ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY
AND
UPMC

LOAN AGREEMENT

Dated as of March 1, 2010

Relating to $150,000,000
Allegheny County Hospital Development Authority
University of Pittsburgh Medical Center Revenue Bonds, Series 2010D

TABLE OF CONTENTS

ARTICLE I: DEFINITIONS - ACCEPTANCE OF INDENTURE 2
Section 1.01. Definitions 2
Section 1.02. Acceptance of Indenture 4
Section 1.03. Assignment to Trustee 4
ARTICLE II: THE PROJECT 4
Section 2.01. [RESERVED 4
ARTICLE III: LOAN OF BOND PROCEEDS 4
Section 3.01. Sale and Delivery of Bonds 4
Section 3.02. Loan of Bond Proceeds 5
Section 3.03. Corporation Contribution 5
Section 3.04. Interest Mode Conversion 5
Section 3.05. Authority Cooperation 5
ARTICLE IV: INSTALLMENT PAYMENTS 5
Section 4.01. Repayment of Loan 5
Section 4.02. Time and Manner of Repayment 5
Section 4.03. Payment Credits 7
Section 4.04. Additional Amounts Payable by the Corporation 7
Section 4.05. Payments to Trustee 8
Section 4.06. Payments Unconditional; No Defense or Set–Off 8
Section 4.07. Optional Prepayments By Corporation 8
ARTICLE V: REPRESENTATIONS, WARRANTIES AND COVENANTS OF CORPORATION 9
Section 5.01. General Representations, Warranties and Covenants 9
Section 5.02. Indemnification of Authority and Trustee 10
Section 5.03. Reports and Audits 11
Section 5.04. Taxes and Claims 12
Section 5.05. Rebate 12
Section 5.06. Insurance 13
Section 5.07. Destruction, Damage and Eminent Domain 13
Section 5.08. Observance of Terms of Documents 13
Section 5.09. Covenant With Bondholders 13
Section 5.10. Investments 13
Section 5.11. Filings to Protect Security Interest in Trust Estate 13
ARTICLE VI: DEFAULTS AND REMEDIES 14
Section 6.01. Events of Default by Corporation 14
Section 6.02. Remedies Upon Event of Default 15
Section 6.03. Waiver of Errors and Exemptions 16
Section 6.04. No Remedy Exclusive 16
Section 6.05. No Waiver Implied 16

ARTICLE VII: MISCELLANEOUS 16
Section 7.01. Representations and Special Covenants of Authority 16
Section 7.02. Assignment 17
Section 7.03. Term of Agreement 17
Section 7.04. Notices 17
Section 7.05. Parties in Interest 18
Section 7.06. Survival of Covenants, Conditions and Representations 18
Section 7.07. Amendments 19
Section 7.08. Severability 19
Section 7.09. Counterparts 19
Section 7.10. Applicable Law 19

THIS LOAN AGREEMENT, dated as of March 1, 2010, between Allegheny County Hospital Development Authority (the "Authority"), a public instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth") and a body corporate and politic organized and existing under the laws of the Commonwealth, and UPMC (the "Corporation"), a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania (the "Agreement").

RECITALS:

WHEREAS, certain capitalized terms used in these Recitals are herein used as defined in Article I hereof or in the Indenture hereinafter mentioned; and

WHEREAS, Authority is a public instrumentality of the Commonwealth and a body corporate and politic, created by the County of Allegheny, Pennsylvania pursuant to the Municipality Authorities Act, 53 Pa. C.S.A. Section 5601 et seq., as amended (the "Act") and is authorized under the Act to finance projects (within the meaning of the Act) by, among other things, making loans; and

WHEREAS, the Corporation has requested the Authority to make a loan or loans to the Corporation to provide part of the funds to undertake a project (the "**Project**") consisting of financing (a) the current refunding of a portion of the following bonds of the Issuer: (i) University of Pittsburgh Medical Center Revenue Bonds, Series 2006A; and (ii) University of Pittsburgh Medical Center Revenue Bonds, Subseries 2007B-1 (collectively, the "**Refunded Bonds**"); and (b) the payment of the costs of issuing the Series 2010D Bonds (hereinafter defined); and

WHEREAS, the Authority and the Corporation intend that the Project will constitute an authorized project for purposes of the Act; and

WHEREAS, the Authority proposes to issue its revenue bonds in an aggregate principal amount of $150,000,000, which shall be designated "Allegheny County Hospital Development Authority University of Pittsburgh Medical Center Revenue Bonds, Series 2010D" (the "**Series 2010D Bonds**"); and

WHEREAS, the Series 2010D Bonds will be issued under the terms of a Trust Indenture of even date herewith (the "**Indenture**") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the "**Trustee**"), and the proceeds of the Series 2010D Bonds will be loaned to the Corporation to finance the Project upon the terms and conditions set forth herein and in the Indenture; and

WHEREAS, the Authority is assigning its rights and benefits under this Agreement (except for Unassigned Rights) to the Trustee as security for the Series 2010D Bonds; and

WHEREAS, as security for its obligations to make payments required under this Agreement, the Corporation has issued and delivered to the Trustee two promissory notes (the

"**2010D Notes**"), one under the terms of and pursuant to the Master Trust Indenture dated as of December 1, 1995, as supplemented by, among others, a Supplemental Master Trust Indenture No. 52 dated as of March 1, 2010 (as so supplemented, the "**1995 Master Indenture**") between the Corporation and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "**Master Trustee**"), and one under the terms of and pursuant to the Master Trust Indenture dated as of May 1, 2007, as supplemented by, among others, Supplemental Master Trust Indenture No. 13 dated as of March 1, 2010 (as so supplemented, the "**2007 Master Indenture**"), between the Corporation, as obligated group agent, and the Master Trustee; and

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements herein set forth, and intending to be legally bound, the Authority and the Corporation each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I
DEFINITIONS - ACCEPTANCE OF INDENTURE

Section 1.01. Definitions. All terms which are defined in the recitals hereto shall have the meaning assigned to them therein, unless otherwise defined herein or unless the context clearly requires otherwise. Capitalized terms used in this Agreement and not otherwise defined herein, unless the context clearly requires otherwise, shall have the same meanings as set forth in the Indenture.

