

**TRUST INDENTURE**  
**BETWEEN**  
**ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY**  
**AND**  
**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**

**\$100,000,000**  
**Allegheny County Hospital Development Authority**  
**University of Pittsburgh Medical Center Revenue Notes, Series 2008**  
**Dated as of December 1, 2008**

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## TRUST INDENTURE

**THIS TRUST INDENTURE**, dated as of December 1, 2008 (the "**Indenture**"), between the **ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY**, a body politic and corporate and a public instrumentality of the Commonwealth of Pennsylvania (the "**Issuer**" or the "**Authority**"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association duly established, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with a corporate trust office in Pittsburgh, Pennsylvania (the "**Trustee**");

### WITNESSETH:

**WHEREAS**, the Issuer is a body corporate and politic existing under the laws of the Commonwealth of Pennsylvania (the "**Commonwealth**") pursuant to the Municipality Authorities Act, as amended (the "**Act**"), having been duly organized by the County of Allegheny; and

**WHEREAS**, UPMC, a nonprofit corporation organized and existing under the laws of the Commonwealth (the "**Corporation**") has, by duly authorized resolution, undertaken a project consisting of financing: (i) the reimbursement of the Corporation for previously incurred capital expenditures for hospital and/or health care facilities; (ii) certain new capital costs to be incurred by the Corporation; (iii) the refunding of a portion of the Authority's outstanding Hospital Revenue Bonds, Series 1993 (Magee-Womens Hospital) (the "**Prior Debt**"); and (iv) the payment of all or a portion of the related financing costs (collectively, the "**Project**").

**WHEREAS**, the Issuer is authorized under the Act to issue its revenue notes, bonds or other evidence of indebtedness or obligations for the purposes aforesaid and the Issuer has determined that the public interest will be best served and that the purposes of the Act can be more advantageously obtained by the Issuer's issuance of notes in order to obtain funds to loan to the Corporation for the foregoing purposes; and

**WHEREAS**, it has been determined that in order to finance a portion of the Project the Issuer will issue its revenue notes in an aggregate principal amount of \$100,000,000, which shall be designated "Allegheny County Hospital Development Authority University of Pittsburgh Medical Center Revenue Notes, Series 2008" (the "**Notes**"); and

**WHEREAS**, the execution and delivery of this Indenture and the issuance of the Notes under the Act and this Indenture have been in all respects duly and validly authorized by resolution duly passed and approved by the Issuer; and

**WHEREAS**, pursuant to a Loan Agreement dated as of the date hereof (the "**Agreement**") between the Issuer and the Corporation, the Issuer has agreed to loan to the Corporation the sale proceeds of the Notes to finance the Project and the Corporation has agreed to pay to the Issuer installment payments sufficient to meet the obligations under the Notes when the same become due and payable; and

**WHEREAS**, as security for its obligation to make payments required under the Agreement, the Corporation has issued and delivered to the Authority, which has assigned to the Trustee, two separate promissory notes (collectively, the **"2008C Master Notes"**), (i) one under the terms of and pursuant to the Master Trust Indenture dated as of December 1, 1995 (the **"Original 1995 Master Indenture"**), as supplemented by, among others, a Supplemental Master Trust Indenture No. 49 dated as of December 1, 2008 (the **"Supplemental Master Indenture No. 49"**) and, together with the Original 1995 Master Indenture, as so supplemented, the **"1995 Master Indenture"**), between the Corporation, as obligated group representative, and The Bank of New York Mellon Trust Company, N.A., as master trustee (the **"1995 Master Trustee"**), and (ii) one under the terms of and pursuant to the Master Trust Indenture dated as of May 1, 2007 (the **"Original 2007 Master Indenture"**), as supplemented by, among others, a Supplemental Master Trust Indenture No. 10 dated as of December 1, 2008 (the **"Supplemental Master Indenture No. 10"**) and, together with the Original 2007 Master Indenture, as so supplemented, the **"2007 Master Indenture"**), between the Corporation, as obligated group agent, and The Bank of New York Mellon Trust Company, N.A., as master trustee (the **"2007 Master Trustee"**); and

**WHEREAS**, all things necessary to make the Notes, when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal limited obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the installment payments and prepayments to be made by the Corporation under the Agreement and the 2008C Master Notes to be applied to the payment of the principal of, premium, if any, and interest on the Notes and a valid assignment of the right, title and interest of the Issuer under the Agreement and amounts payable to the Issuer under the Agreement (except Unassigned Rights, as hereinafter defined) and the 2008C Master Notes, have been done and performed, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Notes, subject to the terms hereof, have in all respects been duly authorized:

**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that to secure all Notes issued and Outstanding under this Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Noteholders, the performance and observance of all of the covenants contained in such Notes and herein, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Notes by the holders thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby sell, assign, transfer, set over, pledge and grant unto The Bank of New York Mellon Trust Company, N.A., as Trustee, its successors in the trust and its assigns forever, a security interest in all of the right, title and interest of the Issuer in and to the property hereinafter described (such property being herein referred to as the **"Trust Estate"**):

(i) the Agreement and all payments received or receivable, with respect to the Notes, by the Issuer from the Corporation pursuant thereto (excluding Unassigned Rights); and

(ii) the 2008C Master Notes; and

(iii) all funds and accounts established and maintained under this Indenture other than the Rebate Fund (as hereinafter defined), and all income and receipts received or

receivable by the Trustee with respect to such funds and accounts (except with respect to the Rebate Fund); and

(iv) any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by the Issuer, the Corporation, or by anyone on their behalf to the Trustee, including without limitation moneys of the Corporation held by the Trustee in any of the funds and accounts established hereunder as security for the Notes; provided, however, that there is expressly excepted and excluded from the lien and operation of this Indenture amounts held by the Trustee in the Rebate Fund authorized hereunder.

**TO HAVE AND TO HOLD** the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by this Indenture.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future holders of the Notes issued under this Indenture, without preference, priority or distinction (except as otherwise specifically provided herein) of any one Note over any other Note.

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition, that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal of such Notes with interest, according to the provisions set forth in the Notes and each or all of them shall provide for the payment or redemption of such Notes by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions hereof, and shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then these presents and the estate and rights hereby granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, its successors or assigns, all and singular the property, rights, privileges and interests by it hereby granted, conveyed and assigned, and all substitutes therefor, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force.

**AND IT IS HEREBY COVENANTED, DECLARED AND AGREED** by and between the parties hereto that all Notes are to be issued, authenticated and delivered, and that all the Trust Estate is to be held and applied, subject to the further covenants, conditions, releases, uses and trusts hereinafter set forth, and the Issuer, for itself and its successors, does hereby covenant and agree to and with the Trustee and its respective successors in such trust, for the benefit of those who shall hold the Notes, or any of them as follows:

# ARTICLE I

## DEFINITIONS

### **Section 101** Definitions

In addition to the words and terms elsewhere defined in this Indenture, the following words and terms as used in this Indenture shall have the following meanings unless the context or use indicates another or different meaning or intent.

**“Administrative Fee”** means the annual fee for the general administrative services of the Issuer.

**“Affiliate”** means a Person that controls or is controlled by the Corporation or, if both are controlled by the same third party, such third party. One Person shall be deemed to control another if it, directly, indirectly through control over a third party, or jointly with one or more controlled third parties, (i) owns more than 50% of the outstanding voting stock of or other equity interests in the other, (ii) has the power to elect or approve the election of more than 50% of the governing body of the other, (iii) has the power to approve the operating and capital budgets and other major expenditures of the other or (iv) is the sole member of the other.

**“Alternate Index”** means, on any date, a rate equal to 85% of the interest rate on 7-day Dealer Placed Top Tier A-1+/P1/F1+ Commercial Paper, as reported by Bloomberg L.P. under United States Money Market Rates (MMR-US)/CP-Dealer Placed page.

**“Applicable Spread”** means the Applicable Spread specified in the chart below which corresponds to the lowest rating assigned by Moody’s, S&P or Fitch to the senior long-term debt of the Corporation without regard to third-party credit enhancement or, as applicable, the Applicable Spread described in the last sentence of this definition:

Moody’s	S&P	Fitch	Applicable Spread
Aa3 or higher	AA- or higher	AA- or higher	225 bps
A1	A+	A+	280 bps
A2	A	A	310 bps
A3	A-	A	340 bps
Baa1	BBB+	BBB+	370 bps
Baa2	BBB	BBB	400 bps

In the event that the rating assigned to the senior long-term debt of the Corporation is withdrawn or is suspended or falls below Baa2, BBB or BBB by Moody’s, S&P or Fitch, the Applicable Spread shall equal the number of basis points by which the Maximum Interest Rate exceeds the SIFMA Municipal Index or the Alternate Index, whichever is then used to determine the Index Rate.



**“Authorized Officer”** means with respect to the Corporation, a representative of the Corporation duly authorized and empowered to execute any document, certificate or agreement and legally bind the Corporation and with respect to the Issuer, an individual duly authorized by the bylaws of the Issuer to legally bind the Issuer, or an individual so designated by a duly adopted resolution of the Issuer, validly in effect.

**“Beneficial Owners”** mean the purchaser of an ownership interest in each Note registered in the name of the Securities Depository while such Note is registered under the book-entry-only system of registration described in Section 202(e) hereof.

**“Bond Counsel”** means any attorney or firm of attorneys nationally recognized in rendering opinions for the benefit of bond or note holders or matters pertaining to the tax exempt nature of interest on obligations issued by states or their political subdivisions.

**“Business Day”** means a day which is not (a) a Saturday or Sunday, (b) a day on which commercial banks in (1) Pittsburgh, Pennsylvania, (2) New York, New York, or (3) the city or cities in which the corporate trust office of the Trustee responsible for the administration of this Indenture are authorized by law or required by law or executive order to be closed.

**“Certified Resolution”** means, as the context requires: (a) one or more resolutions of the Issuer, certified by the Secretary or Assistant Secretary of the Issuer or other officer serving in a similar capacity, to have been duly adopted and to be in full force and effect as of the date of certification; or (b) one or more resolutions of the governing body of the Corporation or a duly authorized committee thereof, certified by the Secretary or Assistant Secretary of the Corporation or other officer serving in a similar capacity, to have been duly adopted and to be in full force and effect as of the date of certification.

