are no longer subject to tender for purchase, the Bond Trustee shall surrender the Liquidity Facility, if any, to the Liquidity Facility Provider for cancellation in accordance with the terms of the Liquidity Facility. The Bond Trustee shall comply with the procedures set forth in each Liquidity Facility relating to the termination thereof and shall deliver any certificates reducing the stated amount of the Liquidity Facility in accordance with the provisions thereof.

SECTION 4.20. CREDIT FACILITY; SELF-LIQUIDITY ARRANGEMENT; ALTERNATE CREDIT FACILITY; DELIVERY OF CREDIT FACILITY TO REPLACE LIQUIDITY FACILITY OR SELF-LIQUIDITY ARRANGEMENT; SURRENDER OF CREDIT FACILITY. (a) The Borrower may provide for the delivery to the Bond Trustee of a Credit Facility pursuant to Section 5.09 of the Loan Agreement or a Self-Liquidity Arrangement pursuant to Section 5.11 of the Loan Agreement. However, during a Fixed Mode, an FRN Mode or a Long-Term Mode a Credit Facility may only be delivered on the first day of a Fixed Period, FRN Period or Long-Term Interest Rate Period.

(b) If there is delivered to the Bond Trustee (i) an Alternate Credit Facility covering the Bonds in accordance with Section 5.09 of the Loan Agreement, (ii) the information, opinions and data required by Section 5.09 of the Loan Agreement, and (iii) if the Credit Facility then in effect with respect to the Bonds does not cover premiums due on the Bonds, and the Bonds would be subject to mandatory tender for purchase at a Purchase Price in excess of the principal amount thereof plus accrued and unpaid interest thereon to but not including the date of purchase, Eligible Moneys in an amount sufficient to pay the premium due on the Bonds, then the Bond Trustee shall accept such Alternate Credit Facility.

(c) If a Liquidity Facility or a Self-Liquidity Arrangement is in effect with respect to the Bonds, a Credit Facility covering the Bonds may be delivered to the Bond Trustee if all of the conditions set forth in the immediately preceding paragraph regarding the delivery of an Alternate Credit Facility for the Bonds are satisfied.

(d) If an Alternate Credit Facility or Self-Liquidity Arrangement is delivered to the Bond Trustee and accepted pursuant to this Section 4.20, then the Bond Trustee shall surrender the existing Credit Facility for cancellation; provided that no Credit Facility shall be surrendered until after the date on which Purchased Bonds have been purchased or deemed purchased in accordance with the provisions of this Bond Indenture. If a Credit Facility terminates or is no longer required to be maintained hereunder, the Bond Trustee shall surrender such Credit Facility to the Credit Facility Provider for cancellation in accordance with the terms of the Credit Facility. Upon the defeasance of the Bonds pursuant to this Bond Indenture and if, at such time, the Bonds are no longer subject to tender for purchase, the Bond Trustee shall surrender the Credit Facility, if any, to the Credit Facility Provider for cancellation in accordance with the terms of the Credit Facility. The Bond Trustee shall comply with the procedures set forth in each Credit Facility relating to the termination thereof and shall deliver any certificates reducing the stated amount of the Credit Facility in accordance with the provisions thereof.

[Remainder of page intentionally left blank]

ARTICLE V

FUNDS AND ACCOUNTS

SECTION 5.01. PLEDGE AND ASSIGNMENT. (a) Subject only to the provisions of this Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, to secure, first, the payment of the principal, Redemption Price and Purchase Price of and interest on the Bonds in accordance with their terms and the provisions of this Bond Indenture and, second, the payment of Reimbursement Obligations and the performance and observance of the obligations of the Borrower under any Credit Facility or Liquidity Facility, the Issuer hereby pledges to the Bond Trustee, and grants to the Bond Trustee a security interest in and lien on, all of its right, title, and interest, whether now owned or hereafter acquired, in to, and under (i) all of the Revenues, (ii) each fund and each account established pursuant to this Bond Indenture (except the Rebate Fund and the Bond Purchase Fund) and all money, instruments, securities, investment property, and other property (including proceeds of the sale of the Bonds) on deposit in or credited to any fund or account established pursuant to this Bond Indenture (except the Rebate Fund and the Bond Purchase Fund), (iii) the Loan Agreement (excluding (A) the right to receive any Administrative Fees and Expenses to the extent payable to the Issuer, (B) any rights of the Issuer to be indemnified, held harmless and defended and rights to inspection and to receive notices, certificates and opinions, (C) express rights to give approvals, consents or waivers, and (D) the obligation of the Borrower to make deposits pursuant to the Tax Agreement), (iv) the Bond Obligation, and (v) all proceeds of the foregoing. Said pledge shall constitute a first lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery by the Bond Trustee of the Bonds, without any physical delivery thereof or further act.

(b) The Issuer hereby assigns to the Bond Trustee, for the benefit of the Owners from time to time of the Bonds and for the benefit of any Credit Facility Provider or any Liquidity Facility Provider with respect to Reimbursement Obligations, all of the right, title and interest of the Issuer in the Loan Agreement (excluding (i) the right to receive any Administrative Fees and Expenses to the extent payable to the Issuer, (ii) any rights of the Issuer to be indemnified, held harmless and defended and rights to inspection and to receive notices, certificates and opinions, (iii) express rights to give approvals, consents or waivers, and (iv) the obligation of the Borrower to make deposits pursuant to the Tax Agreement) and the Bond Obligation. The Issuer will also cause the Bond Obligation to be registered in the name of the Bond Trustee.

(c) The Bond Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Issuer shall be deemed to be held, and to have been collected or received, by the Issuer as the agent of the Bond Trustee and shall forthwith be paid by the Issuer to the Bond Trustee. The Bond Trustee also shall be entitled to and shall take all steps, actions and proceedings reasonably necessary in its

judgment to enforce all of the rights of the Issuer (other than those rights specifically retained by the Issuer pursuant to this Section) and all of the obligations of the Borrower under the Loan Agreement and the Bond Obligation. Notwithstanding the foregoing, any Revenues transferred by the Borrower directly to a Credit Facility Provider pursuant to a Credit Facility or to a Liquidity Facility Provider pursuant to a Liquidity Facility shall not be required to be collected and received by the Bond Trustee and the Bond Trustee shall have no duty to collect and receive such Revenues.

SECTION 5.02. REVENUE FUND. (a) All Revenues shall be promptly deposited by the Bond Trustee upon receipt thereof in a special fund designated as the "Revenue Fund - Lakeland Regional Health Systems, Inc. - Series 2024," which the Bond Trustee shall establish, maintain and hold in trust. All Revenues deposited with the Bond Trustee shall be held, disbursed, allocated and applied by the Bond Trustee only as provided in this Bond Indenture.

(b) If, on the date any Loan Repayment or payment upon the Bond Obligation is due, the Bond Trustee does not receive such payment, the Bond Trustee shall request the Master Trustee to give immediate Electronic Notice or telephonic notice promptly confirmed in writing to the Borrower of the nonpayment.

(c) During the period that any of the Bonds are secured by a Credit Facility, all payments on the Eligible Bonds shall be made, to the extent available, first from draws on the Credit Facility, which shall be deposited directly in the Credit Facility Interest Account of the Interest Fund, the Credit Facility Principal Account of the Bond Sinking Fund or the Credit Facility Redemption Account of the Optional Redemption Fund, as the case may be. Principal or Redemption Price of and interest on non-Eligible Bonds may be paid from moneys other than Eligible Moneys. The Bond Trustee is hereby instructed to draw amounts under the Credit Facility at such times hereinafter set forth and pursuant to draw requests submitted at such times so as to assure that Eligible Moneys will be available to make when due all payments of principal of and interest on the Eligible Bonds. The foregoing notwithstanding, Loan Repayments or payments on the Bond Obligation to be applied to pay interest on, principal of or the redemption price of non-Eligible Bonds shall be transferred when received to the Interest Fund, Bond Sinking Fund or Optional Redemption Fund, respectively, provided that no such payments shall be deposited in the Credit Facility Interest Account of the Interest Fund, the Credit Facility Principal Account of the Bond Sinking Fund or the Credit Facility Redemption Account of the Optional Redemption Fund.

SECTION 5.03. INTEREST FUND. (a) The Bond Trustee shall establish and maintain so long as any of the Bonds are outstanding a fund to be known as the "Interest Fund - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Interest Fund"); provided, however, that while the Bonds are in a Direct Purchase Period and if the Borrower is making all payments of principal of and interest on the Bonds directly to the Direct Purchaser, the Bond Trustee is not required to establish the Interest Fund. The Bond Trustee shall also establish and maintain a separate and segregated account in the Interest Fund designated the "Credit Facility Interest Account - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Credit Facility Interest Account").

(b) With respect only to Bonds that have the benefit of a Credit Facility, the Bond Trustee shall take such actions as are necessary to receive funds under the Credit Facility on each Interest Payment Date or redemption date or upon acceleration in an amount equal to the amount of interest due and payable on the Eligible Bonds on such Interest Payment Date or redemption date or upon acceleration. All proceeds of such interest drawings drawn under the Credit Facility received in connection with the scheduled payment of interest on the Bonds, redemption of the Bonds or the acceleration of the Bonds prior to maturity shall be deposited in the Credit Facility Interest Account and shall be held by the Bond Trustee as agent and bailee for the sole benefit and security of the owners of the Bonds and until applied as herein provided.

(c) On each Interest Payment Date, the Bond Trustee shall deposit in the Interest Fund from the Revenue Fund moneys in an amount which, together with the amounts already on deposit therein and available to make such payment, other than in the Credit Facility Interest Account, is not less than the interest becoming due on the Bonds on such date.

(d) With respect to Bonds that have the benefit of a Credit Facility, payments of interest on the Eligible Bonds (other than interest payable on Bonds to be paid out of the Optional Redemption Fund as described in Section 5.05 hereof) shall be made, to the extent available, from Eligible Moneys on deposit in the Credit Facility Interest Account of the Interest Fund. Interest on non-Eligible Bonds shall be paid from amounts deposited in the Interest Fund (other than in the Credit Facility Interest Account thereof) which represent Loan Repayments or payments on the Bond Obligation. Any funds remaining on deposit in the Interest Fund (exclusive of the Credit Facility Interest Account) on any Interest Payment Date after payment in full of all interest due on the Bonds on such date shall be promptly transferred by the Bond Trustee to the Credit Facility Provider, but not in excess of the amount necessary to reimburse the Credit Facility Provider for the interest portion of the draw on the Credit Facility on such date.

(e) In connection with any partial redemption or defeasance prior to maturity of the Bonds, the Bond Trustee may, at the Written Request of the Borrower, use any amounts on deposit in the Interest Fund in excess of the amount needed to pay the interest on the Bonds remaining outstanding on the first Interest Payment Date occurring on or after the

date of such redemption or defeasance to pay or provide for the payment of the principal of and interest on the Bonds to be redeemed or defeased (or to reimburse the Credit Facility Provider for a draw on the Credit Facility) or as otherwise directed by the Borrower if a Favorable Opinion of Bond Counsel has been delivered.

SECTION 5.04. BOND SINKING FUND. (a) The Bond Trustee shall establish and maintain so long as any of the Bonds are outstanding a fund to be known as the "Bond Sinking Fund - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Bond Sinking Fund"); provided, however, that during a Direct Purchase Period and if the Borrower is making all payments of principal of and interest on the Bonds directly to the Direct Purchaser, the Bond Trustee is not required to establish the Bond Sinking Fund. The Bond Trustee shall also establish a separate account within the Bond Sinking Fund to be known as the "Credit Facility Principal Account - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Credit Facility Principal Account").

(b) With respect to Bonds that have the benefit of a Credit Facility, the Bond Trustee shall take such actions as are necessary to receive funds under the Credit Facility on the payment date of each Sinking Fund Installment established pursuant to Section 5.04(d) or Section 2.15(f)(vi) or (vii) hereof and on maturity or acceleration of the Bonds in an amount equal to the amount of principal due and payable on such dates on the Eligible Bonds that have the benefit of a Credit Facility. All proceeds of drafts drawn under the Credit Facility to pay the principal of the Bonds shall be deposited in the Credit Facility Principal Account and shall be held by the Bond Trustee as agent and bailee for the sole benefit and security of the owners of the Eligible Bonds until applied as provided herein.

(c) On each Sinking Fund Installment date established pursuant to Section 5.04(d) or Section 2.15(f)(vi) or (vii)hereof and each Maturity Date, after making the deposit required by Section 5.03 hereof, the Bond Trustee shall deposit in the Bond Sinking Fund from the Revenue Fund moneys in an amount which, together with any moneys already on deposit in the Bond Sinking Fund and available to make such payment (other than in the Credit Facility Principal Account) is not less than the principal becoming due on the Bonds on such dates.

(d) Subject to the terms and conditions set forth in this Section and in Section 2.15(f)(vi) and (vii) hereof, the Bonds maturing on November 15, 20**[__]** shall be paid by application of Sinking Fund Installments in the following amounts and on the following dates:

Sinking Fund Installment/Maturity Date November 15	**Sinking Fund Installment**
	$

*

_____
*Maturity Date

Subject to the terms and conditions set forth in this Section and in Section 2.15(f)(vi) and (vii) hereof, the Bonds maturing on November 15, 20**[__]** shall be paid by application of Sinking Fund Installments in the following amounts and on the following dates:

Sinking Fund Installment/Maturity Date November 15	**Sinking Fund Installment**
	$

*

_____
*Maturity Date

Subject to the terms and conditions set forth in this Section and in Section 2.15(f)(vi) and (vii) hereof, the Bonds maturing on November 15, 20**[__]** shall be paid by application of Sinking Fund Installments in the following amounts and on the following dates:

Sinking Fund Installment/Maturity Date November 15	**Sinking Fund Installment**
	$

*

_____
*Maturity Date

(e) With respect to Bonds that have the benefit of a Credit Facility, payments of principal on the related Eligible Bonds shall be made, to the extent available, from Eligible Moneys on deposit in the Credit Facility Principal Account. The principal of non-Eligible Bonds shall be paid from amounts deposited in the Bond Sinking Fund (other than in the Credit Facility Principal Account) which represent Loan Repayments and payments on the Bond Obligation. Any funds remaining on deposit in the Bond Sinking Fund (exclusive of

the Credit Facility Principal Account) on such Sinking Fund Installment date after payment in full of all principal due on the Bonds on such date shall be promptly transferred by the Bond Trustee to the Credit Facility Provider, but not in excess of the amount necessary to reimburse the Credit Facility Provider for the principal portion of the draw on the Credit Facility on such date.

(f) In lieu of such mandatory Bond Sinking Fund redemption, the Bond Trustee shall, at the Written Request of the Borrower, purchase for cancellation an equal principal amount of Bonds of the maturity to be redeemed in the open market identified by the Borrower at prices specified by the Borrower not exceeding the principal amount of the Bonds being purchased plus accrued interest with such interest portion of the purchase price to be paid from the Interest Fund and the principal portion of such purchase price to be paid from the Bond Sinking Fund. In addition, the amount of Bonds to be redeemed on any date pursuant to the mandatory Bond Sinking Fund redemption schedule shall be reduced by the principal amount of Bonds of the maturity required to be redeemed which are acquired by the Borrower or any other Member and delivered to the Bond Trustee for cancellation.

(g) In connection with any partial redemption or defeasance prior to maturity of the Bonds, the Bond Trustee may, at the Written Request of the Borrower, use any amounts on deposit in the Bond Sinking Fund in excess of the amount needed to pay principal on the Bonds remaining outstanding on the first principal or Sinking Fund Installment date occurring on or after the date of such redemption or defeasance to pay or provide for the payment of the principal or Redemption Price of and interest on the Bonds to be redeemed or defeased (or to reimburse the Credit Facility Provider for a draw on the Credit Facility) or as otherwise directed by the Borrower if a Favorable Opinion of Bond Counsel has been delivered.