In addition, the following terms shall have the meanings specified below:

"Audited Financial Statements" shall have the meaning specified in the 2007 Master Indenture.

"Authorized Officer" means the President, the Chief Financial Officer, the Treasurer or Vice President, Finance of the Corporation or other person designated by certified resolution of the Board of Directors of the Corporation, a copy of which shall be on file with the Trustee. Any direction or instruction required to be given by the Corporation to the Authority, the Trustee or the Paying Agent under this Agreement or the Indenture shall be given by an Authorized Officer of the Corporation.

"Documents" means this Agreement, the Indenture, the Series 2010D Bonds, the 1995 Master Indenture, the 2007 Master Indenture, the Series 2010D Notes, and all other documents executed by the Corporation or the Authority in connection therewith.

"Event of Default" means any of the events set forth in Section 6.01 (taking into account all applicable periods of grace).

"Fiscal Year" means, with respect to the Corporation, the period beginning on July 1 of any year and ending on June 30 of the following year (or such other dates as the Corporation may set forth from time to time in a written notice to the Trustee).

"GAAP" shall mean generally accepted accounting principles as defined more specifically in Section 1.04 hereof.

"Indenture Event of Default" means an event of default as defined in Section 701 of the Indenture.

"Loan" means the loan to the Corporation by the Authority, concurrently with the issuance of the Series 2010D Bonds, of the gross proceeds from the sale of the Series 2010D Bonds for the purpose of financing the Project.

"Officer's Certificate" means a certificate signed, in the case of a certificate delivered by the Corporation, by an Authorized Officer of the Corporation or, in the case of a certificate delivered by any other Person, the chief executive officer, chief financial officer, the treasurer or any vice president of such other Person, in either case whose authority to execute such Certificate shall be evidenced to the satisfaction of the Trustee.

"Person" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a governmental unit or an agency, political subdivision or instrumentality thereof or any other group or organization of individuals.

"Rebate Amounts" means all rebate payments calculated as provided in this Agreement and required to be paid in accordance with Section 148(f) of the Code.

"Unassigned Rights" means the fees and expenses payable to the Authority pursuant to Section 4.02(h), the Authority's right to indemnification under Section 5.02 and the Authority's right to receive notices and execute and deliver supplements and amendments to this Agreement.

The words "hereof," "hereto," "hereby" and "hereunder" (except in the form of Series 2010D Bonds) refer to this entire Agreement and not merely to the article or section in which they appear.

Words importing the redemption or calling for redemption of Series 2010D Bonds shall not include or imply the payment of Series 2010D Bonds at their stated maturity.

Unless otherwise clearly stated, all references herein to particular articles or sections are references to articles or sections of this Agreement.

Unless the context indicates otherwise, words importing the singular number include the plural number and vice versa and words of any gender include the correlative words of the other gender.

Headings and recitals are intended as aids for the convenience of reference only and shall have no substantive effect.

All definitions of documents herein shall include any and all amendments and supplements thereto.

References to any time of the day in this Agreement shall refer to eastern standard time or eastern daylight savings time, as in effect in the City of New York, New York on such day.

All references to rating categories established by a Rating Agency shall be without reference to subcategories.

All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP in effect from time to time, as modified by the 2007 Master Indenture.

Section 1.02. Acceptance of Indenture. The Corporation acknowledges that it has received an executed copy of the Indenture and that it is familiar with the terms and conditions of the Indenture. The Corporation further covenants that it will comply with all the conditions and covenants contained in the Indenture relating to the Corporation and the Project, and that it will not take any action which would cause an Indenture Event of Default thereunder or jeopardize the rights of the Trustee, the Authority or the Bondholders.

Section 1.03. Assignment to Trustee. The Authority hereby notifies the Corporation, and the Corporation hereby acknowledges, that all of the Authority's right, title and interest in this Agreement (except for the Unassigned Rights) are being assigned and pledged to the Trustee as security for the Series 2010D Bonds. The Corporation consents to such assignment and acknowledges that the Series 2010D Bonds are being issued in reliance by the Trustee upon the assignment of the Authority's rights under this Agreement. The Corporation agrees that it shall perform all obligations and pay all amounts due from the Authority in respect of the Series 2010D Bonds and the Indenture so that at all times there shall be no default thereunder.

ARTICLE II
THE PROJECT

Section 2.01. The Project. The Project consists of the current refunding of the Refunded Bonds and payment of costs of issuing the Series 2010D Bonds. The Corporation agrees and acknowledges that there is no implied or express warranty by the Authority that the proceeds of the Series 2010D Bonds will be sufficient to pay the Costs of the Project.

ARTICLE III
LOAN OF BOND PROCEEDS

Section 3.01. Sale and Delivery of Bonds. The Authority will issue the Series 2010D Bonds to finance part of the Costs of the Project. The Series 2010D Bonds will be issued under the Indenture and all proceeds received from the sale of the Series 2010D Bonds shall be

deposited by the Authority in trust with the Trustee in accordance with the requirements of the Indenture and the Written Instruction delivered in accordance with Section 218 thereof.

Section 3.02. Loan of Bond Proceeds. Subject to the conditions hereof, the Authority will, concurrently with the issuance of the Series 2010D Bonds, lend the proceeds from the sale of the Series 2010D Bonds to the Corporation for the purpose of financing the Project.