**“Closing Date”** means December 12, 2008, the date of delivery of the Notes.

**“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, including temporary regulations, relating to such section which are applicable to the Notes or the use of the proceeds thereof.

**“Commonwealth”** means the Commonwealth of Pennsylvania.

**“Costs”** with respect to the Project means all expenditures which, under generally accepted accounting principles, consistently applied, would be allocable to the Project and payable from the proceeds of the Notes.

**“Counsel”** means an attorney at law or law firm (which may include counsel to the Corporation or in house counsel) not unsatisfactory to the Trustee.

**“Defaulted Interest”** means interest on any Note which is payable but not duly paid on the date due.

**“Default Rate”** means 15% per annum.

**“Earliest Redemption Date”** means June 25, 2009.

**“Electronic Means”** means telegram, telex, telecopier, or other telecommunications or electronic telecommunications device capable of creating a written notice that is operative as between the parties and acceptable for use by them.

**“Event of Default”** means an event of default as defined in Section 701(a) hereof.

**“Extraordinary Redemption”** means the redemption of the Notes pursuant to Sections 401(b) and 609 hereof.

**“Favorable Opinion”** means an opinion of Bond Counsel addressed to the Issuer and the Trustee substantially to the effect that: (i) the action proposed to be taken is authorized or permitted by the Act and this Indenture and complies with their respective terms; and (ii) such action will not adversely affect (A) the exclusion from gross income of interest on the Notes for purposes of federal income taxation, and (B) any applicable tax exemption with respect to the Notes provided under Commonwealth law.

**“Fiscal Year”** means a period of twelve consecutive months ending on June 30 of each year or such other 12 month period selected by the Corporation.

**“Fitch”** means Fitch Ratings, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating organization, any other nationally recognized securities rating organization designated in writing by the Corporation.

**“Governmental Obligations”** means the following:

(a) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (**“United State Treasury Obligations”**);

(b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America;

(c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or

(d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

**“Immediate Notice”** means notice by Electronic Means or telephone to such address as the addressee shall have directed in writing, promptly followed (only in the case of notice by telephone) by written notice by first class mail, postage prepaid.

**“Independent”** means, with respect to any Person, one which is not and does not have a partner, director, officer, member or substantial stockholder who is a member of the Corporation

or an Affiliate, or an officer or employee of the Corporation or an Affiliate; provided that the fact that a Person is retained regularly by or transacts business with the Corporation or Affiliate shall not, in and of itself, cause such Person to be deemed an employee of the Corporation or Affiliate for the purposes hereof.

**“Independent Public Accountant”** means an Independent, nationally recognized accounting firm which is appointed by the Corporation for the purpose of examining and reporting on or passing on questions relating to the financial statements of the Corporation, has all certifications necessary for the performance of such services, and has a favorable reputation for skill and experience in performing similar services in respect of entities of a comparable size and nature.

**“Index Rate”** means a variable interest rate for the Notes equal to the SIFMA Municipal Index plus the Applicable Spread, as determined by the Trustee.

**“Initial Note Purchaser”** means RBC Capital Markets Corporation.

**“Interest Payment Date”** means the first Business Day of each calendar month, commencing January 2, 2009.

**“Investment Securities”** means any of the following securities:

- (a) direct obligations of the United States or obligations guaranteed as to full and timely payment both as to principal and interest by the United States;
- (b) investments in a money market fund secured by obligations described in (a) above; and
- (c) any other investment approved by the Initial Note Purchaser.

**“Maturity”** when used with respect to any Note means the date on which the principal of such Note becomes due and payable as therein or herein provided, whether at Stated Maturity or by acceleration or redemption or otherwise.

**“Maximum Interest Rate”** means (a) prior to the occurrence of an Event of Default, the lesser of 12% per annum and the maximum rate permitted by law and (b) following the occurrence of an Event of Default, the lesser of 15% per annum and the maximum rate permitted by law.

**“Moody's”** means Moody's Investors Service, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, for the purpose of the definition of Investment Securities only, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation, with written notice to the Issuer, Initial Note Purchaser and the Trustee.

**“Net Proceeds”** means proceeds from insurance or condemnation awards received with respect to damage to or a taking by eminent domain of the Property of a Member (as defined in

the 2007 Master Indenture), net of payment of all reasonable expenses (including attorney's fees and expenses, adjuster's fees and the fees and expenses of the Trustee).

**"Note"** means one or more of the Allegheny County Hospital Development Authority, University of Pittsburgh Medical Center Revenue Notes, Series 2008.

**"Note Register"** means the registration books of the Issuer kept by the Trustee to evidence the registration and transfer of Notes.

**"Note Registrar"** means the Trustee, as keeper of the Note Register.

**"Note Year"** means that period commencing on the date of issue of the Notes through December 1, 2009, and, thereafter, the consecutive period of twelve months commencing on December 1, 2009, through the following November 30 or as otherwise selected by the Corporation.

**"Noteholder", "holder" or "owner of the Notes"** means the Person in whose name a Note is registered on the Note Register.

**"Opinion of Counsel"** means a written opinion of counsel, which is satisfactory to the Initial Note Purchaser who may (except as otherwise expressly provided in this Indenture) be counsel for one or more of the Issuer or the Corporation and who shall be satisfactory to the Initial Note Purchaser; and, when given with respect to the status of interest on any bond or note under federal income tax law, shall be Bond Counsel; and, when given with respect to any matter under Title 11 of the United States Code, as now or hereafter constituted (i.e., the Bankruptcy Code), shall be counsel of nationally recognized standing in the field of bankruptcy law.

**"Outstanding"** means, with respect to the Notes, all Notes authenticated and delivered under this Indenture as of the time in question, except:

(a) All Notes theretofore canceled or required to be canceled under Section 208 hereof;

(b) Notes for the payment or redemption of which provision has been made in accordance with Article X hereof; provided that, if such Notes are being redeemed, the required notice of redemption shall have been given or provision satisfactory to the Trustee shall have been made therefor, and that if such Notes are being purchased, there shall be a firm commitment for the purchase and sale thereof;

(c) Notes in substitution for which other Notes have been authenticated and delivered pursuant to Article II hereof; and

(d) Notes owned by or held for the benefit of the Corporation or any of its affiliates.

**"Participants"** means those securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations that participate with the Securities Depository in a system under which the Securities Depository holds securities of its participants

and facilitates the clearance and settlement of securities transactions in such securities through electronic book-entry changes in accounts of the participants.

**"Paying Agent"** means the commercial bank, national association or trust company, if any, designated pursuant to this Indenture to receive and disburse the principal of and interest on the Notes.

**"Person"** means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, any unincorporated organization, a governmental body, agency or a political subdivision, a municipality, a municipal authority or any other group or organization of individuals.

**"Property"** means any and all rights, titles and interests in and to any and all property, whether real or personal, tangible or intangible and wherever situated, and whether now owned or hereafter acquired.

**"Property, Plant and Equipment"** means the line item labeled as such on the financial statements of the Corporation prepared in accordance with generally accepted accounting principles.

**"Rating Agency"** means each nationally recognized securities Rating Agency, which at the time of issue of the Notes, includes Fitch, Moody's and S & P, and each of such entity's successors and assigns.

**"Record Date"** means any Regular Record Date or any Special Record Date.

**"Registered Owner"** with respect to any Note means the person in whose name any Note is registered on the Note Register.

**"Regular Record Date"** means the last day of the prior month (whether or not a Business Day) immediately preceding each Interest Payment Date with respect thereto.

**"Regulatory Body"** means any federal, state or local government, department, agency, authority or instrumentality (other than the Issuer) and any other public or private body, including accrediting organizations, having regulatory jurisdiction and authority over the Corporation or the operations of the Corporation.

**"Representation Letter"** means that letter from the Issuer to the Securities Depository with respect to the issuance of the Notes in book entry form.

**"S&P"** means Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc., its successors and its assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, for the purpose of the definition of Investment Securities only, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation, with written notice to the Issuer, the Initial Note Purchaser and the Trustee.

**"Securities Depository"** means, initially, The Depository Trust Company, New York, New York, and thereafter any successors and assigns, as provided in Section 211 hereof.

**"SIFMA Municipal Index"** means the SIFMA Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; provided, however, that if such index is no longer produced by Municipal Market Data, Inc., or its successor, then "SIFMA Municipal Index" shall mean the Alternate Index.

**"Special Record Date"** means the date fixed by the Trustee pursuant to Section 202 hereof for the payment of Defaulted Interest.

**"State Obligations"** means the following:

(a) direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated;

(b) direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1" by S&P and "MIG-1" by Moody's;

(c) Special Revenue Notes (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated "AA" or better by S&P and "Aa" or better by Moody's; or

(d) pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("**Verification**");

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(v) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

**“Stated Maturity”** means December 1, 2011.

**“Tax Regulatory Certificate”** means the certificate of such designation dated as of the Closing Date executed by the Issuer and the Corporation.

**“Trustee”** means The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania, the Trustee hereunder, or any successor trustee.

**“Unassigned Rights”** means the fees and expenses payable to the Issuer under the Agreement, including the right to receive additional payments under Section 4.04 thereof, the Issuer’s right to indemnification under the Agreement, the Issuer’s right to receive notices under this Indenture and the Agreement and the Issuer’s right to execute and deliver supplements and amendments to the Agreement.

**“Written Request”** with reference to the Issuer means a request in writing signed by an Authorized Officer of the Issuer and with reference to the Corporation means a request in writing signed by an Authorized Officer of the Corporation.

All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in effect from time to time.

The words “hereof,” “herein,” “hereto,” “hereby” and “hereunder” (except in the form of the Note), refer to the entire Indenture except as otherwise noted.

Every “request,” “requisition,” “order,” “demand,” “application,” “notice,” “statement,” “consent” or similar action hereunder by the Issuer shall, unless the form thereof is specifically provided, be in writing signed by an Authorized Officer of the Issuer.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa, and all words and terms used in this Indenture and not defined herein shall, if defined in the Agreement, have the meaning set forth therein.

## **Section 102 Certain Funds and Accounts**

All references herein to the “Clearing Fund”, the “Note Fund”, the “Project Fund” and the “Rebate Fund”, shall mean the funds so designated which are established or authorized to be established pursuant to Article III hereof.