SECTION 5.05. OPTIONAL REDEMPTION FUND. (a) There is established with the Bond Trustee and maintained so long as any of the Bonds are outstanding a separate fund to be known as the "Optional Redemption Fund - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Optional Redemption Fund"). The Bond Trustee shall also establish a separate account within the Optional Redemption Fund to be known as the "Credit Facility Redemption Account - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Credit Facility Redemption Account"). In the event of (i) prepayment by or on behalf of the Borrower or any other Member of Loan Prepayments or amounts payable on the Bond Obligation, including prepayment with condemnation or insurance proceeds or proceeds of a sale consummated under threat of condemnation, or (ii) deposit with the Bond Trustee by the Borrower, any other Member or the Issuer of moneys from any other source for redeeming Bonds or purchasing Bonds for cancellation, such moneys shall, except as otherwise provided in this Bond Indenture, be deposited in the Optional Redemption Fund. Moneys on deposit in the Optional Redemption Fund shall be used, first, to make up any deficiencies existing in the Interest Fund and the Bond

Sinking Fund (in the order listed) and, second, for the redemption or purchase of Bonds in accordance with the provisions of Article IV hereof; provided, however, that with respect to Bonds that have the benefit of a Credit Facility, the Bond Trustee shall redeem the Bonds to be redeemed in accordance with the following paragraph (b) and any funds remaining on deposit in the Optional Redemption Fund (exclusive of the Credit Facility Redemption Account) on any date on which Bonds are optionally redeemed, after payment in full of the redemption price of all Bonds redeemed on such date from amounts on deposit in the Credit Facility Redemption Account of the Optional Redemption Fund, shall be transferred by the Bond Trustee to the Credit Facility Provider, but not in excess of the amount necessary to reimburse the Credit Facility Provider for the draw made on the Credit Facility on such date to pay such redemption price.

(b) The Bond Trustee shall with respect only to Bonds that have the benefit of a Credit Facility which are to be optionally redeemed in accordance with the provisions of this Bond Indenture take such actions as are necessary to receive funds under the Credit Facility in (i) an amount which is equal to the principal amount of the Eligible Bonds to be so redeemed, and (ii) an amount equal to the amount of interest due and owing on the Eligible Bonds to be so redeemed to the redemption date. Notwithstanding the foregoing, the Bond Trustee need not draw funds under the Credit Facility in order to optionally redeem Bonds, if an unqualified opinion of nationally recognized bankruptcy counsel is delivered to the Bond Trustee and Moody's (if Moody's is then a Rating Agency for the Bonds) to the effect that such condemnation, sale or insurance proceeds, as the case may be, are Eligible Moneys. All proceeds of drawings under the Credit Facility to make timely redemption or maturity payments (including payments of interest accruing on such Bonds to the redemption date) shall be deposited in the Credit Facility Redemption Account or Credit Facility Principal Account, as applicable, and shall be held by the Bond Trustee as agent and bailee for the sole benefit and security of the owners of the Eligible Bonds until applied as provided herein. With respect to Bonds that have the benefit of a Credit Facility, payments of the redemption price of Eligible Bonds to be redeemed pursuant to Section 4.01 hereof (including interest accrued on such Bonds to the redemption date) shall be made, to the extent available, from Eligible Moneys on deposit in the Credit Facility Redemption Account.

SECTION 5.06. INVESTMENT OF FUNDS. (a) Upon a Written Request of the Borrower to the Bond Trustee, moneys in the Project Fund, the Costs of Issuance Fund, the Revenue Fund, the Interest Fund, the Bond Sinking Fund, the Optional Redemption Fund and the Rebate Fund shall be invested in Qualified Investments specified by the Borrower at least two (2) Business Days in advance of the making of such investment. The Bond Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments and such written instructions shall be deemed to be a certification that such directed investments constitute Qualified Investments. The Bond Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary

and customary fees for such trades, including cash sweep account fees. Qualified Investments shall be purchased at such prices as the Borrower may direct. All Qualified Investments shall be acquired subject to the limitations as to maturities hereinafter in this Section set forth and such additional limitations or requirements consistent with the foregoing as may be established by the Written Request of the Borrower. No such request of the Borrower shall impose any duty on the Bond Trustee inconsistent with its fiduciary responsibilities. In the absence of written directions from the Borrower, the Bond Trustee shall hold such amounts uninvested in cash, without liability for interest. The Bond Trustee shall not be obligated to seek or obtain the highest interest rate available. The Bond Trustee shall be entitled to rely on any written investment direction it receives as to the legality and suitability of such investment. The Bond Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with moneys representing income or principal payments due on, or sales proceeds due in respect of, Qualified Investments in such funds and accounts, or to credit to Qualified Investments intended to be purchased with such moneys, in each case before actually receiving the requisite moneys from the payment source, or to otherwise advance funds for account transactions. Notwithstanding anything else in this Bond Indenture, (i) any such crediting of funds or assets shall be provisional in nature, and the Bond Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Bond Indenture shall constitute a waiver of any of the Bond Trustee's rights as a securities intermediary under the Uniform Commercial Code. To the extent permitted by law, the Borrower and the Issuer specifically waive compliance with 12 C.F.R. 12, and, although the Borrower and the Issuer recognize that they may obtain a broker confirmations or written statements containing comparable information at no additional cost, the Borrower and the Issuer agree that confirmations of Qualified Investments are not required to be issued by the Bond Trustee for each month in which a monthly statement is rendered and that no statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. Notwithstanding the foregoing, to the extent the Bond Trustee receives and invests amounts under this Bond Indenture, the Bond Trustee shall provide the Borrower and the Issuer with periodic cash transactions statements which shall include details for all investment transactions made by the Bond Trustee hereunder. The Bond Trustee may sell, or present for redemption, any Qualified Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Qualified Investment is credited. The Bond Trustee shall not be liable or responsible for any loss incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the Issuer to provide timely written direction. Ratings of Qualified Investments shall be determined at the time of purchase of such Qualified Investments and without regard to ratings subcategories.

(b) Unless otherwise specifically provided herein, all interest, profits and other income received from the investment of moneys in any fund or account established pursuant to this Bond Indenture shall be deposited when received in such fund or account.

(c) All proceeds of remarketing of Bonds and all proceeds of a drawing upon the Credit Facility or the Liquidity Facility shall be held by the Bond Trustee uninvested in an Eligible Account (as defined in Section 4.10(a)(iii) hereof) and shall not be commingled and shall be applied to the payment of Eligible Bonds only. Eligible Moneys held for the redemption or payment of Bonds shall not be commingled with any other funds held under this Bond Indenture. In the event that an account required to be an Eligible Account no longer complies with the requirement, the Bond Trustee should promptly upon having notice of such event (and in any case, within not more than 30 calendar days of such notice) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

(d) All income from investments on deposit in the Rebate Fund shall be retained therein.

SECTION 5.07. DRAWS UPON CREDIT FACILITY. If a Credit Facility is in effect with respect to the Bonds, prior to using any other funds, if the Credit Facility is a letter of credit, the Bond Trustee shall, prior to 2:00 p.m., New York City time, on the Business Day immediately prior to each Interest Payment Date or each date on which principal or a Sinking Fund Installment is due, draw upon such Credit Facility in accordance with its terms in the amount necessary to fully provide for payments due on the Eligible Bonds on each such Interest Payment Date and on each date on which principal or a Sinking Fund Installment is due, as the case may be (for deposit in the Credit Facility Interest Account or the Credit Facility Principal Account, as applicable). In the event that the Credit Facility Provider fails to honor the drawing on the Credit Facility or the Credit Facility is repudiated with respect to the regularly scheduled payment of the principal of and interest on the Bonds, the Bond Trustee shall apply amounts on deposit in the Revenue Fund to pay principal of or interest on the Bonds, and shall make immediate demand upon the Borrower for payment of such amounts in the event of any deficiency or shortfall in the Revenue Fund.

SECTION 5.08. TRUST FUNDS; ESTABLISHMENT OF FUNDS AND ACCOUNTS. All moneys received by the Bond Trustee under the provisions of this Bond Indenture shall, except as provided in Section 4.10 hereof, be trust funds under the terms hereof for the benefit of all Bonds outstanding hereunder (except as otherwise provided) and shall not be subject to lien or attachment of any creditor of the Issuer or the Borrower. Such moneys shall be held in trust and applied in accordance with the provisions of this Bond Indenture. The Bond Trustee is hereby authorized to establish the funds, accounts or subaccounts, or any additional funds, accounts or subaccounts, as are necessary or advisable to carry out its duties hereunder.

SECTION 5.09. REBATE FUND. The Bond Trustee shall establish and maintain a separate account to be known as the "Rebate Fund - Lakeland Regional Health Systems, Inc. - Series 2024" (the "Rebate Fund"). The Bond Trustee shall make information regarding the Bonds and investments hereunder available to the Borrower and

shall deposit income from such investments upon receipt thereof in the Rebate Fund and shall maintain records for each investment relating to the purchase price thereof.

If a deposit to the Rebate Fund is required as a result of the computations made by the Borrower pursuant to the Tax Agreement, the Bond Trustee shall, upon receipt of written direction from the Borrower, accept such payment and deposit such payment in the Rebate Fund for the benefit of the Borrower. Records of the actions required by this Bond Indenture shall be retained by the Bond Trustee until six years after the Bonds have matured or have been redeemed or such longer period as required by the Bond Trustee's policies and procedures.

If at any time the Borrower is required to retain the Rebate Analyst to calculate the Rebate Amount but fails to deliver a report to the Bond Trustee in a timely manner, then the Issuer shall retain a Rebate Analyst, at the expense of the Borrower, to calculate the Rebate Amount.

The Bond Trustee may rely conclusively upon the Borrower's determinations, calculations and certifications required by this Section. The Bond Trustee shall have no responsibility to independently make any calculation or determination or to review the Borrower's calculations hereunder.

[Remainder of page intentionally left blank]

ARTICLE VI

PARTICULAR COVENANTS

SECTION 6.01. PUNCTUAL PAYMENT. The Issuer shall punctually cause to be paid the principal Purchase Price, or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Bond Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Bond Indenture.

SECTION 6.02. EXTENSION OF PAYMENT OF BONDS. Except as set forth in Section 9.01 hereof, the Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any Event of Default hereunder, to the benefits of this Bond Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Issuer to issue obligations for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

SECTION 6.03. AGAINST ENCUMBRANCES. The Issuer shall not create any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Bond Indenture while any of the Bonds are Outstanding, except the pledges and assignments created by this Bond Indenture, and will assist the Bond Trustee in contesting any such pledge, lien, charge or other encumbrance which may be created. Subject to this limitation, the Issuer expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other programs under the Act, and reserves the right to issue other obligations for such purposes.

SECTION 6.04. POWER TO ISSUE BONDS AND MAKE PLEDGE AND ASSIGNMENT. The Issuer is duly authorized pursuant to law to issue the Bonds and to enter into this Bond Indenture and to pledge and assign the Revenues and other assets purported to be pledged and assigned, respectively, under this Bond Indenture in the manner and to the extent provided in this Bond Indenture. The Bonds and the provisions of this Bond Indenture are and will be the legal, valid and binding limited obligations of the Issuer in accordance with their terms, and the Issuer and Bond Trustee shall at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bondholders under this Bond Indenture against all claims and demands of all Persons whomsoever.

SECTION 6.05. ACCOUNTING RECORDS AND FINANCIAL STATEMENTS. (a) The Bond Trustee shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions made by the Bond Trustee relating to the proceeds of Bonds, the pledge of Revenues and any other amounts held in any fund or account established pursuant to this Bond Indenture, the Loan Agreement, the Bond Obligation and all funds and accounts established pursuant to this Bond Indenture. Such books of record and account shall be available for inspection by the Issuer, the Obligated Group and any Bondholder or the agent or representative of any of them duly authorized in writing, at reasonable hours and under reasonable circumstances upon reasonable notice, including, without limitation, reasonable prior written notice of inspection.

(b) The Bond Trustee shall file and furnish on or before the 15th day of each month to the Issuer (upon Request of the Issuer), the Borrower and to each Bondholder who shall have filed such Bondholder's name and address with the Bond Trustee for such purpose and at such Bondholder's expense, a statement (which need not be audited) covering receipts, disbursements, allocation and application of the pledged Revenues and any other amounts held in any fund or account established pursuant to this Bond Indenture, for the preceding month.

SECTION 6.06. TAX COVENANTS. The Issuer shall at all times do and perform all acts and things reasonably within its control which are necessary or desirable in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and shall take no action reasonably within its control that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Issuer agrees to comply with the provisions of the Tax Agreement. This covenant shall survive payment in full or defeasance of the Bonds.

SECTION 6.07. ENFORCEMENT OF LOAN AGREEMENT AND BOND OBLIGATION. The Bond Trustee shall promptly collect all amounts due from the Borrower pursuant to the Loan Agreement and the Bond Obligation, and shall, subject to the provisions of this Bond Indenture, exercise all rights assigned to it pursuant to the Loan Agreement and, in the case of an Event of Default, shall, subject to the provisions of this Bond Indenture, enforce and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Issuer, whether or not the Issuer has undertaken to enforce such rights, and all of the obligations of the Borrower under the Loan Agreement and the Bond Obligation.

SECTION 6.08. AMENDMENT OF LOAN AGREEMENT. (a) Except as provided in Section 6.08(b) below, the Issuer shall not amend, modify or terminate any of the terms of the Loan Agreement, or consent to any such amendment, modification or termination unless the written consent of the Holders of a majority in principal amount of the Bonds then Outstanding to such amendment, modification or termination is filed with

the Bond Trustee, provided that no such amendment, modification or termination shall reduce the amount of Loan Repayments to be made to the Issuer or the Bond Trustee by the Borrower pursuant to the Loan Agreement, or extend the time for making such payments, without the written consent of all of the Holders of the Bonds then Outstanding.

(b) Notwithstanding the provisions of Section 6.08(a) above, the terms of the Loan Agreement may also be modified or amended from time to time and at any time by the Issuer without the necessity of obtaining the consent of any Bondholders, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Issuer or the Borrower contained in the Loan Agreement and to add other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power therein reserved to or conferred upon the Issuer or the Borrower, provided, that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Holders of the Bonds;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Loan Agreement, or in regard to matters or questions arising under the Loan Agreement, as the Issuer may deem necessary or desirable and not inconsistent with the Loan Agreement or this Bond Indenture, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(iii) to maintain the exclusion from gross income for federal income tax purposes of interest payable with respect to the Bonds;

(iv) to make any changes required by any Rating Agency to obtain or maintain a rating on the Bonds and which shall not materially adversely affect the interests of the Holders of the Bonds;

(v) to comply with the provisions of federal or state securities laws;

(vi) to make any modification or amendment to the Loan Agreement which will be effective upon the Conversion and/or remarketing of Bonds following the mandatory tender of the Bonds pursuant to Section 4.07 hereof; or

(vii) to make any other changes which will not materially adversely affect the interests of the Holders of the Bonds.

SECTION 6.09. WAIVER OF LAWS. The Issuer shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Bond Indenture or in the Bonds, and all benefit or

advantage of any such law or laws is hereby expressly waived by the Issuer to the extent permitted by law.

SECTION 6.10. FURTHER ASSURANCES. The Issuer will make, execute and deliver any and all such further indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Bond Indenture and for the better assuring and confirming unto the Holders of the Bonds of the rights and benefits provided in this Bond Indenture.

SECTION 6.11. CONTINUING DISCLOSURE. The Borrower has undertaken all responsibility for compliance with continuing disclosure requirements, and the Issuer shall have no liability to the Holders of the Bonds or any other Person with respect to Rule 15c2-12. Notwithstanding any other provision of this Bond Indenture, failure of the Borrower or the Dissemination Agent (as defined in the Continuing Disclosure Agreement) to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Bond Trustee may (and, at the request of any participating underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds and being provided indemnification satisfactory to it, shall) or any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower to comply with its obligations under Section 5.05 of the Loan Agreement or to cause the Bond Trustee to comply with its obligations under this Section.