Section 3.03. Corporation Contribution. In the event the Loan should not be sufficient to pay the Costs of the Project, the Corporation shall pay those Costs in excess of the amount of the Loan.

Section 3.04. Interest Mode Conversion. Subject to and upon compliance with the applicable provisions of the Indenture, and with the prior written consent of the Liquidity Support Provider (but only if a Liquidity Support Facility is then in effect with respect to such Series 2010D Bonds to be converted and only if, following such conversion, such Liquidity Support Facility shall remain in effect, and only if required by the terms of the Liquidity Support Facility Agreement), the Interest Mode with respect to the Series 2010D Bonds may be converted to a new Interest Mode by the Authority at the written direction of the Corporation. The Authority hereby agrees to take any action required in order to effect any such conversion requested by the Corporation pursuant to the Indenture. Any and all reasonable fees and expenses in connection with any such conversion, including any reasonable legal fees of Counsel to the Authority, shall be paid by the Corporation.

Section 3.05. Authority Cooperation. Provided that no Indenture Event of Default or event which, with the passage of time or giving of notice would become an Indenture Event of Default has occurred and is continuing, the Authority agrees to take, at the written direction of the Corporation, such action which the Corporation is entitled to direct the Authority to take under the provisions of this Agreement and the Indenture.

ARTICLE IV
INSTALLMENT PAYMENTS

Section 4.01. Repayment of Loan. The Corporation hereby covenants and agrees that it shall repay the Loan to the Authority by making installment payments, in the manner and at the times hereinafter set forth, in sums sufficient to pay the principal of, premium, if any, and interest payable on the Series 2010D Bonds, and to pay all other amounts payable under the terms of this Agreement.

Section 4.02. Time and Manner of Repayment. The Corporation agrees to make the following payments on the following dates:

(a) Payments Equal to Interest.

(i) With respect to any period during which Outstanding Series 2010D Bonds bear interest at either a Daily Rate, a Weekly Rate, an Index Rate or a Monthly Rate

payments of interest shall be payable in installments equal to the interest coming due on such Series 2010D Bonds on the next succeeding Interest Payment Date, which installments shall be due and payable to the Trustee in immediately available funds on the third Business Day prior to each such Interest Payment Date; and

(ii) With respect to any period during which Outstanding Series 2010D Bonds bear interest at either a Semiannual Rate, an Annual Rate, a Term Rate or a Fixed Rate, payments of interest shall be payable in semi-annual installments equal to the amount of interest coming due on such Series 2010D Bonds on the next succeeding Interest Payment Date, which installments shall be due and payable to the Trustee in immediately available funds on or before the fifth Business Day next preceding each May 15 and November 15 until such time as all principal of and interest on the Series 2010D Bonds are paid in full.

(b) Payments Equal to Principal. On or before the third Business Date prior to each date on which payment of principal on the Series 2010D Bonds is required pursuant to the Indenture, an amount equal to the principal amount of the Series 2010D Bonds to be paid by their terms on such date.

(c) Payments Required to Effect Mandatory Redemption. On or before the third Business Day prior to each mandatory redemption date, an amount equal to the amounts set forth in the Indenture with respect to the mandatory redemption of the Series 2010D Bonds on such mandatory redemption date.

(d) Payments Required to Effect Optional Redemption. On or before the Business Day next preceding the date of redemption of any Series 2010D Bonds to be optionally redeemed pursuant to Section 501(A) of the Indenture, an amount not less than the full amount required to pay the principal of and premium, if any, on such Series 2010D Bonds to be optionally redeemed.

(e) Purchase Price Payments. On or before the date such funds are required to be delivered to the Trustee under the Indenture, any amount necessary to enable the Trustee to effect the purchase of Series 2010D Bonds tendered for optional or mandatory purchase pursuant to the Indenture to the extent that moneys are not otherwise available therefor from the proceeds of the remarketing of such Series 2010D Bonds by the Remarketing Agent or from draws on any Liquidity Support Facility.

(f) Rebate to the United States. If there is any amount required to be paid to the United States pursuant to Section 148(f) of the Code, Section 306 of the Indenture and Section 5.05 hereof, the Corporation shall pay such amount to the Trustee for deposit to the Rebate Fund created under Section 306 of the Indenture, which will submit the payment to the United States.

(g) Trustee's Fee and Paying Agent's Fee. While the Series 2010D Bonds remain Outstanding, the reasonable compensation and expenses of the Trustee and Paying Agent

under the Indenture shall be paid directly to such Trustee and Paying Agent, respectively, by the Corporation within thirty (30) days of receipt by the Corporation of a bill for such services from the Trustee or the Paying Agent (as applicable).

(h) Authority's Fees. The Corporation shall pay (i) the first installment of Authority's annual fee of $22,500, (ii) the Authority's legal fee of $5,000, and (iii) the Authority's closing fee of $35,000 on or before the Closing Date. The Corporation also shall pay the Authority's annual fee in the amount of $22,500, payable, and not subject to refund, on March 1 of each year, commencing March 1, 2011, while the Series 2010D Bonds remain Outstanding. The Corporation shall also pay any other administrative expenses incurred in connection with the financing of the Project, and any additional fees and expenses (including reasonable attorney's fees and expenses) reasonably incurred by the Authority in connection with inquiring into or enforcing the performance by the Corporation of its obligations hereunder, or incurred by the Authority in connection with any amendment or modification of this Agreement, the Indenture or any other document necessary or desirable to effect such amendment or modification, within thirty (30) days of receipt of a statement from the Authority, with supporting documentation as appropriate, requesting payment of such amounts.