## ARTICLE II

### THE NOTES

#### **Section 201** Authorized Amount of Notes

No Notes may be issued under the provisions of this Indenture except in accordance with this Article II. Except as provided in Section 207(b) hereof, the total principal amount of Notes that may be issued is hereby expressly limited to \$100,000,000. The Notes shall not be subject to redemption prior to maturity except as provided therein and in Article IV hereof.

#### **Section 202** Issuance of the Notes

(a) The Notes issued by the Allegheny County Hospital Development Authority shall be designated as its "University of Pittsburgh Medical Center Revenue Notes, Series 2008." The Notes shall be issuable as fully registered Notes in denominations of \$100,000 and \$5,000 multiples in excess thereof (provided, however, that a single Note may be in a denomination other than such an authorized denomination). Unless the Authority or the Corporation shall otherwise direct, the Notes shall be numbered from R-1 upward.

Each Note shall be dated as of the date of authentication thereof. Interest on the Notes shall be payable on each Interest Payment Date. Each Note shall bear interest from the Interest Payment Date which immediately precedes the date the Note was authenticated unless (i) such date of authentication is an Interest Payment Date, in which case interest shall accrue from the date of authentication, (ii) such date of authentication is prior to January 2, 2009, in which case interest shall accrue from December 12, 2008, (iii) such date of authentication is after a Regular Record Date but before the succeeding Interest Payment Date, in which case interest shall accrue from the Interest Payment Date which immediately succeeds the date of authentication, or (iv) interest on the Note shall be in default, in which case interest shall accrue from the date on which interest on the Note was last provided for or paid.

(b) The Notes shall mature, subject to prior redemption, on the date of Stated Maturity.

(c) The Notes shall bear interest at the Index Rate. After the occurrence and during the continuance of an Event of Default, the Notes shall bear interest at the Default Rate. At no time shall the Notes bear interest at a rate higher than the Maximum Interest Rate.

The Index Rate shall be determined on Wednesday of each week and shall apply to the period commencing on and including the Thursday immediately following the date of determination and ending on and including the next succeeding Wednesday. The first Index Rate period shall be the period commencing on and including December 12, 2008 and ending on and including December 17, 2008.

The Trustee shall determine the Index Rate for the Notes and shall furnish such Index Rate to the Authority, the Corporation and the Initial Note Purchaser, not later than the Business Day next succeeding the date of determination of the Index Rate by telephone or



telecopy, promptly confirmed in writing. Not later than the third Business Day preceding each Interest Payment Date, the Trustee shall notify the Authority and the Corporation in writing of the total amount of interest payable on the Notes on such Interest Payment Date. In lieu of the notification provided in the preceding sentence, the Trustee may make such information available by Electronic Means.

Interest on the Notes shall be computed on the basis of a 365/366 day year for the actual number of days elapsed.

(d) The principal of, premium, if any, and interest on the Notes shall be payable in any currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal and premium, if any, shall be payable at the designated agency office of the Trustee, or its successor Trustee, or at the office of any alternate Paying Agent, if any, named in any such Note upon presentation and surrender thereof.

Payment of the interest on any Note shall be made to the Person appearing on the Note Register as the Registered Owner thereof as of the Regular Record Date and shall be paid:

(i) by check or draft of the Trustee mailed to such Registered Owner on the Interest Payment Date at such Registered Owner's address as it appears on the Note Register or at such other address as is furnished to the Trustee in writing by such Registered Owner;

(ii) in the case of an interest payment to any Registered Owner of \$1,000,000 or more in aggregate principal amount of Notes as of the close of business of the Trustee on the Regular Record Date for a particular Interest Payment Date, by wire transfer to such Registered Owner as of the close of business on such Interest Payment Date upon written notice from such Registered Owner containing the wire transfer address to a designated account at a member bank of the Federal Reserve System to which a Registered Owner wishes to have such wire directed, which written notice is received not less than one (1) Business Day prior to such Regular Record Date; or

(iii) in such other manner as is agreed upon between the Registered Owner and the Trustee.

(e) Defaulted Interest and Special Record Date. Defaulted Interest with respect to any Note shall cease to be payable to the holder of such Note as of the relevant Regular Record Date and shall be payable to the holder in whose name such Note is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner:

(i) The Corporation shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with requirements of clause (ii) of this subsection (d)), and shall deposit with the

Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment. Money deposited with the Trustee shall be held in trust for the benefit of the holders of the Notes entitled to such Defaulted Interest as provided in this Section.

(ii) Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment.

(iii) The Trustee shall promptly notify the Corporation of such Special Record Date and, in the name and at the expense of the Corporation, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each holder of a Note entitled to such notice at the address of such holder as it appears on the Note Register not less than 10 days prior to such Special Record Date.

(f) Book-Entry System.

(i) Anything in this Section 202 to the contrary notwithstanding, and except as provided in clause (iii) or clause (vi) of this subsection (e), the Notes shall be issued in "Book-Entry" form, registered in the name of the Securities Depository or its nominee, Cede & Co. Payment of principal of, interest and amounts payable upon prior redemption of any of the Notes registered as of each Record Date in the name of Cede & Co. shall be made by the Federal Reserve System wire transfer of immediately available funds or equivalent same day funds to the account of Cede & Co. on the payment date, as applicable, for the Notes at the address for Cede & Co. indicated on the Note Register.

(ii) The Trustee may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Notes registered in its name for the purposes of payment of the principal of, redemption price, or interest on the Notes, selecting the Notes or portions thereof to be redeemed, giving any notice permitted or required to be given to Noteholders under this Indenture, registering the transfer of Notes, obtaining any consent or other action to be taken by the Noteholders and for all other purposes whatsoever, and the Trustee shall not be affected by any notice to the contrary. The Trustee shall not have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Notes under or through the Securities Depository or any Participant, or any other Person which is not shown on the registration books for the Notes as being a Noteholder, with respect to the accuracy of any records maintained by the Securities Depository or any Participant with respect to any beneficial ownership interest in the Notes; the payment by the Securities Depository or any Participant of any amount in respect of the principal of, redemption price or interest on the Notes; any notice (or the timeliness thereof) which is permitted or required to be given to Noteholders under this Indenture;

the selection by the Securities Depository or any Participant of any Person to receive payment in the event of a partial redemption of the Notes; or any consent given by the Securities Depository as Noteholder. The Trustee shall pay all principal of and interest on and amounts payable on redemption of the Notes only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the Commonwealth) the Securities Depository, and all such payments shall be valid and effective to fully satisfy and discharge the obligations of the Issuer with respect to the principal of, premium, if any, and interest on the Notes to the extent of the sum or sums so paid. Except as provided in (iii) and (vi) below, no Person other than the Securities Depository shall receive an authenticated or registered Note evidencing the obligation of the Issuer to make payments pursuant to this Indenture. Upon delivery by the Securities Depository to the Trustee of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this Indenture shall refer to such new nominee of the Securities Depository.

(iii) At the Written Request of the Issuer, submitted to the Trustee at the Written Request of the Corporation, with the prior written consent of the Initial Note Purchaser, the Trustee shall notify the Securities Depository of the Issuer's desire to discontinue the book-entry system, whereupon the Securities Depository will notify the Beneficial Owners of the availability through the Securities Depository of Note certificates. The Securities Depository may determine to discontinue providing its services with respect to the Notes at any time by giving reasonable prior written notice to the Trustee and the Issuer and discharging its responsibilities with respect thereto under applicable law. Under such circumstances Replacement Notes shall be issued pursuant to Section 210 hereof. If Replacement Notes are so issued, the provisions of this Indenture regarding the Trustee's duties as Note Registrar and Paying Agent shall become applicable, including, but not limited to, the transfer and exchange of such Note certificates and the method of payment of principal of and interest on such Note certificates.

(iv) Notwithstanding any other provision of this Indenture to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of the Securities Depository, all payments with respect to the principal of and interest on and amounts payable on redemption of such Notes and all notices with respect to such Notes shall be made and given, respectively, to the Securities Depository as provided in the Representation Letter.

(v) In connection with any notice or other communication to be provided to Noteholders pursuant to this Indenture by the Trustee or with respect to any consent or other action to be taken by the Noteholders thereof, the Trustee shall establish a record date for such consent or other action and give the Securities Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to the Securities Depository shall be given only when the Securities Depository is the sole Noteholder.

(vi) Upon the Written Request of the Issuer, submitted to the Trustee at the Written Request of the Corporation, that the Trustee substitute another securities depository company (qualified to act as such under section 12 (a) of the Securities Exchange Act of 1934) for the Securities Depository, or appoint a successor securities depository (qualified to act as such under section 12 (a) of the Securities Exchange Act of 1934) upon the discontinuance of service by the Securities Depository (both subject to the provisions of Section 211 hereof), the Trustee shall immediately request the Securities Depository to transfer its custodial records to the successor securities depository and the Notes to the Trustee and to take all other actions deemed necessary or appropriate by the Trustee to effectuate the transfer of the services from the Securities Depository to another securities depository company.

**Section 203 Execution; Limited Obligation; No Liability of County**

(a) The Notes shall be executed on behalf of the Issuer by the facsimile or manual signature of its Chairman or Vice Chairman and its Secretary or any Assistant Secretary (or such other Authorized Officer of the Issuer) and shall have impressed or printed manually or by facsimile thereon the corporate seal of the Issuer. The facsimile signatures of such officers shall have the same force and effect as if such officer had manually signed each of such Notes. In case any officer whose signature or facsimile of whose signature shall appear on the Notes shall cease to be such officer before the delivery of such Notes, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he/she had remained in office until delivery.

(b) The Notes, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Trust Estate (except to the extent paid out of moneys attributable to Note proceeds or the income from the temporary investment thereof and under certain circumstances, Net Proceeds) and shall be a valid claim of the respective holders thereof only against the funds and accounts established under this Indenture, other than the Rebate Fund, and other moneys held by the Trustee for the benefit of the Noteholders and the payment due or to become due upon or under this Indenture all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Notes and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Notes, except as may be otherwise expressly authorized in this Indenture.