[Remainder of page intentionally left blank]

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 7.01. EVENTS OF DEFAULT. The following events shall be Events of Default:

(a) default in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration or otherwise, or default in the redemption of any Bonds from Sinking Fund Installments in the amount and at the times provided therefor;

(b) default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) subject to the provisions of Section 4.18(b) hereof, failure to pay the Purchase Price of any Bond tendered pursuant to Article IV hereof when such payment is due (including during a Direct Purchase Period);

(d) a Loan Default Event;

(e) the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Indenture or any agreement supplemental hereto to be performed on the part of the Issuer, and such default shall continue for the period of 60 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer and the Borrower by the Bond Trustee which notice the Bond Trustee may give in its discretion and must give at the written request of the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding hereunder exclusive of Bonds then owned by the Issuer or any Member; provided that, if such default cannot with due diligence and dispatch be cured within 60 days but can be cured, the failure of the Issuer to remedy such default within such 60 day period shall not constitute a default hereunder if the Bond Trustee is provided with a certification from the Issuer or the Borrower, as the case may be, to the effect that such default cannot with due diligence and dispatch be cured within 60 days but can be cured and the Issuer or the Borrower, as the case may be, shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch within 180 days of the delivery of such default notice;

(f) receipt by the Bond Trustee of written notice from the Credit Facility Provider stating that an event of default has occurred under the Credit Facility Agreement and directing the Bond Trustee to declare the principal of the outstanding Bonds secured by such Credit Facility immediately due and payable;

(g) receipt by the Bond Trustee of a written notice from the Credit Facility Provider that amounts available to pay interest under the Credit Facility will not be reinstated following a drawing thereunder to pay interest and directing the Bond Trustee to declare the principal of the outstanding Bonds secured by such Credit Facility immediately due and payable;

(h) during a Direct Purchase Period, receipt by the Bond Trustee of written notice from the Direct Purchaser that an event of default has occurred under the Bondholder Agreement, which notice may in addition instruct the Bond Trustee to accelerate the Bonds pursuant to Section 7.02 hereof or instruct the Bond Trustee to subject the Bonds to mandatory tender pursuant to Section 4.08(b) hereof, if applicable; or

(i) a declaration by the Master Trustee of the entire principal amount of all Outstanding Obligations (as defined in the Master Indenture) and the interest accrued thereon to be immediately due and payable.

Upon a Responsible Officer of the Bond Trustee receiving written notice at the Corporate Trust Office or via Electronic Means of the existence of any Event of Default described in Section 7.01(d), (e), (f), (g), (h) or (i) above or upon a Responsible Officer of the Bond Trustee having actual knowledge of the existence of any Event of Default described in Section 7.01(a), (b) or (c) above, the Bond Trustee shall notify the Borrower, the Issuer, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Remarketing Agent, if any, the Direct Purchaser, if any, and the Master Trustee in writing as soon as practicable; provided, however, that the Bond Trustee need not provide notice of any Event of Default pursuant to paragraph (d) if the Borrower has expressly acknowledged the existence of such Event of Default in a writing delivered to the Bond Trustee, the Issuer, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Master Trustee.

SECTION 7.02. ACCELERATION; ANNULMENT OF ACCELERATION. (a) If an Event of Default described in Section 7.01(a), (b), (c), (f), (g), (h) or (i) hereof shall occur, then the Bond Trustee may with the written consent of the Credit Facility Provider, if any (and if the Credit Facility Provider has not failed to honor a properly presented and conforming draw under the Credit Facility), or, during a Direct Purchase Period, with the written consent of the Direct Purchaser and shall, at the direction of the Credit Facility Provider, if any (and if the Credit Facility Provider has not failed to honor a properly presented and conforming draw under the Credit Facility), or, during a Direct Purchase Period, at the direction of the Direct Purchaser, or, if no Credit Facility Provider or Direct Purchaser is then in effect, upon the direction of a majority in aggregate principal amount of the holders of all Bonds then Outstanding, shall declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. If the Bond Trustee declares the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be immediately due and payable, the Bond Trustee also, in its capacity as the holder of the Bond Obligation, may request the Master Trustee to

declare the aggregate principal amount of the Bond Obligation and the interest accrued thereon to be immediately due and payable in accordance with Section 5.02 of the Master Indenture.

(b) If an Event of Default described in Section 7.01(d) hereof shall occur, the Bond Trustee may take whatever action the Issuer would be required to take pursuant to the Loan Agreement in order to remedy the Loan Default Event. In addition, if an Event of Default described in Section 7.01(d) hereof shall occur, the Bond Trustee, at the direction of or with the written consent of the Credit Facility Provider, if any (and if the Credit Facility Provider has not failed to honor a properly presented and conforming draw under the Credit Facility), or, during a Direct Purchase Period, at the direction of or with the written consent of the Direct Purchaser may and, upon the written request of Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, shall declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. If the Bond Trustee declares the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be immediately due and payable, the Bond Trustee also, in its capacity as the holder of the Bond Obligation, may request the Master Trustee to declare the aggregate principal amount of the Bond Obligation and the interest accrued thereon to be immediately due and payable in accordance with Section 5.02 of the Master Indenture.

(c) If an Event of Default described in Section 7.01(e) hereof shall occur, the Bond Trustee may take whatever action at law or in equity is necessary or desirable to enforce the performance, observance or compliance by the Issuer with any covenant, agreement or condition by the Issuer under this Bond Indenture. In addition, if an Event of Default described in Section 7.01(e) hereof shall occur, the Bond Trustee, at the direction of or with the written consent of the Credit Facility Provider, if any (and if the Credit Facility Provider has not failed to honor a properly presented and conforming draw under the Credit Facility), or, during a Direct Purchase Period, at the direction of or with the written consent of the Direct Purchaser, may and, upon the written request of Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, shall declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. If the Bond Trustee declares the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be immediately due and payable, the Bond Trustee also, in its capacity as the holder of the Bond Obligation, may request the Master Trustee to declare the aggregate principal amount of the Bond Obligation and the interest accrued thereon to be immediately due and payable in accordance with Section 5.02 of the Master Indenture.

(d) Pursuant to this Section 7.02, upon the declaration by the Bond Trustee of the principal of all Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, the principal of all the Bonds then Outstanding, and the interest accrued thereon, shall become and shall be immediately due and payable, anything in this

Bond Indenture to the contrary notwithstanding. The Bond Trustee shall give or cause to be given notice of acceleration of the Bonds by first class mail to the Bondholders and of such date for payment upon acceleration at least eight days before such date for payment. Notice of such declaration having been given as aforesaid, anything to the contrary contained in this Bond Indenture or in the Bonds, interest shall cease to accrue on such Bonds from and after the date set forth in such notice (which date shall be no more than eight days from the date of such declaration). The Bond Trustee shall not be required to make payment to any Bondholder until the Bonds shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid. Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Issuer (but only out of Revenues received from or on behalf of the Borrower) or the Borrower shall deposit with the Bond Trustee a sum sufficient to pay all the principal, Redemption Price and Purchase Price of and installments of interest on the Bonds payment of which is overdue (other than amounts overdue solely as a result of acceleration), with interest on such overdue principal at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Bond Trustee, and if the Bond Trustee has received notification from the Master Trustee that any declaration of acceleration of the Bond Obligation has been annulled pursuant to the Master Indenture and any and all other Events of Default known to the Bond Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Bond Trustee or provision deemed by the Bond Trustee to be adequate shall have been made therefor, then the Bond Trustee shall, with the written consent of the Credit Facility Provider, if a Credit Facility is then in effect and the Credit Facility Provider has not failed to honor a properly presented and conforming draw under the Credit Facility, and upon receipt by the Bond Trustee of written confirmation that the Credit Facility has been reinstated, by written notice to the Issuer, the Borrower and the Bond Trustee, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, or shall impair or exhaust any right or power consequent thereon.

(e) After any acceleration hereunder, the Bond Trustee, to the extent it has not already done so, shall notify in writing the Issuer and the Borrower of the occurrence of such acceleration.

(f) In the event that the Master Trustee has accelerated the Bond Obligation and is pursuing its available remedies under the Master Indenture, the Bond Trustee, without waiving any Event of Default under this Bond Indenture, agrees not to pursue its available remedies under this Bond Indenture or the Loan Agreement in a manner that would hinder or frustrate the pursuit by the Master Trustee of its remedies under the Master Indenture provided that the Bond Trustee may take any action permitted of an Obligation holder under the Master Indenture.

(g) Notwithstanding anything contained herein to the contrary, however, while a Credit Facility is in effect or with respect to Direct Purchase Bonds, the Bonds shall not be declared immediately due and payable, nor shall they be subject to acceleration, nor shall any Event of Default be waived without the prior written consent or direction to such action by the Credit Facility Provider or the Direct Purchaser, as applicable.

SECTION 7.03. RIGHTS OF THE BOND TRUSTEE AND THE ISSUER CONCERNING BOND OBLIGATION. The Bond Trustee, as pledgee and assignee of certain of the right, title and interest of the Issuer in and to the Loan Agreement and all of its right, title and interest as assignee of the Bond Obligation shall, upon compliance with applicable requirements of law and except as otherwise set forth in this Article, be the real party in interest with standing to enforce each and every right granted to the Issuer under the Loan Agreement (other than those rights specifically retained by the Issuer pursuant to Section 5.01(b) hereof) and under the Bond Obligation which have been assigned to the Bond Trustee by this Bond Indenture. The Issuer and the Bond Trustee hereby agree, without in any way limiting the effect and scope thereof, that the pledge and assignment hereunder to the Bond Trustee of rights of the Issuer in and to the Bond Obligation and certain rights of the Issuer under the Loan Agreement shall constitute an agency appointment coupled with an interest on the part of the Bond Trustee which, for all purposes of this Bond Indenture, shall be irrevocable and shall survive and continue in full force and effect notwithstanding the bankruptcy or insolvency of the Issuer or its default hereunder or on the Bonds. In exercising such rights and the rights given the Bond Trustee under this Article, the Bond Trustee shall take such action as, in the judgment of the Bond Trustee, would best serve the interests of the Bondholders, taking into account the provisions of the Master Indenture, together with the security and remedies afforded to Holders of Obligations thereunder.

SECTION 7.04. ADDITIONAL REMEDIES AND ENFORCEMENT OF REMEDIES.

(a) Upon the occurrence and continuance of any Event of Default, the Bond Trustee shall, upon the written request of the Credit Facility Provider, if any, or, during a Direct Purchase Period, the Direct Purchaser (subject to Sections 7.13 and 7.14 hereof), and may, upon the written request of the Holders of a majority in principal amount of the Bonds Outstanding, with the consent of the Credit Facility Provider, if any, or the Direct Purchaser, together with indemnification of the Bond Trustee to its satisfaction therefor, proceed forthwith to protect and enforce its rights and the rights of the Bondholders hereunder and under the Act and the Bonds by such suits, actions or proceedings as the Bond Trustee, being advised by counsel, shall deem expedient, including but not limited to:

(i) civil action to recover money or damages due and owing;

(ii) civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Holders of Bonds;

(iii) enforcement of any other right of the Issuer and the Bondholders conferred by law or hereby; and

(iv) enforcement of any other right conferred by the Loan Agreement, the Bond Obligation or the Master Indenture.

(b) Regardless of the happening of an Event of Default, the Bond Trustee, if requested in writing by the Credit Facility Provider or the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Holders; provided that such request is in accordance with law and the provisions hereof.

SECTION 7.05. APPLICATION OF REVENUES AND OTHER FUNDS AFTER DEFAULT. If an Event of Default shall occur and be continuing, all moneys received by the Bond Trustee pursuant to any right given or action taken under the provisions of this Article (subject to Section 11.10 hereof and other than moneys required to be deposited in the Bond Purchase Fund) shall be applied by the Bond Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Bond Trustee to protect the interests of the Holders of the Bonds and payment of reasonable fees and expenses of the Bond Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Bond Indenture and the creation of a reasonable reserve for anticipated fees, costs and expenses;

(b) To the payment of Administrative Fees and Expenses to the Issuer; and

(c) Subject to the provisions of Section 7.05(d) hereof, the payment of the principal or Redemption Price of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) and any Reimbursement Obligations related thereto subject to the provisions of this Bond Indenture, as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

FIRST: To the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments (and any Reimbursement Obligations related to drawings on the Credit Facility for payment

of interest), and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the Persons entitled thereto of the unpaid principal (including Sinking Fund Installments) or Purchase Price or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption or purchase, in the order of their due dates (and any Reimbursement Obligations related to drawings on the Credit Facility for payment of principal (including Sinking Fund Installments) or Purchase Price or Redemption Price of any Bonds) with interest on the overdue principal at the rate borne by the respective Bonds or such Reimbursement Obligations, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date to the Persons entitled thereto, without any discrimination or preference; and

THIRD: During a Direct Purchase Period, to the payment to the Direct Purchaser (if any) of any amounts payable under the Bondholder Agreement or during any period in which a Credit Facility or Liquidity Facility is in effect, to the Credit Facility Provider or Liquidity Facility Provider of any amounts payable under the Credit Facility or Liquidity Facility, as applicable.

(ii) If the principal of all of the Bonds shall have become or have been declared due and payable,

FIRST: To the payment of the principal and interest then due and unpaid upon the Bonds (and Reimbursement Obligations), with interest on the overdue principal at the rate borne by the respective Bonds or such Reimbursement Obligations and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference; and

SECOND: During a Direct Purchase Period, to the payment to the Direct Purchaser (if any) of any amounts payable under the Bondholder Agreement, or during any period in which a Credit Facility or Liquidity Facility is in effect, to the Credit Facility Provider or Liquidity Facility Provider of any amounts payable under the Credit Facility or Liquidity Facility, as applicable.

(iii) Notwithstanding anything herein to the contrary, in no event shall the Bond Trustee be entitled to payment of its fees or expenses from any amounts held hereunder which constitute remarketing proceeds, proceeds of a drawing upon a Credit Facility or a Liquidity Facility or any moneys held under the Bond Purchase Fund.

(d) During any Direct Purchase Period, to the payment of the principal and interest on the Bonds and other amounts payable by the Borrower pursuant to the Bonds, the Loan Agreement, the Bondholder Agreement and the Bond Obligation in such order as determined by the Direct Purchaser; provided however, that payment of reasonable fees and expenses of the Bond Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Bond Indenture shall be paid first.

SECTION 7.06. REMEDIES NOT EXCLUSIVE. No remedy by the terms hereof conferred upon or reserved to the Bond Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity or by statute (including the Act) on or after the date hereof.

SECTION 7.07. REMEDIES VESTED IN BOND TRUSTEE. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Bond Trustee, without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding may be brought without the necessity of joining as plaintiffs or defendants any Holders of the Bonds. Subject to the provisions of Section 7.05 hereof, any recovery or judgment shall be for the equal benefit of the Holders of the Outstanding Bonds. Nothing herein shall be deemed to authorize the Bond Trustee to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Owner thereof, or to authorize the Bond Trustee to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owner so affected.

SECTION 7.08. BONDHOLDERS' CONTROL OF PROCEEDINGS. If an Event of Default shall have occurred and be continuing, the Direct Purchaser or the Holders of a majority in principal amount of all Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions hereof, provided that such direction is in accordance with law and the provisions hereof (including indemnity to the Bond Trustee as provided herein). Nothing in this Section shall impair the right of the Bond Trustee in its discretion to take any other action hereunder which it may deem proper and which is not inconsistent with such direction by Bondholders.

SECTION 7.09. INDIVIDUAL BONDHOLDER ACTION RESTRICTED.

(a) No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust hereunder or for any remedy hereunder except upon the occurrence of all of the following events:

(i) the Credit Facility Provider or the Holders of at least a majority in aggregate principal amount of Bonds Outstanding shall have made written request to the Bond Trustee to proceed to exercise the powers granted herein; and

(ii) the Credit Facility Provider or such Bondholders shall have offered the Bond Trustee indemnity as provided in Section 8.06 hereof; and

(iii) the Bond Trustee shall have failed or refused to exercise the duties or powers herein granted for a period of 60 days after receipt by it of such request and offer of indemnity; and

(iv) during such 60-day period no direction inconsistent with such written request has been delivered to the Bond Trustee by the Credit Facility Provider or the Holders of a majority in principal amount of Bonds then Outstanding.

(b) No one or more Holders of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security hereof or to enforce any right hereunder except in the manner herein provided and for the equal benefit of the Holders of all Bonds Outstanding.

(c) Nothing contained herein shall affect or impair, or be construed to affect or impair, the right of the Holder of any Bond (i) to receive payment of the principal of or interest on such Bond, as the case may be, on or after the due date thereof, or (ii) to institute suit for the enforcement of any such payment on or after such due date; provided, however, no Holder of any Bond may institute or prosecute any such suit or enter judgment therein if, and to the extent that, the judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien hereof on the money, funds and properties pledged hereunder for the equal and ratable benefit of all Holders of Bonds.

SECTION 7.10. TERMINATION OF PROCEEDINGS. In case any proceedings taken on account of an Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, the Liquidity Facility Provider, the Credit Facility Provider, or the Bondholders, then the Issuer, the Bond Trustee, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Bondholders shall be restored to their former positions and rights hereunder, and all rights and powers of the Bond Trustee, the

Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Bondholders shall continue as if no such proceeding had been taken.

SECTION 7.11. WAIVER OF EVENT OF DEFAULT. (a) No delay or omission of the Bond Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or in acquiescence therein. Every power and remedy given by this Article may be exercised from time to time and as often as may be deemed expedient.