Section 4.03. Payment Credits. To the extent that any payment required to be made to the Bond Fund pursuant to Section 4.02 would cause the amount in the Bond Fund in the Indenture to exceed the amount required to be transferred by the Trustee from the Bond Fund pursuant to the provisions of Article III of the Indenture on or before the next succeeding payment date, the payment required by Section 4.02 shall be reduced so that such excess will not occur.

The Corporation may make all or any part of any payment required by Section 4.02(b), 4.02(c) or 4.02(d) by delivering to the Trustee any Series 2010D Bond maturing, or subject to mandatory redemption or optional redemption (assuming notice in accordance with the Indenture has been timely delivered) on the maturity or redemption date immediately following the date of such delivery and having it credited at the face amount to the payment and canceled by the Trustee.

In addition, the Corporation shall be entitled to a credit during the last year of maturity to the extent that any payment required to be made pursuant to Section 4.02 (other than payments pursuant to (f), (g) or (h), hereof) would, together with the amount held by the Trustee in all funds (other than the Rebate Fund) under the Indenture, exceed the principal amount of the Series 2010D Bonds Outstanding and the amount of the interest due both at the final maturity date and the Interest Payment Date immediately preceding the final maturity date.

Section 4.04. Additional Amounts Payable by the Corporation. (a) If an Event of Default occurs under this Agreement or an Indenture Event of Default occurs under the Indenture, and the Authority or the Trustee (in its own name or in the name and on behalf of the Authority) employs attorneys or incurs other expenses for the collection of the payments required hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Corporation herein contained, the Corporation will, on demand

therefor, pay to the Authority or the Trustee (as the case may be) the reasonable fees and expenses of such attorneys and such other reasonable expenses so incurred. The Corporation further agrees to pay all costs and expenses (including reasonable attorney's fees and expenses) of the Authority incurred in connection with the Series 2010D Bonds in the preparation of any responses, reproduction of any documentation or participation in any inquiries, investigations or audits from any Person in connection with the Series 2010D Bonds, including without limitation, the Internal Revenue Service, the Securities Exchange Commission or other governmental agency.

(b) In addition to the payments required to be made by this Article IV, the Corporation shall make any other deposits or payments required to be made pursuant to the Indenture.

Section 4.05. Payments to Trustee. All installment payments and other amounts payable by the Corporation hereunder shall be paid directly to the Trustee, except that indemnification payments due to the Authority pursuant to Section 5.02 and fees payable to the Authority pursuant to Section 4.02(h) shall be paid directly to the Authority.

Section 4.06. Payments Unconditional; No Defense or Set–Off.

(a) The obligations of the Corporation to pay the installments and other amounts payable hereunder shall be absolute and unconditional without defense or set-off by reason of any default by the Authority under this Agreement or under any other agreement between the Corporation and the Authority or for any other reason, including, without limitation, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the property, commercial frustration of purpose or failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or in connection with this Agreement, it being the intention of the parties that such installment payments and other amounts will be paid in full when due without any delay and will be received by the Authority and the Trustee as a net sum without deduction, abatement, diminution or set-off of any kind whatsoever.

(b) Damage to or destruction of all or any portion of the Corporation's Property by fire or any other cause or taking of all or a portion of the Corporation's Property by condemnation shall not terminate this Agreement or cause any abatement of or reduction in the payments to be made by the Corporation hereunder, or otherwise alter the respective obligations of the Authority or the Corporation as set forth herein.

Section 4.07. Optional Prepayments By Corporation. The Corporation may prepay all or any portion of the Loan to the same extent and upon the same conditions that the Authority has the right to prepay or defease all or a portion of the Series 2010D Bonds in accordance with the Indenture. Any such amounts prepaid by the Corporation to the Trustee shall be credited against the outstanding balance of the Loan hereunder. Partial prepayments of the Loan made by the Corporation hereunder shall be credited against the obligation of the Corporation to pay amounts equal to the principal due on the Series 2010D Bonds in such order as the Corporation

shall elect prior to such prepayment or if no such election is made prior to such prepayment, in the inverse order thereof. Payments of principal installments and interest falling due shall continue to be made in accordance with Sections 4.01 and 4.02 until the entire outstanding balance of the Loan and all accrued interest have been paid or provision satisfactory to the Trustee has been made for the defeasance of the Series 2010D Bonds in accordance with Article X of the Indenture.

If there are sufficient moneys available with the Trustee to meet the payment of principal of, premium, if any, and interest on all the Outstanding Series 2010D Bonds and sufficient funds available with the Trustee to meet all remaining obligations of the Corporation to the Authority and the Trustee, the Trustee shall so notify the Corporation in writing, and the Corporation shall then be relieved of making any further payments hereunder, and this Agreement shall terminate, except for the obligation of the Corporation to indemnify the Authority and the Trustee pursuant to Section 5.02 hereof and to pay rebate amounts pursuant to Section 5.05 hereof.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS OF CORPORATION

Section 5.01. General Representations, Warranties and Covenants. The Corporation represents, warrants and agrees that:

(a) All information, representations and warranties set forth in the certificates executed and delivered by the Corporation in connection with the issuance of the Series 2010D Bonds by the Authority are true, correct and complete in all material respects as of the date thereof and as of the date of execution of this Agreement.

(b) The Corporation shall not take any action or fail to take any action that would cause the occurrence of an Indenture Event of Default or an Event of Default hereunder.

(c) The Corporation (i) is a nonprofit corporation duly organized and existing under the laws of the Commonwealth; (ii) is recognized as an organization exempt from federal income tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code; and (iii) has the corporate power to own its property and to carry on its business.