(c) THE NOTES ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE TRUST ESTATE. NEITHER THE PRINCIPAL OF THE NOTES, NOR THE INTEREST ACCRUING THEREON, SHALL EVER CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY OR AN INDEBTEDNESS OF THE COUNTY OF ALLEGHENY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER OR SHALL EVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OF ALLEGHENY, THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF, NOR WILL THE NOTES BE, OR BE DEEMED TO BE, AN OBLIGATION OF THE COUNTY OF ALLEGHENY, THE

COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF. THE AUTHORITY HAS NO TAXING POWER.

**Section 204 Authentication**

No Note shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until a certificate of authentication on such Note substantially as set forth in the form of the Notes as provided in Section 205 below shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Note shall be conclusive evidence that such Note has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Note shall be deemed to have been executed by it if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Notes issued hereunder.

**Section 205 Form of Notes and Temporary Note**

The Notes issued under this 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 Indenture or deemed necessary by the Trustee and the Issuer.

Notes may be initially issued in temporary form exchangeable for definitive Notes when ready for delivery. The temporary Notes shall be of such denomination or denominations as may be determined by the Issuer, and may contain such references to any of the provisions of this Indenture as may be appropriate. Every temporary Note shall be executed by the Issuer and then authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Notes. If the Issuer issues temporary Notes it will execute and furnish definitive Notes without delay and thereupon the temporary Notes may be surrendered for cancellation in exchange therefor at the designated agency office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of definitive Notes of the same maturity of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes authenticated and delivered hereunder.

**Section 206 Registration, Transfer and Exchange**

(a) The ownership of each Note shall be recorded in the registration books of the Issuer, which books shall be kept by the Trustee at its corporate trust office responsible for the administration of this Indenture and shall contain such information as is necessary for the proper discharge of the Trustee's duties hereunder as Trustee, registrar, Paying Agent and transfer agent.

(b) Notes may be transferred or exchanged as follows:

(i) Any Note may be transferred if endorsed for such transfer by the holder thereof and surrendered by such holder or his duly appointed attorney at the designated agency office of the Trustee, whereupon the Trustee shall authenticate and deliver to the transferee a new Note of the same series and maturity and in the same denomination as the Note surrendered for transfer or in

other authorized denominations of the same maturity equal in the aggregate to the principal amount of the surrendered Note.

(ii) Any Note or Notes of a particular maturity may be exchanged for one or more Notes of the same maturity and in the same principal amount but in different authorized denominations of the same maturity. Each Note so to be exchanged shall be surrendered by the holder thereof or his duly appointed attorney at the designated agency office of the Trustee, whereupon a new Note shall be authenticated and delivered to the holder.

(iii) In the case of any Note properly surrendered for partial redemption, the Trustee shall authenticate and deliver a new Note in exchange therefor, such new Note to be of the maturity and in a denomination equal to the unredeemed principal amount of the surrendered Note; provided that, at its option, the Trustee may certify the amount and date of partial redemption upon the partial redemption certificate, if any, printed on the surrendered Note and return such surrendered Note to the holder in lieu of an exchange.

Upon surrender of any Notes to be transferred or exchanged, the Trustee shall record the transfer or exchange in the Note Register and shall authenticate and deliver new Notes appropriately registered and in appropriate authorized denominations. The Trustee shall not be required to register the transfer or exchange of any Note (i) during a period beginning at the opening of business fifteen days before the day of the mailing of notice of redemption of the Notes and ending at the close of business on the day of such mailing, (ii) at any time following the selection of such Note, in whole or in part, for redemption, except that Notes properly surrendered for partial redemption may be exchanged for new Notes in authorized denominations equal in the aggregate to the unredeemed portion, or (iii) during the period commencing on a Record Date and ending on the corresponding Interest Payment Date. No transfer or exchange shall be valid or effective for any purpose hereunder except as provided above.

(c) New Notes delivered upon any transfer, exchange or substitution, shall be valid obligations of the Issuer, evidencing the same debt as the Notes surrendered and shall be secured by this Indenture and entitled to all of the security and benefits hereof to the same extent as the Notes surrendered.

#### **Section 207 Mutilated, Destroyed, Lost or Stolen Notes**

(a) If any Note is mutilated, lost, stolen or destroyed, the holder thereof shall be entitled to the issuance of a substitute Note only as follows:

(i) in all cases, the Noteholder shall provide indemnity to the Trustee, the Issuer and the Corporation against any and all claims arising out of or otherwise related to the issuance of substitute Notes pursuant to this Section;

(ii) in the case of a mutilated Note the Noteholder shall surrender the Note to the Trustee for cancellation; and

(iii) in the case of a lost, stolen or destroyed Note (A) the Noteholder shall provide evidence, satisfactory to the Trustee, of the ownership and the loss, theft or destruction of the affected Note and (B) neither the Issuer nor the Trustee shall have notice that the affected Note has been registered by any Person other than the applicable Noteholder.

Upon compliance with the foregoing, a new Note of like tenor and denomination, executed by the Issuer, shall be authenticated by the Trustee and delivered to the Noteholder, all at the expense of the Noteholder to whom the substitute Note is delivered. Notwithstanding the foregoing, the Trustee shall not be required to authenticate and deliver any substitute for a Note which has been called for redemption or which has matured or which will mature within thirty (30) days of a Noteholder's request for a substitute Note, and, in any such case, the principal or redemption price then due or becoming due shall be paid by the Trustee in accordance with the terms of the mutilated, lost, stolen or destroyed Note without substitution therefor.

(b) Every substituted Note issued pursuant to this Section shall constitute an additional contractual obligation of the Issuer, whether or not the Note alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

(c) All Notes shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

#### **Section 208 Cancellation and Destruction of Surrendered Notes**

The Trustee shall cancel and, in accordance with applicable law and regulations and the Trustee's policies and procedures, destroy (a) all Notes surrendered for transfer or exchange, for payment at maturity or for redemption (unless the surrendered Note is to be partially redeemed and the Trustee elects to return the Note, certified as to the redemption, to the holder thereof pursuant to subsection 206(b)(iii)), (b) all Notes purchased by the Trustee with available moneys in funds established hereunder and for which the Trustee has received a Written Request to cancel, and (c) all Notes purchased by the Corporation and surrendered to the Trustee for cancellation. The Trustee shall make appropriate notations in its records in respect of all Notes canceled by it and, in accordance with applicable law and regulations and the Trustee's policies and procedures, shall destroy all Notes so canceled. The Trustee shall deliver to the Issuer and the Corporation a certificate of destruction in respect of all Notes destroyed in accordance with this Section.

#### **Section 209 Acts of Noteholders; Evidence of Ownership**

Any action to be taken by Noteholders may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Noteholders in person or by their agent appointed in writing. The fact and date of the execution by any Person of any such

instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the holder of any Note shall bind all future holders of the same Note in respect of any thing done or suffered by the Issuer or the Trustee in pursuance thereof.

### **Section 210 Replacement Notes**

If, pursuant to Section 202(e)(iii) hereof, the Issuer determines to discontinue the book-entry system, then the Trustee shall notify the Corporation and the Securities Depository and request the Securities Depository to notify its Participants of the Issuer's determination and of the availability of certificates with respect to beneficial interests in the Notes. The Trustee shall cause certificates to be prepared, at the Corporation's expense, for delivery to such Beneficial Owners, or their nominees, in appropriate amounts and in accordance with and in reliance upon the Note registry of the Securities Depository or custodial records of the Securities Depository, making such adjustments and allowances as it may find necessary or appropriate as to the date of such certificates, accrued interest and previous calls for redemption.

In such event, all references to the Securities Depository herein shall relate only to the period of time when the Securities Depository has possession of at least one Note and shall be applicable only to such Note held. Upon issuance of such replacement Notes (the "**Replacement Notes**"), all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee or alternate or successor transfer agent, to the extent applicable with respect to such Replacement Notes.

In the event the Securities Depository resigns or the Issuer makes the determination set forth in the first paragraph of this Section 210 and the Issuer or Beneficial Owners are unable to locate a qualified successor, then the Trustee, upon receipt of the Note registry records of the Securities Depository, and in reliance thereon, shall authenticate and cause delivery of Replacement Notes with respect to the interests of the Beneficial Owners.

### **Section 211 Successor Securities Depository**

In the event of a change in the Securities Depository, the Trustee shall request any successor Securities Depository to present to the Trustee, the Issuer and the Corporation written evidence satisfactory to the Corporation and the Issuer with respect to its ability to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is registered as such under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulations, and has done all things required thereby (or, if such requirements are not a requirement of applicable law with respect to the Notes, the Issuer may permit a successor Securities Depository with comparable qualifications, upon evidence satisfactory thereof being delivered to the Issuer, the Corporation and the Trustee). The Trustee upon its receipt of a Note certificate for cancellation shall cause the authorization and delivery of Note certificates to the successor Securities Depository (or its nominee) in appropriate denominations and form as authorized hereunder.



## **Section 212    Delivery of Notes**

Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee and the Trustee shall authenticate the Notes to be issued in the aggregate principal amount of \$100,000,000 and the Trustee shall deliver them to the Initial Note Purchaser.

Prior to the delivery by the Trustee of any of the Notes, the following items shall be filed with or delivered to the Trustee:

- (a) a Certified Resolution of the Issuer authorizing the execution and delivery of the Agreement and this Indenture and the issuance of the Notes;
- (b) originally executed counterparts of this Indenture, the Agreement, the Supplemental Master Indenture No. 10, the Supplemental Master Indenture No. 49 and the 2008C Master Notes;
- (c) a Written Request of the Issuer to the Trustee to authenticate and deliver the Notes to the original purchaser thereof specified in such request upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request plus accrued interest thereon, if any, to the date of delivery in an amount specified in such request;
- (d) a Written Request of the Issuer or the Corporation instructing the amounts of deposits and transfers of the proceeds of the sale of the Notes, including account numbers and wire instructions, as appropriate;
- (e) executed counterparts of the opinions of counsel to the Issuer and the Corporation acceptable to the Initial Note Purchaser and Bond Counsel;
- (f) an executed counterpart of an opinion of Bond Counsel as to the due authorization, execution and delivery of the Notes; and
- (g) such other documents as required by the Trustee, Bond Counsel and the Initial Note Purchaser in connection with the issuance of the Notes.