(b) The Bond Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof, on or before the completion of the enforcement of any other remedy hereunder.

(c) The Bond Trustee, upon the written request of the Credit Facility Provider or the Holders of a majority in principal amount of the Bonds then Outstanding, shall waive any Event of Default hereunder and its consequences; provided, however, that a default in the payment of the principal or Redemption Price of or interest on any Bond, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Bonds at the time Outstanding, for which payment of the principal or Redemption Price of or interest on has not been made.

(d) In case of any waiver by the Bond Trustee of an Event of Default hereunder, the Issuer, the Bond Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon. The Bond Trustee shall not be responsible to anyone for waiving or refraining from waiving any Event of Default in accordance with this Section.

(e) Notwithstanding anything herein to the contrary, while a Credit Facility is in effect, the Bond Trustee shall not waive any Event of Default unless the Credit Facility Provider shall have rescinded in writing any default notice given by it and the Credit Facility shall have been reinstated in full. Notwithstanding anything herein to the contrary, with respect to Direct Purchase Bonds, the Bond Trustee shall not waive any Event of Default unless the Direct Purchaser, if any, shall have consented to such waiver in writing and all amounts due and owing under any Bondholder Agreement have been paid.

SECTION 7.12. LIMITATIONS ON REMEDIES. It is the purpose and intention of this Article to provide rights and remedies to the Bond Trustee, the Liquidity Facility Providers, the Credit Facility Providers, the Direct Purchaser, if any, and Bondholders which may be lawfully granted, but should any right or remedy herein granted be held to be unlawful, the Bond Trustee, the Liquidity Facility Providers, the Credit

Facility Providers, and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Bond Indenture and by law.

SECTION 7.13. CONSENT OF THE CREDIT FACILITY PROVIDER; ACTION AT DIRECTION OF THE CREDIT FACILITY PROVIDER. If a Credit Facility is in effect, unless the rights of the Credit Facility Provider are not in effect as provided in Section 11.16 hereof, the written consent of the Credit Facility Provider shall be required (a) for the initiation by Bondholders of any action to be undertaken by the Bond Trustee at the Bondholders' request, which under this Bond Indenture or the Loan Agreement or the Master Indenture requires the written approval or consent of or can be initiated by the holders of Bonds, (b) for the purposes of consents and directing action under the Loan Agreement or the Master Indenture, and (c) for the purpose of acceleration of the principal of the Bonds or the Bond Obligation, the annulment of any declaration of acceleration, and waivers of Events of Default. If a Credit Facility is in effect, unless the rights of the Credit Facility Provider are not in effect as provided in Section 11.16 hereof, the Bond Trustee shall, upon the written direction of the Credit Facility Provider and upon being indemnified as provided in Section 8.06 hereof, take any action available to the Bond Trustee hereunder or under the Loan Agreement or the Master Indenture.

Unless otherwise provided in this Section 7.13, the granting of the Credit Facility Provider's consent shall be in lieu of Bondholder consent, whenever this Bond Indenture otherwise requires Bondholder consent, including without limitation: (a) the execution and delivery of any Supplemental Bond Indenture or any amendment, supplement or change to or modification of the Loan Agreement, the Bond Obligation or the Master Indenture; (b) the removal of the Bond Trustee and the selection and appointment of any successor Bond Trustee; and (c) the initiation or approval of any action not described in (a) or (b) above which requires the consent of the Holders.

SECTION 7.14. RIGHTS OF HOLDER WHEN BONDS IN DIRECT PURCHASE PERIOD. Notwithstanding anything contained in this Article VII or this Bond Indenture to the contrary and subject to the provisions of the Master Indenture, during any period when the Bonds are in the Direct Purchase Mode, the Direct Purchaser shall have the right to enforce the rights and remedies provided to the Bond Trustee hereunder, to consent to amendments to this Bond Indenture and the Loan Agreement and to control all proceedings relating to the exercise of such rights and remedies in its own name and not subject to the restrictions contained herein. Other than as provided in the last sentence of Section 7.01 hereof, the Bond Trustee shall take action with respect to any Event of Default at, and only at, the written direction of the Direct Purchaser.

SECTION 7.15. NO OBLIGATION OF ISSUER TO ENFORCE ASSIGNED RIGHTS. Notwithstanding anything to the contrary in this Bond Indenture, the Issuer shall have no obligation to and instead the Bond Trustee may, without further direction from the Issuer, take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer (other than those specifically retained by the Issuer pursuant to

Section 5.01(b) hereof) under this Bond Indenture, the Loan Agreement, and the Bond Obligation, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Borrower under the Loan Agreement.

[Remainder of page intentionally left blank]

ARTICLE VIII

THE BOND TRUSTEE

SECTION 8.01. DUTIES, IMMUNITIES AND LIABILITIES OF BOND TRUSTEE. (a) At the request of the Borrower, the Issuer has appointed the Bond Trustee. The Bond Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Bond Indenture, and, except to the extent required by law, no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee. The Bond Trustee shall, during the existence of any Event of Default (which has not been cured or waived in accordance herewith), exercise such of the rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Issuer shall remove the Bond Trustee (i) upon Written Request of the Borrower at any time unless an Event of Default shall have occurred and then be continuing, (ii) upon the occurrence and continuation of an Event of Default, if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing), or (iii) if at any time the Bond Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Bond Trustee or its property shall be appointed, or any public officer shall take control or charge of the Bond Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving 30 days' prior written notice of such removal to the Bond Trustee, and thereupon shall appoint, with the written consent of the Borrower, a successor Bond Trustee by an instrument in writing , provided, however, the Bond Trustee shall be paid all fees and expenses due prior to the execution of such instrument.

(c) The Bond Trustee may at any time resign by giving written notice of such resignation to the Issuer and the Authorized Representative of the Borrower and by giving the Bondholders notice of such resignation by mail at the addresses shown on the Registration Books maintained by the Bond Trustee. Upon receiving such notice of resignation, the Issuer, at and in accordance with the written direction of the Authorized Representative of the Borrower, shall promptly appoint a successor Bond Trustee by an instrument in writing.

(d) The Bond Trustee shall not be relieved of its duties until a successor Bond Trustee has accepted appointment and assumed the duties of Bond Trustee hereunder. Any removal or resignation of the Bond Trustee and appointment of a successor Bond Trustee shall only become effective upon acceptance of appointment by the successor Bond

Trustee. If no successor Bond Trustee shall have been appointed and have accepted appointment within 30 days of giving notice of removal or notice of resignation as aforesaid, the retiring Bond Trustee at the expense of the Borrower, the Borrower or any Holder (on behalf of such Holder and all other Holders) may petition any court of competent jurisdiction for the appointment of a successor Bond Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Bond Trustee. Any successor Bond Trustee appointed under this Bond Indenture shall signify its acceptance of such appointment by executing and delivering to the Issuer, the Authorized Representative of the Borrower and its predecessor Bond Trustee a written acceptance thereof, and thereupon such successor Bond Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Bond Trustee, with like effect as if originally named Bond Trustee herein; but, nevertheless at the Request of the Issuer, the Authorized Representative of the Borrower or the request of the successor Bond Trustee, such predecessor Bond Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Bond Trustee all the right, title and interest of such predecessor Bond Trustee in and to any property held by it under this Bond Indenture and shall pay over, transfer, assign and deliver to the successor Bond Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Bond Trustee, the Issuer shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Bond Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Bond Trustee as provided in this subsection, the Issuer shall cause such successor Bond Trustee to mail a notice of the succession of such Bond Trustee to the trusts hereunder to the Holders at the addresses shown on the Registration Books maintained by the Bond Trustee.

(e) The Bond Trustee and any successor Bond Trustee shall be a trust company, national bank or other bank having the powers of a trust company having (or, in the case of a trust company or bank included in a bank holding company system, with a bank holding company having) a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authority. If such trust company, national bank or other bank publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Bond Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Bond Trustee shall resign immediately in the manner and with the effect specified in this Section.

SECTION 8.02. MERGER OR CONSOLIDATION. Any bank, corporation or association into which the Bond Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Bond Trustee shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of Bond Trustee, provided such entity shall be eligible under subsection (e) of Section 8.01 hereof, shall be the successor to such Bond Trustee without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

SECTION 8.03. LIABILITY OF BOND TRUSTEE. (a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Issuer, and the Bond Trustee assumes no responsibility for the correctness of the same, and makes no representations as to the legality, validity or sufficiency of this Bond Indenture, the Loan Agreement, the Bond Obligation or any other document related hereto, or of the Bonds, and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it except for any recital or representation specifically relating to the Bond Trustee or its powers. The Bond Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Bond Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence, or willful misconduct; provided, that this shall not be construed to limit the effect of subsection (f) hereof. The Bond Trustee may become the owner of Bonds with the same rights it would have if it were not Bond Trustee, and, to the extent permitted by law, may act as depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders, whether or not such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

(b) The Bond Trustee shall not be liable for any error of judgment made in good faith by any of its officers, employees, agents or representatives, unless it shall be proved that the Bond Trustee was negligent in ascertaining the pertinent facts.

(c) The Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Credit Facility Provider or Holders of not less than a majority in aggregate principal amount (or such lesser principal amount as is provided hereby) of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee under this Bond Indenture.

(d) The Bond Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Bond Indenture, including at the request, order or direction

of any of the Bondholders pursuant to the provisions of this Bond Indenture unless such Bondholders shall have offered to the Bond Trustee security or indemnity reasonably satisfactory to the Bond Trustee against the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction.

(e) The Bond Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Bond Indenture unless the Bond Trustee was negligent.

(f) No provision of this Bond Indenture shall require the Bond Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Bond Trustee may refuse to perform any duty or exercise any right or power which would require it to expend its own funds or risk any liability if it reasonably believes that repayment of such funds or adequate indemnity against such risk is not reasonably assured to it.

(g) Whether or not therein expressly so provided, every provision of this Bond Indenture, the Loan Agreement, the Bond Obligation or other documents relating to the issuance of the Bonds, relating to the conduct or affecting the liability of or affording protection to the Bond Trustee shall be subject to the provisions of this Article.

(h) The Bond Trustee may conclusively rely and shall be protected in acting or refraining from acting upon resolution, certificate, statement, requisition, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document, believed by it to be genuine or to have been signed or presented by the proper party or parties.

(i) The Bond Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(j) The Bond Trustee shall not be deemed to have knowledge of an Event of Default described in Section 7.01(d), (e), (f), (g), (h) or (i) herein, under the Loan Agreement, the Bond Obligation or any other document related to the Bonds unless it shall have received written notice thereof at its Corporate Trust Office or through a Responsible Officer vis Electronic Means and such notice references the Bonds and this Bond Indenture. The Bond Trustee shall not be deemed to have knowledge of an Event of Default described in Section 7.01(a), (b) or (c) herein unless it shall have actual knowledge at its Corporate Trust Office or through a Responsible Officer vis Electronic Means. As used herein, "actual knowledge" shall mean the actual fact or statement of knowing without any independent duty to make any investigation with regard thereto.

(k) The Bond Trustee shall not be accountable for the use or application by the Issuer or the Borrower of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Bond Trustee in accordance with the provisions of this Bond Indenture or for the use and application of money received by any paying agent. The permissive right of the Bond Trustee to do things enumerated in this Bond Indenture shall not be construed as a duty and the Bond Trustee shall not be answerable for other than its negligence or willful misconduct.

(l) In acting or omitting to act pursuant to the Loan Agreement, the Tax Agreement or any other documents executed in connection herewith or therewith, the Bond Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Bond Indenture, the Loan Agreement and the Tax Agreement including, but not limited to, this Article VIII.

(m) To the extent that the Bond Trustee is the holder of an Obligation under the Master Indenture, in its capacity as Bond Trustee hereunder, the Bond Trustee shall not be required to take any action or exercise any discretion under the Master Indenture as an Obligation holder, including, without limitation, exercising voting or consent rights, without receiving the written direction of the owners of a majority in aggregate principal amount of the Bonds.

(n) The rights, privileges, protections, immunities and benefits given to the Bond Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Bond Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(o) In no event shall the Bond Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(p) The Bond Trustee may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel.

(q) In no event shall the Bond Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, epidemics or pandemics, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Bond Trustee shall use reasonable efforts which are consistent

with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 8.04. RIGHT OF BOND TRUSTEE TO RELY ON DOCUMENTS. The Bond Trustee shall be fully protected in acting upon any notice, resolution, request, consent, order, certificate, statement, requisition, electronic mail, report, opinion, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. Before the Bond Trustee acts or refrains from acting, it may consult with counsel, who may be counsel of or to the Issuer, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith; provided, however, the Bond Trustee may act with such full and complete authorization and protection so long as whenever the Bond Trustee is to receive an Opinion of Counsel upon which it will rely in taking or omitting to take action, the Bond Trustee shall specifically request that the Issuer be named as an addressee of such Opinion of Counsel. If the Bond Trustee is informed that counsel will not name the Issuer as an addressee of such opinion, the Bond Trustee will promptly send notice to the Issuer and the Bond Trustee will refrain from acting upon any such Opinion of Counsel for a period of three (3) business days unless in the opinion of the Bond Trustee such delay would adversely affect the interests of the Bondholders.

With the exception of Persons in whose names Bonds are registered on the books maintained by the Bond Trustee for such purpose, the Bond Trustee shall not be bound to recognize any Person as the Holder of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is satisfactorily established, if disputed, and such Holder is registered on the books maintained by the Bond Trustee.

Whenever in the administration of the trusts imposed upon it by this Bond Indenture the Bond Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Issuer or a Certificate of the Borrower, and such Certificate shall be full warrant to the Bond Trustee for any action taken or suffered in good faith under the provisions of this Bond Indenture in reliance upon such Certificate, but in its discretion the Bond Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

SECTION 8.05. PRESERVATION AND INSPECTION OF DOCUMENTS. All documents received by the Bond Trustee under the provisions of this Bond Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, the Borrower and any Holder, and their agents and representatives duly authorized in writing (if such Holder provides to the Bond Trustee 30 days prior written notice and such notice specifies a date upon which such inspection shall occur), during normal business hours and under reasonable conditions.

SECTION 8.06. PERFORMANCE OF DUTIES. The Bond Trustee may execute any of the trusts or powers hereof and perform the duties required of it under either directly or by or through attorneys, agents, custodians or nominees appointed with due care and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. The Bond Trustee shall be entitled to advice of counsel concerning all matters of trust and its duties hereunder and shall be absolutely protected in relying thereon.

The Bond Trustee shall be paid its fees and expenses (including, without limitation, legal fees and expenses) hereunder by the Borrower in accordance with a separate fee schedule, and pursuant to the terms of the Loan Agreement. The Bond Trustee shall also be indemnified by the Borrower pursuant to the terms of the Loan Agreement. When the Bond Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

In accordance with Section 7.05 hereof, upon an Event of Default, and only upon an Event of Default, the Bond Trustee shall have a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the moneys received by the Bond Trustee for the foregoing fees, charges and expenses incurred by it.

[Remainder of page intentionally left blank]

ARTICLE IX

MODIFICATIONS OR AMENDMENTS

SECTION 9.01. AMENDMENTS TO BOND INDENTURE. (a) Subject to Section 7.14 hereof, this Bond Indenture and the rights and obligations of the Issuer and of the Holders of the Bonds and of the Bond Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Issuer and the Bond Trustee may enter into only with the written consent of (i) the Credit Facility Provider (provided that the Credit Facility is then in effect with respect to all Bonds then Outstanding and the Credit Facility Provider has not lost its rights pursuant to the provisions of Section 11.16 hereof) and the Borrower, or (ii) the Holders of a majority in aggregate principal amount of the Bonds then Outstanding (if no Credit Facility is in effect or the Credit Facility Provider has lost its rights pursuant to the provisions of Section 11.16 hereof) and the Borrower shall have been filed with the Bond Trustee. No such modification or amendment shall (A) extend the Maturity Date of any Bond, or reduce the amount of principal thereof, or extend the time of payment or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the Holder of each Bond so affected, or (B) reduce the aforesaid percentage of Bonds, the consent of the Holders of which is required to effect any such modification or amendment, or (C) permit the creation of any lien prior to or on a parity with the lien created by this Bond Indenture, or deprive the Holders of the Bonds of the lien created by this Bond Indenture (except as expressly provided in this Bond Indenture), without the consent of the Holders of all Bonds then Outstanding. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Bond Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Issuer and the Bond Trustee of any Supplemental Bond Indenture pursuant to this subsection (a), the Bond Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Bond Indenture to the Bondholders at the addresses shown on the Registration Books maintained by the Bond Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Bond Indenture.