(d) The Corporation has all requisite corporate power and corporate authority to execute and deliver the Documents to which it is a party, and to incur and perform the obligations provided for therein, all of which have been duly authorized by all proper and necessary corporate action and all material governmental licenses, authorizations, consents and approvals required. No consent or approval of any other Person or public authority or regulatory body (other than the Authority) is required as a condition to the validity or enforceability of any of the Documents to which the Corporation is a party or, if required, the same has been duly obtained.

(e) Each of the Documents to which the Corporation is a party has been properly executed by the Corporation, constitutes the valid and legally binding obligation of the

Corporation and is enforceable against the Corporation in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights or by general principles of equity or public policy.

(f) There is no litigation or proceeding pending or, so far as the Corporation knows, threatened in writing before any court or administrative agency which, in the opinion of the Corporation, will materially adversely affect the financial condition or operations of the Corporation or the authority of the Corporation to enter into, or the validity or enforceability of, any of the Documents to which the Corporation is a party.

(g) There is (i) no provision of any existing mortgage, indenture, contract or agreement binding on the Corporation or affecting its property, and (ii) no law binding upon the Corporation or affecting any of its property, which would conflict in any material respect with or in any way prevent the execution, delivery or performance of any of the Documents to which the Corporation is a party or which would be in material default or violated in a material respect as a result of such execution, delivery or performance.

(h) The Corporation has filed all required federal, state and local tax returns which are required to be filed by the Corporation or has received extensions for filing the same and has paid all taxes as shown on such returns as they have become due. No claims have been assessed, and, except for any claims being contested in good faith, no claims are unpaid with respect to such taxes.

(i) There is no default by the Corporation under this Agreement or any other Documents and no event has occurred and is continuing, and no condition exists which, with notice or the passage of time or both, would constitute a default under any thereof.

Section 5.02. Indemnification of Authority and Trustee. The Corporation agrees that the Authority and the Trustee and the members, officers, directors, attorneys, agents and employees thereof shall not be liable for and the Corporation covenants and agrees to protect, exonerate, defend, indemnify and save the Authority and the members, officers, attorneys, agents and employees thereof and the Trustee, its officers, directors, agents and employees, harmless from and against (a) any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim ("Losses") which may arise out of the issuance of the Series 2010D Bonds, the execution and performance of this Agreement or the Indenture, or arising from an Event of Default on the part of the Corporation in the performance of any covenant or agreement on the part of the Corporation to be performed pursuant to the terms of this Agreement and (b) all reasonable costs, counsel fees, expenses and liabilities incurred in or about the defense of any such claims or actions or proceedings brought thereon. The Corporation also covenants and agrees to indemnify and hold the Trustee and its directors, officers, agents and employees (collectively, the "Indemnitees") harmless from and against any Losses that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Trustee is authorized

to rely pursuant to the terms of this Agreement and the Indenture. In addition to and not in limitation of the immediately preceding sentence, the Corporation also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Authority's or Trustee's performance under this Agreement and the Indenture provided the Trustee has not acted with gross negligence or engaged in willful misconduct. The Corporation may, at its cost and in its name or in the name of the Authority, prosecute or take any other action involving third persons which the Corporation deems necessary in order to insure or protect the Corporation's rights under this Agreement; in such event, the Authority will reasonably cooperate with the Corporation, but at the sole expense of the Corporation.

The Authority or the Trustee shall give prompt written notice to the Corporation of any claim asserted against the Authority, its members, officers, attorneys, directors, agents, or employees, or the Trustee when such claim becomes known and which, if sustained, may result in liability of the Corporation hereunder; provided, however, that the failure of the Authority or the Trustee or their respective officers, members, directors, agents, attorneys or employees to give such notice shall not relieve the Corporation from its obligations to protect, exonerate, defend, indemnify and save the Authority and its members, officers, attorneys, agents or employees or the Trustee and its officers, directors, agents and employees harmless as aforesaid, except to the extent that the failure to give such notice is a result of the Authority's or the Trustee's gross negligence or willful misconduct and results in actual loss or damage to the Corporation. In case any such action or proceeding is brought against the Authority, its members, officers, attorneys, agents or employees, or the Trustee, its officers, directors, agents or employees, by reason of any such claim, the Corporation, upon notice as aforesaid, covenants and agrees diligently to resist or defend such action or proceedings; provided, however, that the indemnified party or parties will, at the Corporation's expense, cooperate and assist in the defense of such action or proceeding if reasonably requested to do so by the Corporation. The foregoing indemnification obligations shall survive the termination of this Agreement and the Indenture and the resignation or removal of the Trustee for any reason.

Notwithstanding anything contained herein to the contrary, the Corporation shall not be obligated to indemnify or hold harmless the Authority or its members, officers or employees and the Trustee or its members, officers or employees for its or their gross negligence or willful misconduct.

Section 5.03. Reports and Audits. The Corporation shall:

(a) As soon as practicable but in no event later than five (5) months after the end of each Fiscal Year, file with the Authority, and, if requested by the Trustee, with the Trustee, Audited Financial Statements of the Corporation prepared as of the end of such Fiscal Year; and

(b) As soon as practicable but in no event later than five (5) months after the end of each Fiscal Year, file with the Authority and the Trustee an Officer's Certificate stating

whether to the best knowledge of the signers, the Corporation is in default in the performance of any covenant contained in this Agreement and if so, specifying each such default of which the signers may have knowledge; and

(c) If an Event of Default shall have occurred and be continuing under this Agreement, (i) file with the Trustee and the Authority such other financial statements and information concerning the operations and financial affairs of the Corporation as the Trustee may from time to time reasonably request, and (ii) provide reasonable access to the facilities of the Corporation for the purpose of inspection by the Trustee during regular business hours or at such other times as the Trustee may reasonably request.