## **Section 213    Deposit of Funds**

The Issuer, for and on behalf of the Corporation, shall deposit with the Trustee to the credit of the Clearing Fund (as hereinafter defined) all of the proceeds (net of discount, if any) from the sale of the Notes. The Trustee shall, upon receipt of Written Request from the Issuer and the Corporation, out of such proceeds, make the transfers and deposits specified in such Written Request.

Subsequent to the Closing Date, the Trustee shall pay out of moneys then on deposit in the Clearing Fund such additional costs of issuance as are detailed in the Written Request of the Corporation delivered to the Trustee, which Written Request shall be accompanied by the corresponding invoices. Upon payment of all costs of issuance, any moneys remaining in the Clearing Fund shall, in accordance with the provisions of Section 304 hereof, be transferred to the Project Fund.

## ARTICLE III

### REVENUES AND FUNDS

#### **Section 301**    **Payments, Etc., to be Sufficient**

The Issuer covenants that the installment payments required to be made by the Corporation under the Agreement will be sufficient in each Fiscal Year to provide for the payment, when due, of the principal or redemption price of and interest on the Notes and to provide for all other deposits and other payments required to be made hereunder.

#### **Section 302**    **Pledged Revenues to be Paid Over to Trustee**

The pledge of the Trust Estate as security for the performance of all obligations of the Issuer hereunder shall be valid and binding from the time such pledge is made but in no circumstances beyond the date from which this Indenture is enforceable. The Trust Estate shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act. Pursuant to the assignment of the Issuer's rights under the Agreement, the installment payments payable by the Corporation shall be paid directly to the Trustee by the Corporation. Upon receipt of any moneys constituting a portion of the Trust Estate hereunder, the Trustee shall deposit the same in the appropriate fund or funds established hereunder. Except as otherwise provided herein, the Trust Estate shall be collected, held and applied for the equal and ratable benefit and security of all Noteholders.

#### **Section 303**    **Note Fund**

A fund to be known as the "Note Fund" (the "**Note Fund**") is to be created and established which shall be held in trust by the Trustee until applied as hereinafter provided. The Trustee shall deposit to the credit of the Note Fund (a) all installment payments payable pursuant to Sections 4.02(a) and 4.02(b) of the Agreement; (b) Net Proceeds received by the Trustee for the purpose of redeeming Notes; and (c) any other amounts required or permitted to be deposited therein pursuant to the provisions herein. Moneys so deposited to the Note Fund shall be applied as follows:

(a)    To the payment of interest, when due, on all Outstanding Notes, including any accrued interest due in connection with the issuance of, purchases of, or the redemption of Notes;

(b)    To the payment, when due, of the principal of Notes then payable at Stated Maturity (but only upon surrender of such Notes) or earlier redemption date, subject to reduction by the principal amount of Notes of the same maturity purchased by the Corporation and surrendered to the Trustee for cancellation or purchased for cancellation by the Trustee pursuant to Article IV hereof;

(c)    During the 12 month period preceding each Stated Maturity date, the Trustee shall, at the Written Request of the Corporation and upon deposit of moneys by the Corporation for such purposes, purchase Notes of the maturity becoming due on such Stated Maturity date from funds deposited to the Note Fund for such purpose; provided, however, that

such purchase shall not be made unless the purchase price does not exceed 100% of the principal amount of the Notes to be purchased, plus accrued interest; and provided that upon the making of any transfer of moneys from the Note Fund in connection with a proposed purchase or redemption of Notes after such transfer, there shall be no deficiency in amounts required to be in the Note Fund, taking into account the amounts then required to be paid or transferred therefrom for other purposes or reserve therein against such payments and transfers; and

(d) To the extent that the same have not otherwise been paid or provided for, the Administrative Fee shall be payable from the Note Fund at the Written Request of the Corporation.

#### **Section 304 2008C Clearing Fund**

There is hereby created and established a special fund to be known as the "2008C Clearing Fund," (the "**Clearing Fund**") which shall be held in trust by the Trustee until applied as hereinafter provided. There shall be deposited in the Clearing Fund all of the net proceeds of the sale of the Notes in accordance with Section 213 hereof.

The amounts so deposited in the Clearing Fund shall be disbursed or transferred by the Trustee upon the furnishing of a Written Request of the Issuer on the Closing Date or the Corporation subsequent thereto, as provided in Section 213 hereof for the payment of the Costs of the Project. There may be reserved in the Clearing Fund, after the Closing Date, moneys for the payment of any unpaid items, including a contingency amount therefor, as may be set forth in the aforesaid Written Request, and payment thereof after the Closing Date shall be made by the Trustee upon the receipt of a subsequent Written Request of the Corporation to the Trustee, accompanied by the corresponding invoices, certifying that the requested disbursement is for a Cost of the Project and that the disbursement has not yet been paid from the proceeds of the Notes.

Upon such payments and transfers finally being accomplished, or in no event later than six months from the Closing Date, the Clearing Fund shall be closed by the Trustee upon Written Request of the Corporation, upon the lapse of six months or upon the fund being depleted. Any moneys remaining in the Clearing Fund at the time the Trustee is authorized to close the Clearing Fund shall be transferred to the Project Fund.

#### **Section 305 2008 Project Fund**

(a) The Issuer hereby authorizes and directs the Trustee to establish a special Fund designated as the "2008 Project Fund" (the "**Project Fund**").

(b) The Project Fund shall be held by the Trustee, separate and apart from all other accounts and funds of the Issuer, the Corporation and the Trustee, and shall be maintained until (1) all funds therein are transferred to the Note Fund upon the occurrence of a declaration of acceleration, or (2) all Costs of the Project have been paid and the balance of funds transferred to the Note Fund. The funds in the Project Fund shall be held in trust by the Trustee for the benefit of the Beneficial Owners of the Notes as described in the granting clauses, and shall be applied solely in accordance with the provisions of this Article III.

(c) Immediately upon giving a declaration of acceleration, the Trustee shall transfer all funds in the Project Fund to a special account in the Note Fund, to be applied as provided in Section 702 hereof; provided, that if such declaration of acceleration is rescinded prior to the close of the Trustee's business on the acceleration date as provided in Section 702 hereof, the Trustee shall not cause the transfer of such funds to the Note Fund but shall hold and apply such funds as provided in this Section 305 unless and until the Trustee gives a new declaration of acceleration.

(d) The Trustee shall pay Project Costs (or reimburse the Corporation for Project Costs previously paid by the Corporation) from the funds in the Project Fund (1) within two (2) Business Days following receipt by the Trustee of a Written Request for payment, which request shall be in the form attached hereto as Exhibit B, or (2) if later, the payment date specified by the Corporation in such request. If reimbursement is requested, such Written Request shall be accompanied by evidence such Projects Costs have been paid by or on behalf of the Corporation.

(e) All payments made from the Project Fund pursuant to Written Requests for payment from an Authorized Officer of the Corporation shall be presumed to be made properly and the Trustee shall not be required to see to the application of any payments made from the Project Fund or to inquire into the purposes for which withdrawals have been made from the Project Fund.

(f) The Project completion date shall be the date when either (1) all funds on deposit in the Project Fund have been disbursed or (2) the Trustee shall have received a certificate of an Authorized Officer of the Corporation certifying that the payment of all Project Costs is complete. As soon as practicable following receipt of such certificate by the Trustee, if applicable, the Trustee shall transfer any money and investments remaining in the Project Fund to the Note Fund.

(g) The Trustee shall retain in its possession until the end of the sixth year following the date all Notes issued hereunder are no longer Outstanding all requisitions, Written Requests and certificates received by it as herein required, or photostats, microfilmed or other suitable copies thereof, subject to the inspection of the Issuer, the Corporation, their agents and representatives, the Noteholders and their representatives at all reasonable times.

### **Section 306 Rebate Fund**

(a) Creation of Rebate Fund. The Trustee shall create and establish hereunder a special fund to be known as the "Rebate Fund" (the "**Rebate Fund**") which shall be held in trust by the Trustee until applied as hereinafter directed. The Trustee shall periodically provide statements to the Issuer and the Corporation setting forth for each fund and account created under this Indenture the total amount invested in each of the funds and accounts during the preceding Note Year, the investments made with the moneys in the funds and accounts and the investment earnings and losses resulting from such investments, together with such additional information concerning such investments as the Issuer and the Corporation shall reasonably request, in writing, and which is available to the Trustee from its trust accounting system. The Trustee shall make deposits to the Rebate Fund from amounts received from the Corporation pursuant to Section 4.02(c) of the Agreement and shall make disbursements from the Rebate

Fund in accordance with Written Requests provided by the Corporation in accordance with the Tax Regulatory Certificate and the provisions of Section 306(b) and 306(c) hereof, shall invest the Rebate Fund pursuant to the Written Request given to it by the Corporation as provided in this Indenture and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund. Records of the determinations required by this Section that are filed with the Trustee shall be retained by the Trustee until six years after the Notes are no longer Outstanding.

(b) Rebate Withdrawals. If a withdrawal from the Rebate Fund is permitted as a result of a computation made by the Corporation pursuant to the Tax Regulatory Certificate, the amount withdrawn shall be deposited in the Note Fund for the benefit of the Corporation.

(c) Rebate Disbursements. Not later than 60 days after the final retirement of the Notes, the Trustee shall pay, upon the Written Request of the Corporation, to the United States an amount which when added to all other amounts theretofore remitted to the United States shall equal at least ninety percent (90%) of the Rebate Requirement (as defined in the Tax Regulatory Certificate) as of such payment date. The Rebate Requirement shall be stated in the Corporation's Written Request. Not later than 60 days after the final retirement of the Notes (whether at maturity, upon redemption or by acceleration), the Trustee upon the Written Request of the Corporation, shall pay to the United States the Rebate Requirement. Each payment required to be made to the United States pursuant to this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, or such other office as may be designated by the Internal Revenue Service. Each payment shall be accompanied by a copy of the Form 8038 originally filed with respect to the Notes, which the Corporation shall provide to the Trustee, and a statement prepared by or on behalf of the Corporation summarizing the determination of the amount to be paid to the United States and the Corporation's compliance with the provisions of this section.