(b) Subject to Section 7.14 hereof, this Bond Indenture and the rights and obligations of the Issuer, of the Bond Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Issuer and the Bond Trustee may enter into with the consent of the Borrower, but without the necessity of obtaining the consent of any Bondholders or Credit Facility Provider, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Issuer contained in this Bond Indenture other covenants and agreements thereafter to be observed, to pledge

or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Issuer; provided, that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Holders of the Bonds, as evidenced by the Opinion of Counsel delivered pursuant to Section 9.01(d) hereof;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Bond Indenture, or in regard to matters or questions arising under this Bond Indenture, including but not limited to reflecting the creation of separate Sub-Series for the Bonds, reflecting the serialization of the Bonds upon their Conversion to a Fixed Mode or reflecting the conversion of serial Bonds to term Bonds or other adjustments to the amortization and payment schedule in connection with their Conversion from a Fixed Mode, as the Issuer or the Borrower may deem necessary or desirable and not inconsistent with this Bond Indenture, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(iii) to modify, amend or supplement this Bond Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially adversely affect the interests of the Holders of the Bonds, as evidenced by the Opinion of Counsel delivered pursuant to Section 9.01(d) hereof;

(iv) to evidence or give effect to, or to conform to the terms and provisions of, any Liquidity Facility, any Credit Facility or any Self-Liquidity Arrangement;

(v) to facilitate and implement any book-entry system (or any termination of a book-entry system) with respect to the Bonds in accordance with the terms hereof;

(vi) to maintain the exclusion from gross income of interest payable with respect to the Bonds;

(vii) to make any modification or amendment to this Bond Indenture which will be effective upon the Conversion and/or remarketing of Bonds following the mandatory tender of the Bonds pursuant to Section 4.07 hereof;

(viii) to provide for the appointment of a successor bond trustee or co-trustee pursuant to the terms of Section 8.01(b) or (c) hereof; or

(ix) to make any modification or amendment to this Bond Indenture which shall not materially adversely affect the interests of the Holders of the Bonds.

(c) The Bond Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Bond Indenture authorized by subsections (a) or (b) of this Section which adversely affects the Bond Trustee's own rights, duties or immunities under this Bond Indenture or otherwise.

(d) In executing, or accepting the additional trusts created by, any Supplemental Bond Indenture permitted by this Article or the modification thereby of the trusts created by this Bond Indenture, the Bond Trustee shall be provided, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Bond Indenture is authorized or permitted by this Bond Indenture and complies with the terms hereof.

SECTION 9.02. EFFECT OF SUPPLEMENTAL BOND INDENTURE. Upon the execution of any Supplemental Bond Indenture pursuant to this Article, this Bond Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Bond Indenture of the Issuer, the Bond Trustee and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Bond Indenture shall be deemed to be part of the terms and conditions of this Bond Indenture for any and all purposes.

SECTION 9.03. ENDORSEMENT OF BONDS; PREPARATION OF NEW BONDS. Bonds delivered after the execution of any Supplemental Bond Indenture pursuant to this Article may, and if the Issuer so determines shall, bear a notation by endorsement or otherwise in form approved by the Issuer as to any modification or amendment provided for in such Supplemental Bond Indenture, and, in that case, upon demand of the Holder of any Bond Outstanding at the time of such execution and presentation of such Holder's Bond for the purpose at the designated Corporate Trust Office of the Bond Trustee or at such additional offices as the Bond Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Bond Indenture shall so provide, new Bonds so modified as to conform to any modification or amendment contained in such Supplemental Bond Indenture, shall be prepared by the Issuer at the expense of the Borrower, executed by the Issuer and authenticated by the Bond Trustee, and upon demand of the Holders of any Bonds then Outstanding shall be exchanged at the designated Corporate Trust Office of the Bond Trustee, without cost to any Bondholder, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same maturity.

SECTION 9.04. AMENDMENT OF PARTICULAR BONDS. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by such Bondholder; provided that due notation thereof is made on such Bonds.

ARTICLE X

SATISFACTION OF THIS BOND INDENTURE

SECTION 10.01. DISCHARGE OF BOND INDENTURE. Bonds may be paid in any of the following ways, provided that the Borrower also pays or causes to be paid any other sums payable hereunder and related to such Bonds:

(a) by paying or causing to be paid the principal or Redemption Price of and interest on Outstanding Bonds, as and when the same become due and payable;

(b) by depositing with the Bond Trustee, in trust, at or before maturity, money or United States Government Obligations in the amount necessary (as provided in Section 10.03 hereof) to pay or redeem all Bonds Outstanding; or

(c) by delivering to the Bond Trustee, for cancellation by it, Outstanding Bonds.

If the Issuer, the Borrower or the Bond Trustee shall also pay or cause to be paid all other sums payable hereunder by the Issuer, and if the Borrower shall have paid all expenses payable to the Issuer and the Bond Trustee, and any indemnification owed to the Issuer and Bond Trustee, then and in that case, at the election of the Borrower (evidenced by a Certificate of the Borrower, filed with the Bond Trustee, signifying the intention of the Borrower to discharge all such indebtedness and this Bond Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Bond Indenture and the pledge of the Revenues and other assets made under this Bond Indenture and all covenants, agreements and other obligations of the Issuer under this Bond Indenture shall cease, terminate, become void and be completely discharged and satisfied (except with respect to the transfer or exchange of Bonds provided for herein or therein, the payment of principal of and interest on the Bonds when due, the redemption of Bonds provided for in Article IV hereof and the payment of or the provision for any rebate payments then due and payable to the United States Treasury as specified in the Tax Agreement). In such event, upon Written Request of the Borrower, the Bond Trustee shall execute and deliver to the Issuer and the Borrower all such instruments as may be necessary or desirable (and prepared by or on behalf of the Issuer or the Borrower) to evidence such discharge and satisfaction, and the Bond Trustee shall pay over, transfer, assign or deliver to the Borrower all moneys or securities or other property held by it pursuant to this Bond Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption; provided that, prior to the Bond Trustee paying over, transferring, assigning or delivering to the Borrower such moneys, securities or other property, all Administrative Fees and Expenses and any indemnification owed the Issuer shall have been paid. The release of the obligations of the Issuer hereunder shall be without prejudice to the right of the Bond Trustee to be paid reasonable compensation for all services rendered hereunder by it and all reasonable expenses, charges and other disbursements (from any money in its possession under the provisions of this Bond

Indenture, subject only to the prior lien of the Bonds for the payment of the principal thereof and the interest thereon) incurred on or about the administration of the trust hereby created and the performance of its duties hereunder, nor its right to indemnification hereunder and under the Loan Agreement.

SECTION 10.02. EFFECT OF DEFEASANCE. Upon the deposit with the Bond Trustee, in trust, at or before maturity, of money or securities in the amount necessary (as provided in Section 10.03 hereof) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond) and, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice, this Bond Indenture may be released and discharged in accordance with the provisions hereof and of Section 10.01 hereof, but the liability of the Issuer in respect of such Bonds shall continue but only to the extent that the Holder thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Bond Trustee as aforesaid for their payment; and, provided, further, that the provisions of Section 10.04 hereof shall apply in any event.

With respect to any Weekly Bonds, Two Day Bonds or Daily Bonds enhanced with a Liquidity Facility or Credit Facility that, in either case, is a direct-pay letter of credit, any such initial deposit or initial investment must be made with Eligible Moneys. Prior to defeasing any Weekly Bonds, Two Day Bonds or Daily Bonds enhanced by a Liquidity Facility or a Credit Facility pursuant to this Section 10.02, the Borrower shall either (a) obtain written confirmation from each Rating Agency then rating the Bonds that the ratings on the Bonds will not be lowered or withdrawn as a result of the defeasance of the Bonds, or (b) cause the Liquidity Facility or Credit Facility then in effect to remain in effect until the earlier of the final redemption date or the maturity date of the defeased Bonds.

Notwithstanding anything in this Bond Indenture to the contrary, Bonds secured by a Liquidity Facility or a Credit Facility shall not be defeased unless each of the following conditions is satisfied: (a) the defeasance escrow for such Bonds shall be held uninvested in cash only and shall not be invested in United States Government Obligations or any other form of investment; and (b) there shall be delivered to the Bond Trustee and the Issuer a certificate or report of a verification agent or an independent certified public accountant firm as to the adequacy of the defeasance escrow so established. The rights of the Holders of Bonds bearing interest at a Daily Rate, a Two Day Rate, a Window Rate, a VRO Rate or a Weekly Rate to optionally tender such Bonds pursuant to Section 4.06(a) hereof shall continue to be in full force and effect during the defeasance escrow period and shall remain in effect until the redemption date of such Bonds.

SECTION 10.03. DEPOSIT OF MONEY OR SECURITIES WITH BOND TRUSTEE. Whenever in this Bond Indenture it is provided or permitted that there be deposited with or held in trust by the Bond Trustee money or securities in the amount necessary to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Bond Trustee in the funds and accounts established pursuant to this Bond Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity (based on an assumed interest rate equal to the Maximum Interest Rate for periods for which the actual interest rate on the Bonds cannot be determined), except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV hereof provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon (based upon an assumed interest rate equal to the Maximum Interest Rate, for periods for which the actual interest on the Bonds cannot then be determined) to the redemption date; or

(b) United States Government Obligations (not callable by the issuer thereof prior to maturity), the principal of and interest on which when due will provide money sufficient, without regard to any reinvestment thereof, to pay the principal or Purchase Price for any Bonds tendered for purchase (in which case the tendered Bonds shall be purchased and shall be cancelled), or Redemption Price of and all unpaid interest to maturity (based on an assumed interest rate equal to the Maximum Interest Rate for periods for which the actual interest rate on the Bonds cannot be determined) or to the Purchase Date or redemption date, as the case may be, on the Bonds to be paid, purchased or redeemed, as such principal or Redemption Price and interest become due; provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV hereof provided or provision satisfactory to the Bond Trustee shall have been made for the giving of such notice; and, provided further, in each case, that the Bond Trustee shall have been irrevocably instructed (by the terms of this Bond Indenture or by Written Request of the Borrower or the Issuer) to apply such money to the payment of such principal or Purchase Price or Redemption Price and interest with respect to such Bonds.

Prior to any defeasance becoming effective under this Section 10.03, the Borrower shall deliver, or caused to be delivered, to the Bond Trustee and the Issuer if United States Government Obligations comprise all or part of the defeasance deposit, a copy of a certificate or report of a verification agent or an independent certified public accountant firm indicating the sufficiency of the maturing principal and the interest income on such United States Government Obligations to pay when due the principal or Redemption Price of and interest on such Bonds.

SECTION 10.04. PAYMENT OF BONDS AFTER DISCHARGE OF BOND INDENTURE. Notwithstanding the discharge of the lien hereof as in this Article provided, the Bond Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Bonds and the registration, transfer, exchange and replacement of Bonds as provided herein. Subject to any applicable escheat law, any money held by the Bond Trustee for the payment of the principal, Redemption Price or Purchase Price of or interest on any Bond remaining unclaimed for three years after the principal or Purchase Price of all Bonds has become due and payable, whether at maturity or proceedings for redemption or tender for purchase or by declaration as provided herein, shall then be paid to the Borrower (without liability for interest) and the Holders of any Bonds not theretofore presented for payment shall thereafter be entitled to look only to the Borrower for payment thereof and all liability of the Bond Trustee and the Issuer with respect to such moneys shall thereupon cease. Any such delivery shall be in accordance with customary practices and procedures of the Bond Trustee and the escheat law. Unless otherwise required by any applicable escheat law, any money held by the Bond Trustee pursuant to this paragraph shall be held uninvested and without any liability for interest.

SECTION 10.05. REDEMPTION AFTER SATISFACTION OF BOND INDENTURE. Notwithstanding anything to the contrary herein, upon the provision for payment of the Bonds or a portion thereof through a date subsequent to any optional redemption date as specified in Section 10.01(b) hereof, the optional redemption provisions of Section 4.01 hereof allowing such Bonds to be called prior to maturity upon proper notice (notwithstanding provision for the payment of such Bonds having been made through a date subsequent to the first optional redemption date provided for in Section 4.01 hereof) shall remain available to the Issuer, upon direction of the Borrower, unless, in connection with making the deposit referred to in said Section, the Issuer, at the direction of the Borrower, shall have irrevocably elected in writing to waive any future right to call the Bonds or portions thereof for redemption prior to maturity. Notwithstanding anything to the contrary herein, upon the provision for payment of the Bonds or a portion thereof prior to the maturity thereof as specified in Section 10.01(b) hereof, the Issuer, upon direction of the Borrower, may elect to pay such Bonds on the respective maturity dates therefor unless, in connection with making the deposits referred to in such Sections, the Issuer, at the direction of the Borrower, shall have irrevocably elected in writing to waive such right to provide for the payment thereof on the Maturity Date. No such redemption or restructuring shall occur, however, unless the Borrower shall deliver on behalf of the Issuer to the Bond Trustee, (a) United States Government Obligations and/or cash sufficient to discharge such Bonds (or portion thereof) on the redemption or maturity date or dates selected, (b) a copy of a certificate or report of a verification agent or an independent certified public accountant firm indicating that such United States Government Obligations, together with the expected earnings thereon, and/or cash will be sufficient to provide for the payment of such Bonds to the redemption or maturity dates,

and (c) a Favorable Opinion of Bond Counsel. The Bond Trustee will give written notice of any such redemption or restructuring to the owners of the Bonds affected thereby.

SECTION 10.06. SURVIVAL. Notwithstanding the payment in full of the Bonds, the discharge of this Bond Indenture, and the termination or expiration of the Loan Agreement and the Bond Obligation, all provisions in this Bond Indenture concerning (a) the tax-exempt status of the Bonds (including, but not limited to provisions concerning rebate), (b) the interpretation of this Bond Indenture, (c) the governing law, (d) the forum for resolving disputes, (e) the Issuer's right to rely on facts or certificates, (f) the indemnity of the Issuer indemnified parties from liability, and (g) the lack of pecuniary liability of the Issuer and the State, shall survive and remain in full force and effect.

[Remainder of page intentionally left blank]

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. LIABILITY OF ISSUER LIMITED TO REVENUES. The Bonds shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof other than the Issuer or a pledge of the faith and credit of the State or of any political subdivision thereof, but shall be payable solely from the funds herein provided. Neither the State nor the Issuer shall be obligated to pay the principal, Purchase Price or Redemption Price of or interest on the Bonds, except from Revenues and the other assets pledged hereunder and neither the faith and credit nor the taxing power of the State or of any political subdivision thereof is pledged to the payment of the principal, Purchase Price or Redemption Price of or interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. Notwithstanding anything in this Bond Indenture or in the Bonds contained, the Issuer shall have no pecuniary liability under this Bond Indenture except that which can be satisfied from Revenues and the other assets pledged hereunder, and the Issuer shall not be required to advance any moneys derived from any source other than Revenues and the other assets pledged hereunder for any of the purposes in this Bond Indenture mentioned, whether for the payment of the principal, Purchase Price or Redemption Price of or interest on the Bonds or for any other purpose of this Bond Indenture. Nevertheless, the Issuer may, but shall not be required to, advance for any of the purposes hereof any funds of the Issuer which may be made available to it for such purposes.

SECTION 11.02. SUCCESSOR IS DEEMED INCLUDED IN ALL REFERENCES TO PREDECESSOR. Whenever in this Bond Indenture either the Issuer or the Bond Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Bond Indenture contained by or on behalf of the Issuer or the Bond Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.03. LIMITATION OF RIGHTS TO PARTIES, THE BORROWER, LIQUIDITY FACILITY PROVIDER, CREDIT FACILITY PROVIDER, DIRECT PURCHASER AND BONDHOLDERS. Nothing in this Bond Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any Person other than the Issuer, the Bond Trustee, the Borrower, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Bond Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Issuer, the Bond Trustee, the Borrower, the Liquidity Facility Provider, if any, the Credit Facility Provider, if any, the Direct Purchaser, if any, and the

Holders of the Bonds. The Liquidity Facility Provider, if any, the Credit Facility Provider, if any, and the Direct Purchaser, if any, shall be third-party beneficiaries hereof.

SECTION 11.04. WAIVER OF NOTICE. Whenever in this Bond Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 11.05. DESTRUCTION OF BONDS. Whenever in this Bond Indenture provision is made for the cancellation by the Bond Trustee and the delivery to the Issuer of any Bonds, the Bond Trustee shall, in lieu of such cancellation and delivery, destroy such Bonds and, if requested, deliver a certificate of such destruction to the Issuer.