(d) Upon conversion of the Series 2010D Bonds to a Term Rate Mode or a Fixed Rate Mode to undertake in a written agreement or certificate to provide such information as necessary to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Section 5.04. Taxes and Claims. The Corporation shall pay and discharge all taxes, assessments and governmental charges or levies imposed upon it or on its income or properties prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a lien or charge upon any of its properties, provided that the Corporation shall not be required to pay any such tax, assessment, charge, levy or claim, the payment of which is being contested in good faith and by proper proceedings.

Section 5.05. Rebate. The Corporation, as necessary to compute the Rebate Amounts, pursuant to this Section, but in any case within sixty (60) days after the end of each fifth Bond Year, shall prepare a report calculating Rebate Amounts and shall file such report with the Trustee and the Authority. The Corporation shall pay, or cause to be paid, to the Trustee within sixty (60) days after the end of each such fifth Bond Year (but at least five (5) Business Days prior to the corresponding due dates under Section 148(f) of the Code) an amount equal to the Rebate Amounts, if any, as shown in such report, to be deposited in the Rebate Fund pursuant to Section 306 of the Indenture. The Corporation shall instruct the Trustee to withdraw from the Rebate Fund and pay over to the United States (1) not less frequently than every five Bond Year after the date of original delivery and payment for the Series 2010D Bonds, within 60 days of such dates an amount equal to 90% of the net aggregate amount of excess investment earnings deposited into the Rebate Fund during such period, plus all investment earnings on amounts on deposit in the Rebate Fund during such period (and not theretofore paid to the United States), and (2) not later than 60 days after the redemption, payment at maturity or other retirement of the last Bond, 100% of all moneys in the Rebate Fund. Anything herein to the contrary notwithstanding, the Corporation shall pay or cause to be paid when due to the United States government all Rebate Amounts due pursuant to Section 148(f) of the Code with respect to the Series 2010D Bonds, notwithstanding the release and discharge of the Indenture.

Section 5.06. Insurance. The Corporation will maintain, or cause to be maintained, insurance covering such risks and in such amounts as is required by the 2007 Master Indenture and naming the Authority as an additional insured as its interest may appear.

Section 5.07. Destruction, Damage and Eminent Domain. If the Corporation's Property shall be wholly or partially destroyed or damaged by fire or other casualty covered by insurance required under Section 5.06, or shall be wholly or partially condemned, taken or injured by any Person, including any Person possessing the right to exercise the power of or a power in the nature of eminent domain, or transferred to such a Person by way of a conveyance in lieu of the exercise of such a power by such a Person, the Corporation covenants that it will take all actions and will do all things which may be necessary to enable recovery to be made upon such policies of insurance or on account of such taking, condemnation, conveyance, damage or injury in order that moneys due on account of losses suffered may be collected and paid to the Corporation. Subject to the rights of any mortgagee, the Corporation is authorized to demand, collect, sue, settle claims, receipt and release moneys which may be due and payable under such policies of insurance or on account of such condemnation, damage or injury. The Corporation shall notify in writing the Trustee and the Authority of any damage to or any destruction or condemnation (or other similar taking or conveyance in lieu thereof) of any of the Corporation's Property valued in the aggregate in excess of 10% of Property, Plant and Equipment.

Section 5.08. Observance of Terms of Documents. The Corporation shall comply with all of the terms and conditions and covenants applicable to the Corporation contained in this Agreement, the Indenture and the other Documents.

Section 5.09. Covenant With Bondholders. The Authority and the Corporation agree that this Agreement is executed in part to induce the purchase by others of the Series 2010D Bonds, and accordingly, all representations, warranties, covenants and agreements on the part of the Corporation and the Authority as set forth herein are declared to be for the benefit of the Trustee and the registered owners from time to time of the Series 2010D Bonds and their respective successors and assigns.

Section 5.10. Investments. The Authority and the Corporation agree that all moneys in any fund established under the Indenture may be invested in such Investment Securities as the Corporation may direct in writing or orally as confirmed in writing; provided, however, that any such directions shall conform to the requirements of the Indenture. The Trustee is hereby authorized to trade with itself and any of its affiliates in the purchase and sale of securities as provided in Section 311 of the Indenture.

Section 5.11. Filings to Protect Security Interest in Trust Estate. The Corporation hereby agrees to file all financing statements describing, and transfer such possession or control over, such collateral as may be necessary to establish and maintain the pledge of the Trust Estate in each jurisdiction in which the Corporation is organized or such collateral may be located or that may otherwise be applicable pursuant to Uniform Commercial Code §§9-301 – 9-306 of such jurisdiction.

ARTICLE VI
DEFAULTS AND REMEDIES

Section 6.01. Events of Default by Corporation. The occurrence of any of the following shall constitute an Event of Default hereunder:

(a) Failure by the Corporation to make any payments under Section 4.02 when due; or

(b) Failure by the Corporation to make any other payment hereunder or in the performance of or compliance with any of the material provisions, warranties, covenants, agreements, terms or conditions contained in this Agreement, other than those specified in clause (a) above, which continues for thirty (30) days following written notice thereof to the Corporation from the Authority or the Trustee except in the case of a default which cannot be cured within such thirty (30) days, in which case the period shall be extended for such period as is reasonable to cure the same with due diligence, provided the Corporation commences such performance or compliance within thirty (30) days and proceeds diligently to cure the same; or

(c) The occurrence of an Event of Default under the Indenture, the 1995 Master Indenture, the 2007 Master Indenture or the Series 2010D Notes; or

(d) An order or decree shall be entered appointing a receiver, receivers, custodian or custodians for any of the revenues of the Corporation, or approving a petition filed against the Corporation seeking reorganization of the Corporation under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Corporation, shall not be vacated or discharged or stayed on appeal within 120 days after the entry thereof; or