(d) Rebate Deficiency. If the report regarding rebate required to be delivered to the Trustee pursuant to the Tax Regulatory Certificate, which report is required to be delivered not later than forty five days following the discharge of the final Note Outstanding hereunder, discloses that a payment is required to be made to the United States of America and there are insufficient funds then held in the Rebate Fund to make such payment, the Trustee shall send Immediate Notice to the Corporation that a payment is required to be made by it pursuant to Section 5.06 of the Agreement and payments accompanying the delivery of the rebate report made by the Corporation shall be deposited into the Rebate Fund. Notwithstanding the foregoing provision, in the event that the Corporation delivers to the Trustee a certificate of an Authorized Officer of the Corporation accompanied by an opinion of Bond Counsel addressed to the Trustee and the Issuer to the effect that all or a portion of such payment is not required to be made, such payment or portion thereof need not be made.

(e) If the Trustee has not received a report regarding the computation of any required rebate payment to the United States of America or reasonably satisfactory evidence that no rebate payments are required to be made within fifty days following the discharge of the final Note Outstanding hereunder, (or such other date as is specified in an opinion of Bond Counsel delivered to the Trustee), the Trustee may (but shall not be obligated to), at the expense of the Corporation, engage such consultants or counsel as it deems necessary to calculate the amount to be deposited into the Rebate Fund for payment to the United States of America. The Corporation has agreed in the Agreement to reimburse the Trustee for all fees and expenses

incurred by the Trustee in connection with any action undertaken pursuant to this Section 306(e). The Corporation has covenanted in the Agreement to take all action necessary to preserve the exemption from federal income taxation of interest on the Notes, including without limitation, the payment of any rebate due under the Code. The Trustee has undertaken no duty, and is under no obligation to calculate any amount due with respect to such rebate, to verify amounts contained in any Written Request or written direction, or to make such payments except at the Written Request of the Corporation as contemplated herein and in Section 801 hereof. The Corporation has agreed in the Agreement to indemnify and hold harmless the Trustee, its agents, officers and employees against any liability in connection with the Trustee's exercise and performance of its powers and duties under this Section 306, except with regard to the Trustee's willful misconduct or gross negligence.

### **Section 307 Procedure When Funds Are Sufficient to Pay All Notes**

If at any time the amounts held by the Trustee in the Funds established under this Article III (with the exception of the Rebate Fund) are sufficient to pay principal or redemption price of and interest on all Notes then Outstanding to maturity or prior redemption, together with any amounts due the Issuer and the Trustee, the Trustee shall so notify the Issuer and apply the amounts in the funds to the payment of the aforesaid obligations and the Issuer shall not be required to pay over any further revenues unless and until it shall appear that there is a deficiency in the funds held by the Trustee.

### **Section 308 Moneys to Be Held for All Noteholders, With Certain Exceptions**

Until applied as herein provided, moneys and investments held in all funds and accounts established hereunder (except the Rebate Fund) shall be held in trust for the benefit of the holders of all Outstanding Notes except that: (a) on and after the date on which the interest on or principal or redemption price of any particular Note is due and payable from the Note Fund, the unexpended balance of the amount deposited or reserved in such fund for the making of such payments shall, to the extent necessary therefor, be held for the benefit of the Noteholder or Noteholders entitled thereto and (b) the rights of any Noteholders with respect to principal or interest payments extended beyond their due dates pursuant to Section 604 hereof shall be subordinate to the rights of Noteholders with respect to payments not so extended.

### **Section 309 Additional Accounts and Subaccounts**

At the Written Request of the Corporation, the Trustee shall establish and maintain additional accounts within the funds or subaccounts within the accounts established hereunder; provided that (a) in each case, the Written Request of the Corporation shall set forth in reasonable detail the sources of deposits into and disbursements from the account or subaccount to be established, (b) in each case, the sources of deposits into and disbursements from the account or subaccount to be established shall be limited to the sources of deposits permitted or required to be made into and the disbursements permitted or required to be made from the fund or account within which it is to be established, and (c) except as otherwise expressly provided herein, each additional fund, account or subaccount established hereunder shall be held in trust for the benefit of the holders of all Outstanding Notes.

## ARTICLE IV

### REDEMPTION OF NOTES

#### **Section 401**    Redemption Dates and Prices

The Notes shall be subject to redemption as follows:

(a)    Optional Redemption. The Notes are subject to optional redemption prior to the date of Stated Maturity, in whole or in part, at the Written Request of the Corporation, on (a) any date when the Notes bear interest at a rate of interest equal to the Maximum Interest Rate, and (b) any date on and after the Earliest Redemption Date, in each case at a redemption price equal to the principal amount of the Notes called for redemption, without premium.

(b)    Extraordinary Optional Redemption. The Notes are subject to extraordinary optional redemption, in whole or in part, at any time, in authorized denominations of no less than \$5,000, by the Issuer, at the Written Request of the Corporation, in the event of condemnation, damage or destruction of the Corporation's Property or any part thereof, as qualified herein, but only out of the Net Proceeds deposited with or held by the Trustee for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date. The Issuer, after receiving the Written Request of the Corporation as aforesaid, will provide to the Trustee written direction to redeem the Notes at least 46 days prior to the redemption date. Any such redemption shall be made in the order of maturity designated by the Corporation and within any maturity by lot, as selected by the Trustee.

#### **Section 402**    Notice of Redemption

(a)    The Trustee shall cause notice of any redemption of Notes hereunder to be mailed by first class mail except as otherwise provided herein, to the Initial Note Purchaser and the holders of all Notes to be redeemed at the registered addresses appearing in the registration books kept for such purpose pursuant to Article II hereof.

Each such notice shall (i) be mailed at least 14 days and not more than 30 days prior to the redemption date, (ii) identify the Notes to be redeemed (specifying the complete name and original issue date of the Notes to be redeemed, the interest rate and maturity date of such Notes, certificate numbers and called amount for each certificate if redemption is in part, and CUSIP numbers, if any, assigned to the Notes), (iii) specify the date of mailing of the notice of redemption, the redemption date and the redemption price, and (iv) state that on the redemption date the Notes called for redemption will be payable at the designated agency office of the Trustee (and shall include the name and address of the Trustee or other redemption agent and a contact person and telephone number), that from that date interest will cease to accrue and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Notes. No defect affecting any Note, whether in the notice of redemption or mailing thereof (including any failure to mail such notice), shall affect the validity of the proceedings for redemption for any Note with respect to which notice was properly given.

(b) If at the time of mailing of any notice of redemption the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Notes called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and shall be of no effect unless such moneys are so deposited.

(c) In addition to the foregoing notice, further notice shall be given by the Trustee (either as a separate notice or as part of the notice above) as set out below. No defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(i) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus any other descriptive information needed to identify accurately the Notes being redeemed.

(ii) Each further notice of redemption shall be sent at least two (2) Business Days prior to the date of mailing notice to the holders of the Notes by certified mail, postage prepaid, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Notes and to at least two national information services that disseminate notices of redemption of obligations such as the Notes, including S&P's Called Bond Record and Moody's Municipal and Government Services.

(d) Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Notes to be redeemed and to pay interest due thereon, the Notes thus called shall not after the applicable redemption date bear interest, be protected by this Indenture or be deemed to be Outstanding under the provisions of this Indenture.

## **ARTICLE V**

### **SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS**

#### **Section 501 Deposits and Security Therefor**

All moneys received by the Trustee under this Indenture for deposit in any fund established hereunder shall be considered trust funds, shall not be subject to lien or attachment and shall, except as hereinafter provided, be deposited in the commercial department of the Trustee or its affiliate, until or unless invested or deposited as provided in Section 502 hereof. All deposits in the commercial department of the Trustee or its affiliate shall, to the extent not insured or invested in Investment Securities, and to the extent permitted by law, be fully secured as to both principal and interest earned, by Government Obligations, or if not so permitted, then secured as provided by applicable law for such trust deposits in order to grant to the Trustee a perfected security interest in such Government Obligations or other securities, free and clear of the claims of third parties. If at any time the commercial department of the Trustee or its affiliate is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may



deposit such moneys with any other depository, including an affiliate of the Trustee, which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation or a similar federal agency. All deposits in any other depository in excess of the amount covered by insurance shall, to the extent permitted by law, be fully secured as to both principal and interest earned by Government Obligations or in such manner as may be required or permitted under applicable law in order to grant to the Trustee a perfected security interest in such Government Obligations or other securities, free and clear of the claims of third parties. If the deposit of the Government Obligations with the Trustee or a depository acting on its behalf is required for such purpose under applicable law, the deposit shall be made with the Federal Reserve Bank for the account of the Trustee, with the trust department of the Trustee, or with a bank or trust company (other than the obligor) which is acting solely as agent for the Trustee and has a combined net capital and surplus of not less than \$50,000,000.

## **Section 502 Investment or Deposit of Funds**

Moneys on deposit in the funds established pursuant to Article III hereof shall be invested and reinvested by the Trustee as follows:

(a) All investments shall constitute Investment Securities and shall mature, or be subject to repurchase, withdrawal without penalty or redemption at the option of the holder on or before the dates on which the amounts invested are reasonably expected to be needed for the purposes hereof.

(b) All investments shall be made at the Written Request of the Corporation. The Corporation shall be prohibited from giving instructions regarding investments which would cause the Notes to become "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations promulgated thereunder.

(c) Interest, income and gains received in respect of the principal of the Investment Securities shall, with respect to all funds and accounts (other than the Rebate Fund), be deposited to the credit of the Note Fund. Earnings from Investment Securities held in the Rebate Fund shall remain therein until applied in accordance with the provisions of Section 306 hereof.

(d) Neither the Issuer nor the Trustee shall be accountable for any diminution in the value of the Investment Securities or any losses incurred upon any authorized disposition thereof.

(e) The Trustee, as authorized in the Agreement, may trade with itself or any of its affiliates in the purchase and sale of securities for such investments; provided, however, that in no case shall any investment be otherwise than in accordance with the investment limitations contained herein. The Trustee shall not be liable or responsible for any loss resulting from any such investments. Except as provided in Subsection (c) above, gains from investments shall be credited to and held in and losses shall be charged to the fund or account from which the investment is made.