SECTION 11.06. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the provisions contained in this Bond Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Bond Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Bond Indenture, and this Bond Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Issuer hereby declares that it would have entered into this Bond Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Bond Indenture may be held illegal, invalid or unenforceable, except that the Issuer would not have entered into this Bond Indenture without all of the limitations to its obligations described therein.

SECTION 11.07. NOTICES. Unless otherwise specifically provided herein, any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when the same are: (a) deposited in the United States mail and sent by first class mail, postage prepaid, or (b) delivered, in each case to the parties at the addresses set forth below or at such other address as a party may designate by notice to the other parties:

To the Issuer: City of Lakeland, Florida
City Hall
228 S. Massachusetts Avenue
Lakeland, Florida 33801
Telephone: (863) 834-6210
Attention: City Attorney

To the Borrower:	Lakeland Regional Health Systems, Inc. 230 South Florida Avenue, 4th Floor Lakeland, Florida 33801 Telephone: (863) 687-1100 Attention: Executive Vice President and Chief Financial Officer
To the Bond Trustee:	The Bank of New York Mellon Trust Company, N.A. 4655 Salisbury Road, Suite 300 Jacksonville, Florida 32256 Telephone: 904/645-1936 Attention: Corporate Trust Department
To the Master Trustee:	The Bank of New York Mellon Trust Company, N.A. 4655 Salisbury Road, Suite 300 Jacksonville, Florida 32256 Telephone: 904/645-1936 Attention: Corporate Trust Department

(or in each case at such other or additional addresses as may have been filed in writing with the Bond Trustee). Any notice required to be sent to a Liquidity Facility Provider or Credit Facility Provider shall be sent to the address indicated therefor in the applicable Liquidity Facility or Credit Facility Agreement. Any notice required to be sent to the Direct Purchaser shall be sent to the address indicated therefor in the applicable Bondholder Agreement.

The Bond Trustee shall provide written notice to each Rating Agency which maintains a rating on the Bonds of the occurrence of any of the following events of which a Responsible Officer of the Bond Trustee has actual knowledge: (a) any change in the Bond Trustee or Remarketing Agent; (b) any amendments to this Bond Indenture, the Loan Agreement, the Master Indenture, the Liquidity Facility, the Credit Facility or the Credit Facility Agreement; (c) the expiration, termination, extension or substitution of any Liquidity Facility or Credit Facility; (d) the acceleration, optional redemption, defeasance or mandatory tender of the Bonds; or (e) any Conversion of the Interest Rate Mode with respect to all or a portion of the Bonds. Any notice given pursuant to this paragraph to S&P Global Ratings shall be sent to 55 Water Street, New York, New York 10041, Attention Municipal Structured Group, E mail address: pubfin_structured@spglobal.com. Any notice given pursuant to this paragraph to Moody's shall be sent to 7 World Trade Center at 250 Greenwich Street, 23rd Floor New York, New York 10007, Attention: Municipal Structured Finance Group, E-mail address: MSPGSsurveillance@moodys.com. In addition, the Bond Trustee shall provide such Rating Agencies with any other information in the Bond Trustee's possession concerning the Bonds, this Bond Indenture or the Loan Agreement that such Rating Agencies may reasonably require in order to maintain the rating on the Bonds. The Bond Trustee shall incur no liability for failure to

give any such notices required to be provided to a Rating Agency under the terms hereof and the obligation to provide any such written notices is conditioned upon the Issuer providing the Bond Trustee with written notice as to the applicable Rating Agency then rating the Bonds.

SECTION 11.08. EVIDENCE OF RIGHTS OF BONDHOLDERS. Any request, consent or other instrument required or permitted by this Bond Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any Person of Bonds transferable by delivery, shall be sufficient for any purpose of this Bond Indenture and shall be conclusive in favor of the Bond Trustee and the Issuer if made in the manner provided in this Section.

The fact and date of the execution by any Person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the Person signing such request, consent or other instrument acknowledged to such notary public or officer the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the Registration Books.

Any request, consent or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Bond Trustee or the Issuer in accordance therewith or reliance thereon.

SECTION 11.09. DISQUALIFIED BONDS. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Bond Indenture, Bonds which are owned or held by or for the account of the Issuer, the Borrower, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Issuer, the Borrower or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination; except that in determining whether the Bond Trustee shall be protected in relying upon any such demand, request, direction, consent or waiver of an Owner, only Bonds which a Responsible Officer of the Bond Trustee actually knows to be owned or held by or for the account of the Issuer or the Borrower, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Issuer or the Borrower or any other obligor on the Bonds, shall be disregarded unless all Bonds are so owned or held, in which case such Bonds shall be considered Outstanding for the purpose of such determination. Bonds so

owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Bond Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Issuer, the Borrower or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Bond Trustee taken upon the advice of counsel shall be full protection to the Bond Trustee. Upon request of the Bond Trustee, the Issuer and the Borrower shall specify in a certificate to the Bond Trustee those Bonds disqualified pursuant to this Section and the Bond Trustee may conclusively rely on any such certificate.

SECTION 11.10. MONEY HELD FOR PARTICULAR BONDS. The money held by the Bond Trustee for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04 hereof.

SECTION 11.11. FUNDS AND ACCOUNTS. Any fund required by this Bond Indenture to be established and maintained by the Bond Trustee may be established and maintained in the accounting records of the Bond Trustee either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the corporate trust industry, to the extent practicable and for the protection of the security of the Bonds and the rights of every Holder thereof.

SECTION 11.12. WAIVER OF PERSONAL LIABILITY. No member, officer, official, agent or employee of the Issuer shall be individually or personally liable for the payment of the principal, Purchase Price, or Redemption Price of (including premium, if any), or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, official, agent or employee of the Issuer from the performance of any official duty provided by law or by this Bond Indenture.

SECTION 11.13. BUSINESS DAYS. If any date specified herein shall not be a Business Day, any action required on such date may be made on the next succeeding Business Day with the same effect as if made on such date.

SECTION 11.14. GOVERNING LAW; VENUE. The laws of the State govern all matters arising out of or relating to this Bond Indenture and the Bonds, including, without limitation, their validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Bond Indenture shall bring the legal action or proceeding in any court located in Polk County, Florida. and applicable appellate courts, unless the Issuer waives this requirement in writing. Each party agrees that the exclusive (subject to waiver as set forth herein) choice of forum set forth in this section does not prohibit the enforcement of any judgment obtained in that forum or any other appropriate forum. Each party waives, to the fullest extent permitted by law, (a) any objection which may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Bond Indenture brought in any court located in Polk County, Florida, and applicable appellate courts, and (b) any claim that any such action or proceeding brought in such court has been brought in an inconvenient forum.

SECTION 11.15. EXECUTION IN SEVERAL COUNTERPARTS. This Bond Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Issuer and the Bond Trustee shall preserve undestroyed, shall together constitute but one and the same instrument. The exchange of copies of this Bond Indenture and of signature pages by Electronic Means shall constitute effective execution and delivery of this Bond Indenture as to the parties hereto and may be used in lieu of the original Bond Indenture and signature pages for all purposes.

SECTION 11.16. REFERENCE TO CREDIT FACILITY PROVIDER OR LIQUIDITY FACILITY PROVIDER INEFFECTIVE. Anything contained in this Bond Indenture, the Loan Agreement or in the Bonds to the contrary notwithstanding, the existence of all rights given to the Liquidity Facility Provider or the Credit Facility Provider with respect to the giving of consents or approvals or the direction of proceedings are expressly conditioned upon its timely and full performance of the payment of properly presented and conforming draws under the Liquidity Facility or the Credit Facility, as the case may be. Any such rights shall not apply at any time there are no Bonds Outstanding or the Liquidity Facility Provider or the Credit Facility Provider has failed to honor a properly presented and conforming draw under the Liquidity Facility or the Credit Facility; the Liquidity Facility Provider or the Credit Facility Provider has been declared insolvent or bankrupt by a court of competent jurisdiction, an order or decree has been entered appointing a receiver, receivers, custodian or custodians for any of its assets or revenues, or any proceeding shall be instituted with the consent or acquiescence of the Liquidity Facility Provider or the Credit Facility Provider or any plan shall be entered into by the Liquidity Facility Provider or the Credit Facility Provider for the purpose of effecting a composition between the Liquidity Facility Provider or the Credit Facility Provider, as the case may be, and its creditors or for the purpose of adjusting the claims of such creditors, the Liquidity Facility Provider or the Credit Facility Provider makes any assignment for the benefit of its creditors or the Liquidity Facility Provider or the Credit Facility Provider is generally not paying its debts as such debts become due, the Liquidity Facility Provider or the Credit Facility Provider files a petition in bankruptcy under Title 11 of the United

States Code, as amended or the Liquidity Facility or the Credit Facility has been determined to be void or unenforceable by final judgment of a court of competent jurisdiction; provided that this Section 11.16 shall not in any way limit or affect the rights of the Credit Facility Provider or the Liquidity Facility Provider as a Bondholder, as subrogee of a Bondholder or as assignee of a Bondholder, any Reimbursement Obligations or to otherwise be reimbursed and indemnified for its costs and expenses and other payments on or in connection with the Bonds, the Credit Facility or the Liquidity Facility, either by contract or operation of law.

SECTION 11.17. ELECTRONIC SIGNATURES. The parties agree that the electronic signature of a party to this Bond Indenture, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to this Bond Indenture. The parties agree that any electronically signed document (including this Bond Indenture) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

SECTION 11.18. ELECTRONIC COMMUNICATIONS. The Bond Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions"), given pursuant to this Bond Indenture and related documents and delivered using Electronic Means; provided, however, that the Issuer and/or the Borrower shall provide to the Bond Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer and/or the Borrower whenever a person is to be added or deleted from the listing. If the Issuer and/or the Borrower elects to give the Bond Trustee Instructions using Electronic Means and the Bond Trustee in its discretion elects to act upon such Instructions, the Bond Trustee's understanding of such Instructions shall be deemed controlling. The Issuer and the Borrower understand and agree that the Bond Trustee cannot determine the identity of the actual sender of such Instructions and that the Bond Trustee shall conclusively presume that directions that purport to have been sent by an Authorized

Officer listed on the incumbency certificate provided to the Bond Trustee have been sent by such Authorized Officer. The Issuer and the Borrower shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bond Trustee and that the Issuer, the Borrower and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer and/or the Borrower. The Bond Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from its reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees: (a) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bond Trustee, including without limitation the risk of the Bond Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (b) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bond Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer and the Borrower agree; (c) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (d) to notify the Bond Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" for the purposes of this Section shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method or system specified by the Bond Trustee as available for use in connection with its services hereunder.

[Signature pages to follow]

[ISSUER'S SIGNATURE PAGE TO BOND INDENTURE]

IN WITNESS WHEREOF, the Issuer has caused this Bond Indenture to be signed in its name and on its behalf by its Authorized Representative and the Bond Trustee has caused this Bond Indenture to be executed by its duly authorized officer, all as of the day and year first above written.

(SEAL)

CITY OF LAKELAND, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
City Attorney

[BOND TRUSTEE'S SIGNATURE PAGE TO BOND INDENTURE]

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Bond Trustee

By: _____
Vice President

EXHIBIT A

FORM OF BOND

[Unless this Bond certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

[THE REQUIREMENTS OF SECTION 2.17 OF THE BOND INDENTURE MUST BE COMPLIED WITH FOR ANY TRANSFER OF THE BONDS.]

CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE REFUNDING BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS)
SERIES 2024 (the "Bonds")

No. R-[__] **$[PAR]**

Interest Rate Mode	Interest Rate	Maturity Date	Dated Date	CUSIP
Fixed Mode		November 15, 20[_]	[CLOSING DATE], 2024	511665___

PRINCIPAL AMOUNT: [WRITTEN PAR] THOUSAND DOLLARS AND 00/100

REGISTERED HOLDER: CEDE & CO.

City of Lakeland, Florida, a municipal corporation of the State of Florida (the "State"), is authorized pursuant to the Constitution of the State of Florida, the Issuer's Charter, Chapter 166, Florida Statutes, Part II of Chapter 159, Florida Statutes, as the same may be supplemented and amended from time to time, and other applicable provisions of law (the "Act") (the "Issuer"), for value received, promises to pay to the registered owner of this Bond or registered assigns (the "Registered Owner"), but solely from the money to be provided under the Loan Agreement and the Bond Indenture (defined below), upon presentation and surrender hereof, in lawful money of the United States of America, the Principal Amount on the Maturity Date, unless paid earlier as provided below, with interest from the most recent Interest Payment Date (as defined in the Bond Indenture) to which interest has been paid or duly provided for or, if no interest has been paid, from the Date

of Issuance specified above and until paid in full, at the interest rates per annum determined as set forth in the Bond Indenture, on each Interest Payment Date.

All capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Bond Indenture.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS THEREFOR PROVIDED. NEITHER THE STATE NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL, PURCHASE PRICE, OR THE REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THIS BOND EXCEPT FROM REVENUES AND THE OTHER ASSETS PLEDGED UNDER THE BOND INDENTURE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PURCHASE PRICE, OR THE REDEMPTION PRICE OF (INCLUDING PREMIUM, IF ANY), OR INTEREST ON THIS BOND. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT.

The principal on this Bond and the Redemption Price are payable upon surrender at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., as bond trustee (in such capacity, the "Bond Trustee").

The Bonds are initially issued in the Fixed Mode. All amounts payable with respect to such Bonds shall be paid directly by the Bond Trustee to DTC, and interest shall be distributed to the Holder of this Bond in accordance with the rules and regulations of DTC. If the DTC Book-Entry System is terminated, the interest due on any Interest Payment Date with respect to this Bond shall be payable to the Holder of this Bond on the Regular Record Date for such Interest Payment Date, which shall be the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date for such Bond.

The Bonds are issued under a Bond Indenture, dated as of **[**August**]** 1, 2024 (as from time to time amended or supplemented in accordance with the terms thereof, the "Bond Indenture"), between the Issuer and the Bond Trustee in the aggregate principal amount of $[PAR] and secured pursuant to the Bond Indenture. The proceeds of the Bonds will be loaned to Lakeland Regional Health Systems, Inc., a not-for-profit corporation duly organized and existing under the laws of the State (together with its permitted successors and assigns, the "Borrower"), which funds will be used for the purposes described in the Bond Indenture.

Said loan by the Issuer to the Borrower of the proceeds of the Bonds will be made under and secured as described in a Loan Agreement, dated as of **[**August**]** 1, 2024 (as from time to time amended or supplemented in accordance with the terms thereof, the "Loan Agreement"), between the Issuer and the Borrower. The terms of the Loan Agreement will require payments by the Borrower which, together with other moneys available therefor, will be sufficient to provide for the payment of the principal of, premium, if any, and interest on the Bonds and Purchase Price, when payable under the Bond Indenture. The Bonds will be secured by Obligation No. 9 (as from time to time amended or supplemented in accordance with the terms thereof, the "Bond Obligation") in the principal amount of $[PAR]. The Bond Obligation is issued pursuant to that certain Amended and Restated Master Trust Indenture, dated as of February 1, 2015 (as supplemented and amended, including by the Bond Supplemental Master Indenture defined below, and as it may from time to time be supplemented or amended in accordance with the terms thereof, the "Master Indenture"), among the Borrower, the other Members of the Obligated Group, and The Bank of New York Mellon Trust Company, N.A., a national banking association, as master trustee thereunder (in such capacity, the "Master Trustee"), as currently being supplemented and amended pursuant to a Supplemental Indenture for Obligation No. 9, dated as of **[**August**]** 1, 2024 (as from time to time amended or supplemented in accordance with the terms thereof, the "Bond Supplemental Master Indenture"), between the Borrower and the Master Trustee.

The Bonds are all issued under and equally and ratably secured by and entitled to the security of the Bond Indenture, pursuant to which Bond Indenture, the Revenues and the Bond Obligation are pledged and assigned and all of the right, title and interest of the Issuer in and to the Loan Agreement (other than those rights specifically retained by the Issuer pursuant to the Bond Indenture) are assigned by the Issuer to the Bond Trustee as security for the Bonds.

Reference is made to the Bond Indenture, to all indentures supplemental thereto, to the Master Indenture, to all indentures supplemental thereto, and to the Loan Agreement and to all amendments thereto, for the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Bond Trustee and the Master Trustee and the rights of the owners of the Bonds, and to all the provisions of which the owner hereof, by the acceptance of this Bond assents.