(e) Any proceeding shall be instituted, with the consent or acquiescence of the Corporation, or any plan shall be entered into by the Corporation, for the purpose of effecting a composition between the Corporation and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or Commonwealth statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from any part or all of the amounts payable by the Corporation under this Agreement; or

(f) The Corporation (i) files a petition in bankruptcy or under Title 11 of the United States Code, as amended, (ii) makes an assignment for the benefit of its creditors or (iii) consents to the appointment of a receiver, custodian or trustee for itself or for the whole or any part of the revenues of the Corporation from which the payments by the Corporation under this Agreement may be made; or

(g) If (i) the Corporation is adjudged insolvent by a court of competent jurisdiction, (ii) on a petition in bankruptcy filed against the Corporation, the Corporation is adjudged as bankrupt or (iii) an order, judgment or decree is entered by any court of competent

jurisdiction appointing, without the consent of the Corporation, a receiver, custodian or trustee of the Corporation or of the whole or any part of its property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 120 days from the date of entry thereof; or

(h) The Corporation shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(i) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Corporation or of the whole or any substantial part of its property, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control.

Unless and until the Authority or the Trustee shall have exercised any remedies upon an Event of Default, the Corporation (or any other Person on behalf of the Corporation) may, at any time (a) pay all accrued unpaid payments then due and owing on the outstanding balance of the Loan and all other sums which the Corporation is obligated to pay hereunder; and (b) cure all other existing Events of Default hereunder, and in every such case, such payment and cure shall be deemed to constitute a waiver of the Event of Default and its consequences as though the Event of Default had not occurred.

Section 6.02. Remedies Upon Event of Default. Upon the occurrence of an Event of Default:

(a) The entire outstanding balance of the Loan and any other sums which the Corporation is obligated to pay to the Authority hereunder shall immediately be due and payable if the Trustee shall have declared the acceleration of the Series 2010D Bonds in accordance with the Indenture;

(b) The Trustee, after ten (10) days notice to the Corporation, may perform for the account of the Corporation any covenant of the Corporation hereunder in the performance of which the Corporation is in default or make any payment for which the Corporation is in default. The Corporation shall pay to the Trustee upon demand any reasonable amount paid by it in the performance of such covenant and any amounts which the Trustee shall have paid by reason of failure of the Corporation to comply with any covenant or provision of this Agreement, including reasonable counsel fees and expenses incurred in connection with prosecution or defense of any proceedings instituted by reason of default of the Corporation, together with interest at a rate equal to the lesser of the highest rate permitted by applicable law and the cost of the money to the Trustee, from the date of payment until repayment by the Corporation; and

(c) The Authority or the Trustee may pursue any other right or remedy available at law or in equity.

Section 6.03. Waiver of Errors and Exemptions. The Corporation hereby waives and releases all technical errors, defects and imperfections whatsoever of a procedural nature in the entering of any judgment or any process or proceedings arising out of this Agreement. The Corporation also waives the benefit of any law which now or hereafter might authorize the stay of any execution to be issued or any judgment recovered hereunder or the exemption of any property from levy or sale thereunder.

Section 6.04. No Remedy Exclusive. No right or remedy herein conferred upon or reserved to the Authority or the Trustee is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative and in addition to every other right or remedy given herein or now or hereafter existing at law or in equity or by statute.

Section 6.05. No Waiver Implied. No waiver by the Authority or the Trustee of any breach by the Corporation of any of its obligations, agreements or covenants hereunder shall be a waiver of any subsequent breach, or a waiver of any obligation, agreement or covenant, nor shall any forbearance by the Authority or the Trustee to seek a remedy for any breach by the Corporation be a waiver by the Authority or the Trustee of its rights and remedies with respect to any subsequent breach.

ARTICLE VII
MISCELLANEOUS

Section 7.01. Representations and Special Covenants of Authority. The Authority represents, warrants and agrees that:

(a) It is a public body, corporate and politic of the Commonwealth and is authorized under the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Authority has duly authorized the execution and delivery of this Agreement and will do or cause to be done all things necessary to preserve and keep it in full force and effect.

(b) The execution and delivery by the Authority of the Series 2010D Bonds, this Agreement and the Indenture and compliance with the provisions of such instruments will not constitute a breach of, or default under, any indenture, commitment, agreement or other instrument to which the Authority is a party or by which it is bound, or, as presently construed, any constitutional or statutory provision, or rule, regulation, ordinance, judgment, order or decree to which the Authority or any of its property, is subject.

(c) Except as disclosed in the Preliminary Official Statement and the Official Statement (as then amended or supplemented) relating to the Series 2010D Bonds, there is no litigation pending or, to the best of the Authority's knowledge, threatened against the Authority questioning the Authority's sale, issuance, execution, delivery or payment of the Series 2010D Bonds; the Authority's execution, delivery or performance of this Agreement or the Indenture; the organization, powers or authority of the Authority; or the right of the officers of the Authority to hold their respective offices.

Section 7.02. Assignment. The Corporation shall not consolidate with or merge into any other Person or permit any other Person to consolidate with or merge into it or assign all or any part of its obligations under this Agreement to another Person or Persons unless each of the following conditions is met: (i) the surviving Person (in the case of a merger or consolidation) or assignee (in the case of an assignment) assumes in writing all of the obligations of the Corporation under this Agreement; (ii) there is delivered to the Trustee prior to the consummation of such merger, consolidation or assignment an opinion of Bond Counsel to the effect that such merger, consolidation or assignment is authorized by this Agreement and will not adversely affect the exclusion of interest on the Series 2010D Bonds from gross income for purposes of federal income taxation; and (iii) there is delivered to the Trustee prior to the consummation of such merger, consolidation or assignment written evidence from the Rating Agency that the rating then assigned to the Series 2010D Bonds by the Rating Agency shall not be adversely affected by such merger, consolidation or assignment. Every assignee under this Section shall be bound by all of the covenants and agreements of the Corporation herein. Upon satisfaction with the preconditions to assignment contained in this Section 7.02 and the execution and delivery of such documents as are reasonably necessary to effect such assignment, the Corporation shall no longer be liable for such portion of its obligations under this Agreement properly assigned to another Person or Persons.