(f) If an Event of Default has occurred and is continuing hereunder, the Trustee shall invest such money in Government Obligations. The Trustee shall be permitted to

charge the Corporation its standard fees and all expenses in connection with any services performed in accordance with this Section 502(f). The Trustee shall not make any representation as to the accuracy of any quotation of market price of any security or investment (or the accrued interest thereon) in any fund or account. Any investment made in accordance with this Indenture may (i) be executed by the Trustee or the Authority with or through the Trustee or its affiliates, and (ii) be made in securities of any entity for which the Trustee or any of its affiliates serve as distributor, advisor or other service provider.

### **Section 503 Valuation of Funds**

In computing the assets of any fund or account, investments and accrued interest thereon shall be deemed a part thereof. Such investments shall be valued as of the end of business on each June 30 and such value shall be based on the values established by the Trustee or a nationally recognized pricing service selected by the Trustee and not unacceptable to the Corporation.

As soon as practicable after each such date of valuation, the Trustee shall furnish to the Issuer and the Corporation a report of the status of each fund as of such date. In computing the assets of any fund or account, investments and accrued interest thereon shall be deemed a part thereof. If the value of any fund on any valuation date falls below the amount required to be on deposit in such fund as of such valuation date in order to meet the Issuer's obligations under this Indenture, the Issuer shall cause the Corporation, upon written notice to that effect from the Issuer or the Trustee, to transfer into the appropriate fund amounts sufficient to remedy such deficiency, promptly following receipt of such request.

## **ARTICLE VI**

### **GENERAL COVENANTS**

#### **Section 601 Payment of Principal, Premium, if any, and Interest**

Subject to the limited source of payment hereinafter referred to, the Issuer covenants that it will promptly pay the principal of, premium, if any, and interest on every Note issued under this Indenture at the place, on the dates and in the manner provided herein and in such Note according to the true intent and meaning thereof. The Notes, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Trust Estate and shall be a valid claim of the respective holders thereof only against the funds and accounts established under this Indenture, other than the Rebate Fund, and other moneys held by the Trustee for the benefit of the Noteholders and the payment due or to become due upon or under this Indenture (except Unassigned Rights) all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Notes and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Notes, except as may be otherwise expressly authorized in this Indenture. Nothing in the Notes or in this Indenture shall be considered as assigning or pledging any other funds or assets of the Issuer.

## **Section 602 Maintenance of Powers**

The Issuer shall maintain its power to perform its obligations hereunder and to exercise its rights and remedies under the Agreement.

## **Section 603 Enforcement, Execution and Amendment of Agreement and Other Contracts; Notice of Default**

The Issuer shall enforce all of its rights and privileges, and honor all of its obligations under the Agreement and shall use its best efforts to require every party with which it so contracts, including the Corporation under the Agreement, to perform all of its contractual obligations and covenants, provided that the Issuer shall not be required to expend its own moneys. The Issuer shall file with the Trustee and the Initial Note Purchaser copies of the Agreement, together with all amendments or supplements thereto, whether or not the Trustee's consent is required thereto, and shall give prompt notice to the Trustee and the Initial Note Purchaser of any default by any of the parties thereto.

## **Section 604 Extension of Time for Payment**

The Issuer shall not directly or indirectly extend or assent to the extension of the time for payment of the principal of or interest on the Notes and shall not directly or indirectly be a party to or approve any arrangement therefor. Notwithstanding the foregoing, the holder of any Note may extend the time for payment of the principal of or interest on such Note; provided, however, that upon the occurrence of an Event of Default, funds available hereunder for the payment of the principal of and interest on the Notes shall not be applied to any payment so extended until all principal and interest payments which have not been extended have first been paid in full.

## **Section 605 [Reserved]**

## **Section 606 Financing Statements and Other Action to Protect Security Interest**

This Indenture shall constitute a security agreement within the meaning of the Pennsylvania Uniform Commercial Code and the Issuer's obligations hereunder shall be secured pursuant to such code by the security interests herein granted with respect to the Trust Estate. The Issuer shall cause this Indenture or an appropriate financing statement or memorandum to be filed, registered and recorded in such manner and at such places as may be required by law fully to protect the security of the holders of the Notes and the right, title and interest of the Trustee in and to the Trust Estate or any part thereof.

The Issuer shall perform or shall cause to be performed, at the sole expense of the Corporation, any such acts, and execute and cause to be executed any and all further instruments delivered to it by the Corporation and/or the Trustee and as may be required by law or as shall reasonably be requested by the Trustee or the Initial Note Purchaser for protection of the interests of the Trustee and the Noteholders. The Issuer shall cause the Corporation to assume, pursuant to Section 5.11 of the Agreement, the obligation to file and refile such instruments as shall be necessary to preserve the lien of this Indenture upon the Trust Estate or any part thereof

until the principal of and interest on the Notes secured hereby shall have been paid and to furnish satisfactory evidence to the Trustee of recording, registering, filing and refiling of such instruments and of every additional instrument which shall be necessary to preserve the lien of this Indenture upon the Trust Estate or any part thereof until the principal of and interest on the Notes secured hereby shall have been paid.

At the Written Request of the Issuer or the Corporation, the Trustee shall execute or join in the execution of any such further or additional instrument as will preserve the lien of this Indenture upon the Trust Estate or any part thereof until the aforesaid principal shall have been paid.

#### **Section 607 Further Assurances; Additional Revenues**

The Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Noteholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Indenture. If at any time the Issuer receives any income or payment from the Corporation which is not assigned to the Trustee, it shall promptly pay the same to the Trustee for deposit in the Note Fund and, at the request of the Trustee, shall execute and deliver an assignment of its right, title and interest in and to future income or payments of the same type to the Trustee to be held as part of the Trust Estate and file or record such assignment as may be appropriate to perfect the security interest created thereby, provided, however, this sentence of this Section 607 shall not apply to the Administrative Fees of the Issuer.

#### **Section 608 Compliance with Internal Revenue Code**

(a) The Issuer covenants that it will make no investment or other use of the proceeds of Notes issued hereunder which would cause such Notes to be "arbitrage bonds" as that term is defined in Section 148 of the Code, and all applicable regulations promulgated with respect thereto, and that it will comply with the requirements of the Code throughout the term of Notes.

(b) The Issuer covenants that it shall not sell its Notes or cause them to be sold to a Person (or any "related person", as defined in the regulations referred to in subsection (a) above) from whom the Issuer may acquire "acquired purpose obligations" as defined in the regulations referred to in subsection (a) above pursuant to any arrangement, formal or informal, in an amount related to the amount of "acquired purpose obligations" to be acquired from such Person.

(c) The Issuer covenants with the Initial Note Purchaser and the Noteholders that it will not take any action, omit to take any action, or permit any other Person (including the Corporation) to take any action or fail to take any action over which the Issuer has control, which action or inaction would cause the interest on the Notes to be subject to federal income tax to a greater extent than on the date of issuance of such Notes.

**Section 609 Application of Property Insurance Proceeds and Condemnation Awards**

(a) The Issuer shall require the Corporation pursuant to the Agreement to notify the Trustee 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 excess of 10% of Property, Plant and Equipment. Any insurance proceeds, condemnation awards (or other similar amounts) received in respect of the occurrence shall be applied at the option of the Corporation as follows:

(i) to the reconstruction, replacement or repair of the affected Property; provided that if such proceeds exceed the amount necessary for such reconstruction, replacement or repair, the excess shall be applied to the extraordinary redemption of the Notes, and if such proceeds are insufficient to reconstruct, replace or repair such Property to its revenue-producing capability prior to such event, then the Corporation shall provide the balance necessary to reconstruct, replace or repair such Property; or

(ii) to the extent permitted under the redemption provisions of Article IV hereof, to the extraordinary redemption of the Notes, in whole or in part.

**ARTICLE VII**

**EVENTS OF DEFAULT AND REMEDIES**

**Section 701 Events of Default Defined**

(a) Each of the following shall be an Event of Default hereunder:

(i) if payment of any installment of interest on any Note is not made when it becomes due and payable; or

(ii) if payment of the principal of or premium, if any, of any Note is not made when it becomes due and payable at Maturity; or

(iii) if there is a default under the Agreement or any amendment or supplement thereto or any other default thereunder; or

(iv) if there is an event of default under the provisions of the 2007 Master Indenture.

(b) The Trustee shall notify the Issuer, the Master Trustee, the Initial Note Purchaser and the Corporation of the occurrence of any Event of Default of which it has notice or actual knowledge (such notice or actual knowledge being determined in accordance with Section 805 hereof) as soon as practicable.

## **Section 702 Remedies, Acceleration and Annulment Thereof**

(a) Upon the occurrence of any Event of Default, the Trustee may pursue any available remedy including a suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Notes outstanding hereunder.

(b) If any Event of Default has occurred and is continuing, the Trustee may, and at written request of the holders of 25% in principal amount of the Notes then Outstanding, shall, by notice in writing to the Issuer, declare the principal of all Notes then Outstanding to be immediately due and payable, and upon such declaration such principal, together with interest accrued thereon, shall become due and payable immediately at the place of payment provided therein.

(c) If after the principal of the Notes has been so declared to be due and payable, all arrears of interest upon the Notes (and interest on overdue installments of interest at the Default Rate, but not to exceed the Maximum Interest Rate are paid by the Issuer, and the Issuer also performs all other things in respect to which it may have been in default hereunder and pays the reasonable charges and expenses of the Trustee and the Noteholders, including reasonable attorney's fees and expenses, then, and in every such case, the Trustee may, with the consent of the Initial Note Purchaser, annul such declaration and its consequences and such annulment shall be binding upon the Trustee and upon all holders of Notes issued hereunder; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

## **Section 703 Legal Proceedings by Trustee**

If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the holders of 25% in principal amount of the Notes then Outstanding and receipt of indemnity to its satisfaction shall in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Noteholders, including any rights pursuant to the 2008C Master Notes, the 2007 Master Indenture or the 1995 Master Indenture; and to require the Issuer to carry out any other agreements with, or for the benefit of, the Noteholders and to perform its duties under the Act;

(b) bring suit upon the Notes;

(c) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Noteholders; and

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Noteholders.