This Bond is registered on the Registration Books of the Bond Trustee and may be transferred by the registered owner hereof but only in the manner, subject to the limitations and upon the payment of the charges provided in the Bond Indenture.

This Bond may be transferred or exchanged only upon the Registration Books maintained by the Bond Trustee as provided in the Bond Indenture. Upon surrender for transfer or exchange of any Bond at the designated Corporate Trust Office of the Bond Trustee, the Issuer shall execute, and the Bond Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any

Authorized Denominations and of a like aggregate principal amount. The Person in whose name this Bond is registered on the Registration Books shall be deemed and regarded as the absolute Owner hereof for all purposes, except as otherwise provided in the Bond Indenture when a book-entry system is in effect for the Bonds, and payment of or on account of the principal and Redemption Price of and interest on any such Bond shall be made only to or upon the order of the Registered Owner hereof or his legal representative, but such registration may be changed as provided in the Bond Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid.

The Bonds are subject to optional redemption, extraordinary optional redemption and mandatory sinking fund redemption and purchase in lieu of redemption and, in certain cases, optional and mandatory tender for purchase, each as provided in the Bond Indenture.

The initial Interest Rate Mode applicable to this Bond is identified above. This Bond may be converted to another Interest Rate Mode, subject to the terms and conditions of the Bond Indenture. The method of determining interest in each Interest Rate Mode is described in the Bond Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Bond Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Bond Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Bond Indenture, the principal of all Bonds issued under the Bond Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

Modifications or alterations of the Bond Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Bond Indenture.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Act and under the Bond Indenture precedent to and in the issuance of this Bond, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Bond have been duly authorized by resolution of the Issuer duly adopted.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Indenture until the certificate of authentication hereon shall have been duly executed by manual signature by the Bond Trustee.

[Signature page to follow]

[ISSUER'S SIGNATURE PAGE TO BOND]

IN WITNESS WHEREOF, the City of Lakeland, Florida has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor and its seal to be reproduced hereon and attested by the manual or facsimile signature of its City Clerk, all as of the date set forth above.

(SEAL)

CITY OF LAKELAND, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
City Attorney

BOND TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Indenture.

Authentication Date: _____, 2024.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Bond Trustee

By: _____
Vice President

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____, Attorney, to transfer the said Bond on the Registration Books thereof with full power of substitution in the premises.

Dated _____

_____

Signature guaranteed: _____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B

FORM OF REQUISITION FOR PROJECT FUND

REQUISITION FOR MONEY FROM THE PROJECT FUND

To: The Bank of New York Mellon Trust Company, N.A., as Bond Trustee

Re: City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024

Date: _____

Requisition No. __

The undersigned, on behalf of Lakeland Regional Health Systems, Inc. (the "Borrower"), hereby requests The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee") under that certain Bond Indenture (the "Bond Indenture") between City of Lakeland, Florida (the "Issuer") and the Bond Trustee, dated as of **[**August**]** 1, 2024, relating to the Issuer's Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Bonds"), to pay from the Project Fund to the payee or payees named below, the total amount shown below to the order of the payee or payees named below, as payment or reimbursement for costs incurred or expenditures made in connection with the Project. The payee(s), the purpose and the amount of the disbursement requested are as follows:

SEE SCHEDULE I ATTACHED HERETO

The Borrower hereby certifies as follows:

Each obligation mentioned herein is relating to the Project, has been properly incurred by the Borrower, is presently due and payable, and is a proper charge against the Project Fund, and each item for which payment is requested is or was necessary in connection with the Project. None of the items for which payment is requested has been reimbursed previously from the Project Fund, and none of the payments herein requested will result in a breach of the representations and agreements in the Loan Agreement relating to the Project.

There has not been filed with or served upon the Borrower any notice of claim of lien, or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any payee named in this requisition, that has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

The balance remaining in the Project Fund after payment of such amounts, together with any investment income reasonably anticipated to be deposited in the Project Fund pursuant to the Bond Indenture and any other funds reasonably anticipated to be available therefor, will be sufficient to pay the costs of completing the Project.

Capitalized terms used and not defined herein shall have the meanings set forth in the Bond Indenture.

[Signature page to follow]

[SIGNATURE PAGE TO REQUISITION FOR PROJECT FUND]

Dated as of the date first above written.

LAKELAND REGIONAL HEALTH SYSTEMS, INC., as Obligated Group Representative and Borrower

By: _____
Executive Vice President and Chief Financial Officer

SCHEDULE I

Payee	Amount	Purpose

EXHIBIT C

FORM OF REQUISITION FOR COSTS OF ISSUANCE FUND

REQUISITION FOR MONEY FROM THE COSTS OF ISSUANCE FUND

To: The Bank of New York Mellon Trust Company, N.A., as Bond Trustee

Re: City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024

Dated: _____

Requisition No. __

The undersigned, on behalf of Lakeland Regional Health Systems, Inc. (the "Borrower"), hereby requests The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee") under that certain Bond Indenture (the "Bond Indenture") between City of Lakeland, Florida (the "Issuer") and the Bond Trustee, dated as of **[**August**]** 1, 2024, relating to the Issuer's Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Bonds"), to pay to the persons listed on Schedule I attached hereto the amounts shown for the purposes indicated from the Costs of Issuance Fund (as defined in the Bond Indenture) established pursuant to the Bond Indenture.

The Borrower hereby certifies that each item has been properly incurred by the Borrower, is presently due and payable, and is a proper charge against the Costs of Issuance Fund. None of the items for which payment is requested has been reimbursed previously from the Costs of Issuance Fund.

Capitalized terms used and not defined herein shall have the meanings set forth in the Bond Indenture.

[Signature page to follow]

[SIGNATURE PAGE TO REQUISITION FOR COSTS OF ISSUANCE FUND]

Dated as of the date first above written.

LAKELAND REGIONAL HEALTH SYSTEMS, INC., as Obligated Group Representative and Borrower

By: _____
Executive Vice President and Chief Financial Officer

SCHEDULE I

Payee	Amount	Purpose

EXHIBIT E

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

This ESCROW DEPOSIT AGREEMENT, dated as of [CLOSING DATE], 2024 (this "Escrow Agreement"), by and among CITY OF LAKELAND, FLORIDA, a municipal corporation of the State of Florida (the "Issuer") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as escrow agent hereunder (the "Escrow Agent"), a national banking corporation organized and existing under the laws of United States of America, as escrow agent hereunder, and acknowledged by LAKELAND REGIONAL HEALTH SYSTEMS, INC. and LAKELAND REGIONAL MEDICAL CENTER, INC., each a Florida not-for-profit corporation (collectively, the "Borrowers").

WHEREAS, pursuant to the Trust Agreement, dated as of September 2, 1999, as amended and supplemented (the "Trust Agreement"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., successor to Wachovia Bank, National Association (formerly First Union National Bank), as bond trustee (the "Bond Trustee"), the Issuer has heretofore issued its City of Lakeland, Florida Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the "Series 2015 Bonds"); and.

WHEREAS, pursuant to the Trust Agreement, the Issuer has, at the request of the Borrowers, determined to provide for the current refunding of **[**all or a portion of**]** the outstanding Series 2015 Bonds (collectively, the "Refunded Bonds"); and

WHEREAS, Article XIV of the Trust Agreement provides that the Refunded Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the Trust Agreement upon compliance with the provisions contained therein and relating thereto; and

WHEREAS, the Issuer has determined to issue its $[PAR] Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Series 2024 Bonds"), a portion of the proceeds of which, together with other available funds, will be used to purchase certain Escrow Obligations (as defined in the Trust Agreement) in order to provide for payment in full of the Refunded Bonds and discharge and satisfy the Trust Agreement with respect to the Refunded Bonds; and

WHEREAS, the issuance of the Series 2024 Bonds, the purchase by the Escrow Agent of the Escrow Obligations, the deposit of such Escrow Obligations and uninvested cash into an escrow deposit trust fund to be held by the Escrow Agent (both in its capacity as Escrow Agent hereunder and as Bond Trustee under the Trust Agreement) and the discharge and satisfaction of the pledges, liens and other obligations of the Issuer under the Trust Agreement in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

WHEREAS, this Escrow Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. PREAMBLES. The recitals stated above are true and correct and are incorporated by reference herein.

SECTION 2. RECEIPT OF TRUST AGREEMENT AND VERIFICATION REPORT. Receipt of a true and correct copy of the above-mentioned Trust Agreement and this Escrow Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Trust Agreement, including, in particular, Articles IV and XIV of the Trust Agreement, are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the verification report of Causey Demgen & Moore P.C., a firm of independent certified public accountants, dated _____, 2024 (the "Verification Report") which is attached hereto as EXHIBIT A. Reference herein to or citation herein of any provisions of the Trust Agreement or the Verification Report shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein. Terms used herein shall have the meanings ascribed thereto by the Trust Agreement, except to the extent such terms are defined herein or the context indicates another meaning.

SECTION 3. DISCHARGE OF LIEN OF HOLDERS OF REFUNDED BONDS. In accordance with Article XIV of the Trust Agreement, the Issuer by this writing, at the request and direction of the Borrowers, exercises the option to have the pledges, liens and obligations that were granted to the holders of the Refunded Bonds under the terms and provisions of the Trust Agreement defeased, discharged and satisfied.

SECTION 4. ESTABLISHMENT OF ESCROW FUND. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "City of Lakeland, Florida Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 Escrow Deposit Trust Fund" (the "Escrow Fund") to be held in the custody of the Escrow Agent as a trust account solely for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the Issuer, the Borrowers and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of $_____ received from the Issuer from proceeds of the Series 2024 Bonds (the "Bond Proceeds") and $_____ received from other available funds of the Borrowers (the "Borrower Funds").

SECTION 5. DEPOSIT OF MONEYS AND ESCROW OBLIGATIONS IN ESCROW FUND. The Escrow Agent represents and acknowledges that, concurrently with the deposit of the moneys under Section 4 above, and pursuant to the written directions of the Issuer and the Borrowers, it has used all but $_____ (the "Cash Deposit") of the Bond Proceeds and all of the Borrower Funds to purchase on behalf of and for the account of the Issuer certain **[**United States Treasury obligations – State and Local Government

Series**]** (collectively, together with any other securities which may be on deposit, from time to time, in the Escrow Fund, the "Escrow Obligations"), which are described in SCHEDULE A hereto, and the Escrow Agent will deposit such Escrow Obligations in the Escrow Fund. For purposes of this Escrow Agreement, Escrow Obligations shall consist only of direct, noncallable obligations of the United States of America to which the full faith and credit of the United States of America has been pledged.

In the event any of the Escrow Obligations described in SCHEDULE A hereto are not available for delivery on [CLOSING DATE], 2024, the Escrow Agent may, with the prior written approval of Bond Counsel (as defined in the Trust Agreement), substitute other United States Treasury obligations and shall credit such other obligations to the Escrow Fund and hold such obligations until the aforementioned Escrow Obligations have been delivered. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold funds uninvested and without liability for interest until receipt of further written instructions from the Issuer. In the absence of investment instructions from the Issuer, the Escrow Agent shall not be responsible for the investment of such funds or interest thereon. Bond Counsel may, as a condition precedent to giving its approval, require the Borrowers to provide it and the Escrow Agent with a revised Verification Report in regard to the adequacy of the Escrow Obligations, taking into account the substituted obligations to pay the Refunded Bonds in accordance with the terms hereof and of the Trust Agreement. The Escrow Agent shall in no manner be responsible or liable for failure or delay of Bond Counsel, the Borrowers or the Issuer to promptly approve the substitutions of other United States Treasury obligations for the Escrow Fund. The Escrow Agent may conclusively rely upon the Borrower's selection of an alternative investment and Bond Counsel's approval thereof, as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 6. SUFFICIENCY OF ESCROW OBLIGATIONS AND THE CASH DEPOSIT. If the Escrow Obligations, together with the Cash Deposit, shall be insufficient to make such payments, the Issuer shall timely deposit to the Escrow Fund, solely from legally available funds provided to the Issuer by the Borrowers, such additional amounts as may be required to pay the Refunded Bonds as described in SCHEDULE B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the Issuer and the Borrowers as promptly as possible, but neither the Escrow Agent nor the Issuer shall be responsible for the Borrowers' failure to make such deposits.

SECTION 7. ESCROW OBLIGATIONS HELD IN TRUST FOR HOLDERS OF REFUNDED BONDS. The deposit of the Escrow Obligations and the Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of obligations of the United States of America by the Issuer in accordance with Articles IV and XIV of the Trust Agreement in trust solely for the payment of the principal, redemption premium, if any, and interest due and to become due on the Refunded Bonds at such times and in such

amounts as set forth in SCHEDULE B hereto, and, except as provided in Section 9 hereof, the principal of and interest earnings on such Escrow Obligations shall be used solely for such purposes.

SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND. The Issuer hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Trust Agreement referenced in this agreement, including the timely transfer of money to the paying agent for the Refunded Bonds (the "Refunded Bonds Paying Agent") as provided in the Trust Agreement, in order to effectuate this Escrow Agreement and to pay the Refunded Bonds in the amounts and at the times provided in SCHEDULE B hereto. The Escrow Obligations and the Cash Deposit shall be used to pay the principal of, interest and redemption premium, if any, on the Refunded Bonds as the same may mature or be redeemed. If any payment date shall be a day on which either the Refunded Bonds Paying Agent or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of, redemption premium, if any, and interest due on the Refunded Bonds pursuant to this Escrow Agreement shall be limited to the application of the Escrow Obligations and the interest earnings thereon and the Cash Deposit available for such purposes in the Escrow Fund solely in accordance with this Escrow Agreement. Notwithstanding anything contained herein, the Escrow Agent shall not be required to risk or expend its own funds in the performance of its duties under this Escrow Agreement.

SECTION 9. REINVESTMENT OF MONEYS AND SECURITIES IN ESCROW FUND. Moneys deposited in the Escrow Fund shall be invested only in the Escrow Obligations listed in SCHEDULE A hereto and, except as provided in Section 5 hereof and this Section 9. Neither the Issuer nor the Escrow Agent shall otherwise invest or reinvest any money in the Escrow Fund. In no event may moneys in the Escrow Fund be invested or reinvested in any securities other than Escrow Obligations (as defined in the Trust Agreement).

Except as provided in Section 5 hereof and in this Section 9, the Escrow Agent may not sell or otherwise dispose of any or all of the Escrow Obligations in the Escrow Fund and reinvest the proceeds thereof in other securities nor may it substitute securities for any of the Escrow Obligations, except upon written direction of the Borrowers and where, prior to any such reinvestment or substitution, the Escrow Agent has received from the Borrowers the following:

(a) a written verification report by an independent certified public accountant or firm of independent certified public accountants, of recognized standing, appointed by the Borrowers, to the effect that after such reinvestment or substitution the principal amount of Escrow Obligations, together with the interest thereon, will be sufficient to pay the Refunded Bonds as described in SCHEDULE B hereto (such verification shall not be necessary in the event the Issuer, upon direction of the Borrowers, shall determine to

reinvest cash in Escrow Obligations which mature on or before the next principal and/or interest payment date for the Refunded Bonds); and

(b) a written opinion of nationally recognized Bond Counsel addressed to the Escrow Agent and the Issuer to the effect that (i) such investment will not cause the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the regulations promulgated thereunder or otherwise cause the interest on the Refunded Bonds or the Series 2024 Bonds to be subject to federal income tax, and (ii) such investment does not violate any provision of the Trust Agreement.

In the event the above-referenced verification concludes that there are surplus moneys in the Escrow Fund, such surplus moneys shall be released to the Borrowers upon their written direction. The Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the Refunded Bonds Paying Agent in an amount sufficient to pay the Refunded Bonds as described in SCHEDULE B hereto, whereupon the Escrow Agent shall sell or redeem any Escrow Obligations remaining in the Escrow Fund, and shall remit to the Borrowers the proceeds thereof, together with all other money, if any, then remaining in the Escrow Fund. Except as otherwise provided herein, the Escrow Agent shall have no liability to the Issuer or the Borrowers with respect to the sale or redemption of such Escrow Obligations.

SECTION 10. REDEMPTION OF REFUNDED BONDS. The Issuer, at the direction of the Borrowers, hereby irrevocably instructs the Escrow Agent to request, on behalf of the Issuer and the Borrowers, that the Refunded Bonds Paying Agent give at the appropriate times the notice or notices required by Article IV of the Trust Agreement in connection with the redemption of the Refunded Bonds. Such notice of redemption shall be given by the Refunded Bonds Paying Agent in accordance with said Article IV of the Trust Agreement and shall be filed on the MSRB's Electronic Municipal Market Access site ("EMMA") within ten (10) days of the mailing of such notice to the holders of the Refunded Bonds; provided, however, that the Escrow Agent shall not have any liability to any party in connection with any failure to timely file such notice on EMMA and the sole remedy available shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance. All of the Refunded Bonds shall be paid at maturity or redeemed at a redemption price equal to the par amount thereof on November 15, 2024, plus, in each case, interest accrued thereon to such date.