Section 7.03. Term of Agreement. This Agreement shall remain in full force and effect for a term commencing on the date of the issuance of the Series 2010D Bonds and terminating at such time as there are no Series 2010D Bonds outstanding under the provisions of the Indenture and all obligations thereunder are paid in full; provided, however, that this Agreement and the obligation of the Corporation to make payments pursuant to the provisions of Section 4.02(f) shall continue following the discharge of the Series 2010D Bonds until such time as any amounts due to the Internal Revenue Service for rebate required by the Indenture and any other amounts due under this Agreement have been satisfied, and provided further that the provisions of Section 5.02 regarding the indemnification of the Authority and Trustee shall continue as provided in such Section 5.02.

Section 7.04. Notices. Except as otherwise expressly provided in this Agreement, all notices and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person, when mailed by first class registered, certified or express mail, postage prepaid or when sent by recognized overnight delivery service with all charges prepaid, in each case addressed to the Authority, the Corporation and the Trustee, respectively, at the respective addresses set forth below:

If to the Authority:

Allegheny County Hospital Development Authority
425 Sixth Avenue, Suite 800
Pittsburgh, PA 15219
Attention: Authorities Manager

If to the Corporation:

UPMC
U.S. Steel Tower
600 Grant Street
Pittsburgh, PA 15219
Attention: Treasurer

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
525 William Penn Place, 38th Floor
Pittsburgh, PA 15259
Attention: John J. Scarpiniti, Institutional Trust Services

A copy of each notice, direction, certificate, request or other communication given hereunder to the Authority, the Corporation or the Trustee shall also be given to the others at the address specified in the Indenture. Any of the foregoing may, by notice given hereunder, designate any further or different addresses to which subsequent notices, directions, certificates, requests or other communications shall be sent.

Section 7.05. Parties in Interest. This Agreement shall inure to the benefit of the Authority, the Corporation, the Trustee and their respective successors and permitted assigns, and shall be binding upon the Authority, the Corporation and their respective successors and permitted assigns, and no other Person, other than the Trustee, the Bondholders, and their respective successors and permitted assigns, shall have any right, remedy or claim under or by reason of this Agreement; provided, however, that, except as provided in the Act, neither the Authority, the Commonwealth nor any political subdivision thereof shall be liable for the payment of the principal of or interest on the Series 2010D Bonds or for the performance of any pledge, mortgage, obligation or agreement created by or arising out of this Agreement or the issuance of the Series 2010D Bonds, and, further, that neither the Series 2010D Bonds nor any such obligation or agreement of the Authority shall be construed to constitute an indebtedness of the Authority, the County of Allegheny, the Commonwealth of Pennsylvania or any political subdivision thereof or a charge against their general credit or taxing powers within the meaning of any constitutional or statutory provisions whatsoever, but shall be limited obligations of the Authority payable solely out of the revenues derived from this Agreement, or from the sale of the Series 2010D Bonds or income earned on invested funds, as provided herein and in the Indenture. It is further understood and agreed by the Corporation, that the Authority shall incur no pecuniary liability hereunder, and shall not be liable for any expenses related hereto, including administrative expenses and fees and disbursements of Bond Counsel retained in connection therewith, all of which expenses the Corporation has agreed to pay. The Authority has no taxing power.

Section 7.06. Survival of Covenants, Conditions and Representations. All covenants, conditions and representations of the Corporation contained herein which, by nature, impliedly

or expressly involve performance in any particular manner after the settlement pursuant to Article III of this Agreement or which cannot be ascertained to have been performed until after the said settlement shall survive said settlement.

Section 7.07. Amendments.

(a) Except for the amendments provided for by Section 7.07(b), this Agreement may not be amended except in accordance with Article IX of the Indenture as evidenced by an instrument in writing signed by the parties.

(b) Section 5.05, concerning the Corporation's obligation to comply with the rebate requirements of Section 148(f) of the Code, may be amended by an instrument in writing signed by the parties hereto in the event that the Corporation delivers to the Trustee an Officer's Certificate accompanied by an Opinion of Counsel from Bond Counsel addressed to the Trustee to the effect that amendments to such section hereof are necessary or desirable to comply with the provisions of Section 148(f) of the Code.

(c) The Corporation shall reimburse the Authority and Trustee for all reasonable costs and expenses, including, without limitation, reasonable attorney's fees and expenses, paid or incurred by the Authority or Trustee in connection with any amendments or modifications of this Agreement or to the Indenture and any document, instrument or agreement related hereto or thereto, and the discussion, negotiation, preparation, approval, execution and delivery of any and all documents necessary or desirable to effect such amendments or modifications. A copy of any amendments shall be sent by the Corporation to each Rating Agency then rating the Series 2010D Bonds.

Section 7.08. Severability. If any clause, provision or section of this Agreement shall be ruled invalid, illegal or unenforceable for any reason, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this Agreement shall be construed as if such clause, provision or section had not been contained herein.

Section 7.09. Counterparts. This Agreement may be executed in several counterparts, any or all of which shall constitute one and the same instrument.

Section 7.10. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

ATTEST:

Authorized Designate

ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY

By: _____
Chairman

ATTEST:

Secretary

UPMC

By: _____
Name: C. Talbot Heppenstall, Jr.
Title: Treasurer