SECTION 11. DEFEASANCE NOTICE TO HOLDERS OF REFUNDED BONDS. Concurrently with the deposit of the Escrow Obligations and the Cash Deposit set forth in Section 5 hereof, the Refunded Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the Trust Agreement. Within (i) thirty (30) days of the deposit of moneys into the Escrow Fund, the Escrow Agent, on behalf of the Issuer, the Borrowers and the Refunded Bonds Paying Agent, shall cause to be mailed to the holders of the Refunded Bonds a notice substantially in the form provided in SCHEDULE C attached hereto and (ii) ten (10) days of the deposit of moneys into the

Escrow Fund, file such notice on EMMA; provided, however, that the Escrow Agent shall not have any liability to any party in connection with any failure to timely file such notice on EMMA and the sole remedy available shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance.

SECTION 12. ESCROW FUND IRREVOCABLE. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Escrow Obligations and the Cash Deposit in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Escrow Agreement and the Trust Agreement. None of the Issuer, the Borrowers or the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 13. AMENDMENTS TO ESCROW AGREEMENT. This Escrow Agreement is made for the benefit of the Issuer, the Borrowers and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the prior written consent of all such holders; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Escrow Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Escrow Agreement, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Escrow Agreement;

(b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent;

(c) to subject to this Escrow Agreement additional funds, securities or properties; and

(d) in order to reflect a transaction being entered into pursuant to Section 9 hereof.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Bond Counsel addressed to the Escrow Agent and the Issuer with respect to compliance with this Section 13, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 13.

SECTION 14. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION. In consideration of the services rendered by the Escrow Agent under this Escrow Agreement, the Borrowers agree to and shall pay to the Escrow Agent the fees and expenses as shown on the attached SCHEDULE D. The Escrow Agent shall

have no lien or right of set-off whatsoever upon any of the Escrow Obligations in said Escrow Fund for the payment of such proper fees and expenses. The Borrowers further agree to indemnify and save the Escrow Agent and the Bond Trustee and their respective officers, directors, and employees harmless, to the extent allowed by law, against any costs (including attorney fees, costs and expenses) and liabilities which they may incur in the exercise and performance of their powers and duties hereunder and which are not due to the gross negligence or willful misconduct of the Escrow Agent or the Bond Trustee, as applicable. Indemnification provided under this Section 14 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Agent and shall inure to the benefit of the Escrow Agent's and the Bond Trustee's successors and assigns.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Escrow Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer or the Borrowers. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Escrow Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel at the expense of the Borrowers, who may be counsel to the Issuer or the Borrowers or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the Issuer and the Borrowers of its intention. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed. Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall Escrow Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 15. REPORTING REQUIREMENTS OF ESCROW AGENT. As soon as practicable after the 15th day of November, 2024, the Escrow Agent shall forward in writing to the Borrowers a statement in detail of the withdrawals of money from the Escrow Fund.

SECTION 16. RESIGNATION OR REMOVAL OF ESCROW AGENT. The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than twenty (20) days' written notice to the Issuer and the Borrowers and mailing notice thereof, specifying the

date when such resignation will take effect, to the Issuer, the Borrowers and the Refunded Bonds Paying Agent, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the Issuer and the Borrowers and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be removed, with cause, at any time, and without cause, at any time upon thirty (30) days' written notice, by an instrument or concurrent instruments in writing, delivered to the Escrow Agent, to the Issuer and the Borrowers and signed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. The removal of the Escrow Agent by the Issuer or the Borrower shall be subject to such party not being in default under the transaction documents.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the Issuer and the Borrowers. The Borrowers shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 16.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by the Issuer and the Borrowers pursuant to the foregoing provisions of this Section 16 within sixty (60) days after written notice of resignation of the Escrow Agent has been given to the Issuer and the Borrowers, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, at the expense of the Borrower, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the Issuer and the Borrowers the prorated portion of prepaid fees not yet incurred or payable less any termination fees and expenses at the time of discharge and shall have no further liability hereunder and the Borrowers shall indemnify and hold harmless Escrow Agent from any such liability, including reasonable costs or expenses incurred by Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any state, and shall have at the time of appointment capital and surplus of not less than $75,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer and the Borrowers an instrument in writing

accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the Issuer and the Borrowers execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the Issuer or the Borrowers be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer and the Borrowers.

Any bank, corporation or association into which the Escrow Agent, or any successor to it in the trusts created by this Escrow Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation or association resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party or any bank, corporation or association to which the Escrow Agent or successor to it shall sell or transfer all or substantially all of its corporate trust business, shall be and become the successor Escrow Agent under this Escrow Agreement and be vested with all of the title to the Escrow Obligations and other amounts held under this Escrow Agreement and all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any other act on the part of any of the parties hereto, except where an instrument or transfer or assignment is required by law to effect such successor, anything herein to the contrary notwithstanding.

SECTION 17. TERMINATION OF ESCROW AGREEMENT. This Escrow Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the Borrowers upon their instruction.

SECTION 18. GOVERNING LAW. This Escrow Agreement shall be governed by the applicable laws of the State of Florida but without regard to conflict of law principles.

SECTION 19. SEVERABILITY. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Issuer, the Borrowers or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and

construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

SECTION 20. COUNTERPARTS; ELECTRONIC SIGNATURE. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. To the fullest extent permitted by applicable law, signatures to this Escrow Agreement by all parties hereto transmitted by Electronic Means shall be treated as original signatures for all purposes hereunder.

SECTION 21. NOTICES. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Escrow Agreement shall be in writing and sent by registered or certified mail, Electronic Means or overnight mail addressed to:

If to the Escrow Agent:	The Bank of New York Mellon Trust Company, N.A. 4655 Salisbury Road, Suite 300 Jacksonville, Florida 32256 Attention: Corporate Trust Department
If to the Issuer:	City of Lakeland, Florida City Hall 228 South Massachusetts Avenue Lakeland, Florida 33801 Attention: City Manager
In each case with a copy to:	Lakeland Regional Health System, Inc. 1324 Lakeland Hills Boulevard Lakeland, Florida 33805 Attention: Chief Financial Officer

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means; provided, however, that the Issuer and the Borrowers, as applicable, shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer and the Borrowers, as applicable, whenever a person is to be added or deleted from the listing. If the Issuer or the Borrowers, as applicable, elects to give the Escrow Agent Instructions using Electronic Means and the Bond Trustee in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The Issuer and the Borrowers understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and

that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Issuer and the Borrowers shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Issuer, the Borrowers and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer and the Borrowers, as applicable. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Borrowers agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer or the Borrowers, as applicable; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures. This Section 21 shall also apply to the Bond Trustee to the extent instructions are provided to the Bond Trustee in connection with this Escrow Agreement by Electronic Means.

As used herein, "Electronic Means" shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

SECTION 22. DEFEASANCE OPINION. In connection with the execution and delivery of this Escrow Agreement, the Borrowers shall cause to be delivered and addressed to the Issuer a defeasance opinion related to the defeasance of the Defeased Bonds.

SECTION 23. WAIVER OF JURY TRIAL. Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Escrow Agreement, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party, and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

SECTION 24. INDEMNIFICATION OF ISSUER. The Borrowers shall continue to indemnify the Issuer hereunder in accordance with the financing agreement related to the Defeased Bonds.

[Signature pages follow]

[SIGNATURE PAGE TO ESCROW DEPOSIT AGREEMENT]

IN WITNESS WHEREOF, City of Lakeland, Florida has caused these presents to be signed in its name and on its behalf by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, has caused these presents to be signed in its name by its Authorized Signatory, all as of the day and year first above written.

(SEAL)

CITY OF LAKELAND, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM AND CORRECTNESS:

By: _____
City Attorney

[SIGNATURE PAGE TO ESCROW DEPOSIT AGREEMENT]

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Escrow Agent

By: _____
Vice President

[SIGNATURE PAGE TO ESCROW DEPOSIT AGREEMENT]

ACKNOWLEDGEMENT:

LAKELAND REGIONAL HEALTH SYSTEMS, INC.

By: _____
Executive Vice President and Chief Financial Officer

LAKELAND REGIONAL MEDICAL CENTER, INC.

By: _____
Executive Vice President and Chief Financial Officer

SCHEDULE A

ESCROW OBLIGATIONS

[TO COME**]**

SCHEDULE B

DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS

[TO COME**]**

SCHEDULE C

(FORM OF)
NOTICE OF DEFEASANCE
CITY OF LAKELAND, FLORIDA
HOSPITAL REVENUE BONDS
(LAKELAND REGIONAL HEALTH SYSTEMS),
SERIES 2015
DATED FEBRUARY 5, 2015

NOTICE IS HEREBY GIVEN pursuant to Articles IV and XIV of the Trust Agreement dated as of September 2, 1999, by and between the City of Lakeland, Florida and The Bank of New York Mellon Trust Company, N.A., successor to Wachovia Bank, National Association (formerly First Union National Bank), as amended and supplemented (the "Trust Agreement"), that the City of Lakeland, Florida Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the "Defeased Bonds") described below are deemed to be paid within the meaning of Article XIV of said Trust Agreement, shall no longer be secured from the Trust Estate (as such term is defined in the Trust Agreement), and shall only be secured from the deposit in irrevocable escrow of cash and U.S. Treasury obligations made by the City of Lakeland, Florida pursuant to said Article XIV of the Trust Agreement.

NOTICE IS HEREBY FURTHER GIVEN, on behalf of the City of Lakeland, Florida that the Defeased Bonds maturing on or after November 15, 2024 will be paid and/or redeemed on November 15, 2024 at the redemption price of the principal amount of such Defeased Bond to be redeemed plus interest accrued thereon to November 15, 2024 (the "Redemption Price").

The Defeased Bonds to be paid at maturity or redeemed are:

Maturity (November 15)	Interest Rate	Amount	CUSIP No.
2040	5.00%	$64,875,000	511665JP7
2045	5.00	11,140,000	511665JN2

Payment of the Redemption Price of such Defeased Bonds will be made on or after such redemption date at the office of The Bank of New York Mellon Trust Company, N.A.,

the paying agent for the Defeased Bonds upon surrender thereof. Interest on such Defeased Bonds will cease to accrue from and after such redemption date.

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness.

DATED this ____ day of **[**August**]** 2024.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Bond Trustee

By: _____
Authorized Agent

SCHEDULE D

ESCROW AGENT
SCHEDULE OF FEES AND EXPENSES

Administration Fee	$_____

SCHEDULE E

ESCROW CASH FLOW

[TO COME**]**

EXHIBIT A

VERIFICATION REPORT

EXHIBIT F

AFFIDAVIT OF PUBLICATION

LOCALiQ
The Gainesville Sun | The Ledger
Daily Commercial | Ocala StarBanner
News Chief | Herald-Tribune

PO Box 631244 Cincinnati, OH 45263-1244

AFFIDAVIT OF PUBLICATION

Nabors, Giblin & Nickerson P.A
1500 Mahan Drive, Suite 200
Tallahassee FL 32308

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned authority personally appeared, who on oath says that he or she is the Legal Coordinator of The Ledger-News Chief, published in Polk County, Florida; that the attached copy of advertisement, being a Govt Public Notices, was published on the publicly accessible website of Polk County, Florida, or in a newspaper by print in the issues of, on:

06/10/2024

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes.
Subscribed and sworn to before me, by the legal clerk, who is personally known to me, on 06/10/2024

Legal Clerk

Notary, State of WI, County of Brown

3-7-27

My commission expires

Publication Cost:	$775.98	
Tax Amount:	$0.00	
Payment Cost:	$775.98	
Order No:	10259383	# of Copies:
Customer No:	1458358	0
PO #:	LSAR0112643	

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

KAITLYN FELTY
Notary Public
State of Wisconsin

NOTICE OF PUBLIC HEARING

The City Commission of the City of Lakeland, Florida (the "City") will hold a public hearing on Monday June 17, 2024, at 9:00 A.M. or as soon as practicable thereafter, in the City Commission Chamber, 3rd Floor of City Hall, 228 South Massachusetts Avenue, Lakeland, Florida, to consider adoption of a resolution to grant approval of the issuance by the City of not exceeding $275,000,000 original aggregate principal amount of its City of Lakeland, Florida Hospital Revenue Refunding Bonds (Lakeland Regional Health Systems), Series 2024 (the "Bonds") in one or more tax-exempt or taxable series and the loan of the proceeds of such Bonds to Lakeland Regional Health Systems, Inc., a Florida not-for-profit corporation ("Systems") on behalf of itself, and Lakeland Regional Medical Center, Inc., a Florida not-for-profit corporation (the "Hospital") and affiliates (collectively, the "Obligated Group"). The Bonds will be issued for the principal purposes of (1) currently refunding that portion of the City's outstanding Hospital Revenue Bonds (Lakeland Regional Health Systems), Series 2015 (the bonds so refunded being herein referred to as the "Refunded Bonds") in order to refinance all or a portion of the costs of certain capital improvements to the Obligated Group's medical facilities financed with the proceeds of the Refunded Bonds, generally including the acquisition, construction and equipping of the Women and Children Pavilion, emergency department expansion, operating room expansion and inpatient rehabilitation facility, located on or contiguous to the campus of the Lakeland Regional Medical Center at 1324 Lakeland Hills Boulevard, Lakeland, Florida (the "LRMC Campus"), and Lakeland Regional Cancer Center expansion located at 3525 Lakeland Hills Boulevard, Lakeland, Florida; (2) financing all or a portion of the costs (including reimbursement for prior related expenditures) relating to the acquisition, construction, installation and equipping of certain capital improvements to the Obligated Group's healthcare facilities including (a) a new approximately 75,000 square foot 3-story medical office building located at 2400 Kathleen Road, Lakeland, Florida (with proceeds of the Bonds in an amount not to exceed $60,000,000), (b) a new approximately 24,000 square foot free-standing emergency department building located at 6150 South Florida Avenue, Lakeland, Florida (with proceeds of the Bonds in an amount not to exceed $25,000,000), and (c) other capital improvements related to existing health care facilities located on the LRMC Campus (with proceeds of the Bonds in an amount not to exceed $15,000,000) (collectively, the "Project"); (3) funding any required reserves, and (4) paying costs associated with the issuance of the Bonds. The facilities related to the Project and those financed and refinanced with the proceeds of the Refunded Bonds are and will continue to be leased or owned and operated by the Obligated Group. The Bonds shall be payable solely from the revenues derived by the City from certain financing documents to be entered into by the City and the Obligated Group prior to or contemporaneously with the issuance of the Bonds. The Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the City, Polk County, Florida, the State of Florida or any political subdivision or agency thereof. Issuance of the Bonds shall be subject to several conditions including satisfactory documentation. The aforementioned hearing shall be a public hearing and all persons in attendance will be given the opportunity to be heard and to express their views on the proposed issue of the Bonds and the location and nature of the proposed Project to be financed. Written comments may also be submitted to the City prior to the hearing by submitting the same to City of Lakeland, Florida, 228 South Massachusetts Avenue, Lakeland, Florida 33801, Attention: City Attorney.

ALL PERSONS FOR OR AGAINST SAID APPROVAL CAN BE HEARD AT SAID TIME AND PLACE. IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE CITY WITH RESPECT TO SUCH HEARING OR MEETING, (S)HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF SUCH HEARING OR MEETING IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS BASED.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statute, persons with disabilities needing special accommodation to participate in this proceeding, or those requiring language assistance (free of charge) should contact the City of Lakeland ADA Specialist, Kristin Meador. Because providing a reasonable accommodation may require outside assistance, organizations, or resources, the City asks that any request be made with as much notice as possible, preferably 72 hours, but no later than 48 hours in advance of the event, at: (863) 834-6040, Email: ADASpecialist@lakelandgov.net. If hearing impaired, please contact the TDD numbers: Local - (863) 834-8333 or 1-(800) 955-8771 (TDD - Telecommunications Device for the Deaf) or the Florida Relay Service number: 1-(800) 955-8770 (VOICE), for assistance.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

By order of the City Commission of the City of Lakeland, Florida.
June 10 2024
LSAR0112643