## **Section 704 Discontinuance of Proceedings by Trustee**

If any proceedings taken by the Trustee on account of any Event of Default are discontinued or are determined adversely to the Trustee, the Issuer, the Trustee and the

Noteholders shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

#### **Section 705    Noteholders May Direct Proceedings**

The holders of a majority in principal amount of the Notes then Outstanding hereunder shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided such written request shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have received indemnity to its satisfaction, and shall have the right to decline to follow any such written request which in the opinion of the Trustee would be unjustly prejudicial to Noteholders not party to such written request. In the event that the Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of Noteholders, each representing less than a majority of the aggregate principal amount of the Notes then Outstanding, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

#### **Section 706    Limitations on Actions by Noteholders**

No Noteholder shall have any right to pursue any remedy hereunder unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the holders of at least 25% in principal amount of the Notes then Outstanding shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

#### **Section 707    Trustee May Enforce Rights Without Possession of Notes**

All rights under this Indenture and the Notes may be enforced by the Trustee without the possession of any Notes or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the holders of the Notes.

#### **Section 708    Remedies Not Exclusive**

No remedy herein conferred is intended to be exclusive of any other remedy or remedies, each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

#### **Section 709    Delays and Omission Not to Impair Rights**

No delay or omission in respect of exercising any right or power accruing upon any default shall impair such right or power or be a waiver of such default, and every remedy given by this Article may be exercised from time to time and as often as may be deemed expedient.

#### **Section 710    Application of Moneys in Event of Default**

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article, together with all moneys in the funds maintained by

the Trustee under Article III (except the Rebate Fund), shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Note Fund and be applied as follows:

(i) Unless the principal of all the Notes shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the Persons entitled thereto of all installments of interest then due on the Notes, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege; and

Second: To the payment to the Persons entitled thereto of the unpaid principal of any of the Notes which shall have become due (other than the Notes called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the Notes due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege;

(ii) If the principal of all the Notes shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Notes, and then to eliminate any deficiency in the Rebate Fund, 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 Note over any other Note, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or privilege; and

(iii) If the principal of all the Notes shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Notes shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

(b) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date and of the Special Record Date in accordance with



Section 202(d) hereof ten (10) days prior to the Special Record Date. The Trustee shall not be required to make payment to the holder of any unpaid Note until such Note shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all Notes and interest thereon have been paid under the provisions of this Section 710, all fees, expenses and charges of the Trustee have been paid and all other obligations of the Issuer and the Corporation hereunder have been satisfied, any balance remaining shall be paid to the Corporation.

## **ARTICLE VIII**

### **CONCERNING THE TRUSTEE**

#### **Section 801 Acceptance of Trust**

The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto, the Corporation and the Noteholders agree. The Trustee shall be responsible only for performing those duties of the Trustee specifically provided for herein and no implied duties or liabilities shall be read into this Indenture against the Trustee. The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

#### **Section 802 No Responsibility for Recitals, Etc.**

The recitals, statements and representations in this Indenture or in the Notes, save only the Trustee's certificate of authentication upon the Notes, have been made by the Issuer and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof. The Trustee shall not be responsible for (i) the validity, priority, recording, rerecording, filing, or refiling of this Indenture or any supplement to this Indenture; (ii) any instrument or document of further assurance or collateral assignment; (iii) any financing statements, amendments or modifications thereto, or continuation statements; (iv) the validity of the execution by the Issuer of this Indenture or any supplement to this Indenture or documents of further assurance; (v) the sufficiency of the security for the Notes issued hereunder; and (vi) the value of or title to the Property. Except for information provided by the Trustee, in writing, specifically concerning the Trustee, the Trustee shall not have any responsibility with respect to any information included in any offering memorandum or other disclosure material distributed with respect to the Notes, and the Trustee shall have no responsibility for compliance with securities laws in connection with the issuance and sale of the Notes.

#### **Section 803 Trustee May Act Through Agents; Auswerable Only for Willful Misconduct or Gross Negligence**

The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers, or employees, and shall be entitled to advice of Counsel concerning all questions hereunder and the Trustee shall not be responsible and shall be free from all liability for any loss or damage resulting from any action taken or omitted to be taken in good faith reliance on such advice; and the Trustee shall not be answerable for the negligence or

misconduct of any attorney or agent (other than an officer or an employee) selected by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Indenture or for anything whatever in connection with the trust hereunder, except only its own gross negligence or willful misconduct or that of any officer, director or employee of the Trustee.

#### **Section 804 Compensation and Indemnity**

The Issuer has caused the Corporation to covenant, in Section 4.02(d) and Section 5.02 of the Agreement, (i) to pay the Trustee reasonable compensation for its services hereunder and also all its reasonable expenses and disbursements, including the reasonable compensation and expenses of all attorneys and agents engaged by the Trustee, and (ii) to indemnify the Trustee, including, its officers, directors, employees and agents, against liabilities and expenses which it may incur in the exercise and performance of its powers and duties hereunder and under the Agreement.

#### **Section 805 Notice of Default; Right to Investigate**

The Trustee shall, within ninety (90) days after the occurrence thereof, give written notice to all Noteholders by first class mail of each Event of Default known to the Trustee; provided that, except in the case of a default in payment of principal, interest or redemption price, the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Noteholders. The Trustee shall not be deemed to have notice or knowledge of any Event of Default, except Events of Default described in Sections 701(a)(i) and (ii) hereof, unless it has been notified in writing of such event by the Issuer or the holders of at least 25% in principal amount of the Notes then Outstanding. The Trustee may, however, at any time require the Issuer to provide full information as to the performance of any covenant hereunder; and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Corporation, an investigation into the affairs of the Issuer and the Corporation related to this Indenture. Except as otherwise expressly provided by the provisions of this Indenture, the Trustee shall not be obligated and may not be required to give or furnish any notice, demand, report, request, statement, advice or opinion to any Noteholder, the Corporation or any other Person, and the Trustee shall incur no liability for its failure or refusal to give or furnish the same unless obligated or required to do so by express provisions of this Indenture.

#### **Section 806 Reliance on Requisitions, Etc; Other Rights of the Trustee**

The Trustee may act on any requisition, resolution, notice, telegram, request, direction, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed or signed by the proper Persons or to have been prepared and furnished pursuant to any of the provisions of this Indenture; and the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement. Any request or direction of the Issuer or the Corporation referred to herein shall be sufficiently evidenced by a certificate of an Authorized Officer, and any resolution shall be sufficiently evidenced by a Certified Resolution. Whenever in the administration of this Indenture, the Trustee deems it desirable that a matter be proved or

established before it takes, suffers or omits any action, the Trustee may rely upon a certificate of an Authorized Officer. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any Registered Owner pursuant to this Indenture, unless such Registered Owner shall have offered the Trustee indemnity acceptable to the Trustee against the costs, expenses and liabilities which might be incurred in complying with such request or direction. The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report notice, direction, consent, order or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled, upon reasonable notice and during regular business hours to examine the books and records of the Corporation. In acting or omitting to act pursuant to the Agreement, the Trustee shall be entitled to all of the rights and immunities accorded to it under this Indenture, including but not limited to this Article VIII. The Trustee shall not be liable with respect to any action taken or omitted to be taken at the direction of the Registered Owners of a majority in aggregate principal amount of the Notes Outstanding; provided, that such direction is permitted to by given by them under this Indenture. The Trustee shall not be required to give a bond or surety to act under this Indenture. No provision of this Indenture or the Agreement shall require the Trustee to expend or risk its own funds or otherwise be accountable for the application by the Corporation of the proceeds of the Notes authenticated and delivered hereunder and disbursed by the Trustee in accordance with this Indenture and the Agreement. The Trustee shall have no duty to insure the Property or to monitor the insuring of the Property by the Corporation.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that (i) the Corporation and/or the Authority, as applicable, subsequent to such transmission of written instructions, shall provide the originally executed instructions or directions to the Trustee in a timely manner, (ii) such originally executed instructions or directions shall be signed by an authorized officer of the Corporation or Authority, as applicable, and (iii) the Corporation and/or Authority, as applicable, shall provide to the Trustee an incumbency certificate listing such authorized officer, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Corporation or Authority elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, such instructions shall be deemed to constitute authorized instructions of the Corporation and/or Authority, as applicable. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Corporation and Authority agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

#### **Section 807 Trustee May Deal in Notes**

The Trustee and any of its affiliates may in good faith buy, sell, own, hold and deal in any of the Notes and may join in any action which any Noteholders may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee may also engage in or

be interested in financial or other transactions with the Corporation and the Issuer; provided that such transactions are not in conflict with its duties under this Indenture.

### **Section 808 Construction of Ambiguous Provisions**

The Trustee may construe any ambiguous or inconsistent provisions of this Indenture, and any construction by the Trustee shall be binding upon the Noteholders. The Trustee shall give prompt notice to the Issuer of any intention to make such interpretation.

### **Section 809 Resignation of Trustee**

The Trustee may resign and be discharged of the trusts created by this Indenture by written resignation filed with the Issuer, the Corporation, the Initial Note Purchaser, and the Registered Owner of each Note not less than sixty (60) days before the date when such resignation is to take effect. Such resignation shall take effect on the day specified therein unless a successor trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor.

No such resignation or removal pursuant to Section 810 hereof shall take effect until a successor trustee shall have been appointed, executed those instruments of succession required by Section 813 hereof so as to succeed to the rights of the Trustee thereunder, and has assumed such role. If no successor trustee has accepted appointment on the date on which the resignation or removal is scheduled to be effective, the Trustee, at the expense of the Corporation, may either petition any court of competent jurisdiction for the appointment of a temporary successor trustee or itself appoint a temporary successor trustee, provided that in either case any trustee so appointed shall immediately and without further act be superseded by any trustee appointed by the Issuer as provided herein.

### **Section 810 Removal of Trustee**

Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed by the holders of a majority in principal amount of the Notes then Outstanding and filed with the Trustee, the Corporation, the Initial Note Purchaser, and the Issuer. If no Event of Default under the Agreement has occurred and is continuing, the Corporation may remove the Trustee and appoint a successor by an instrument filed with the Trustee and the Issuer, with the approval of the Issuer, which shall not be unreasonably withheld.

The Trustee shall continue to act as Trustee hereunder until the acceptance of the duties required of the Trustee hereunder by a successor trustee appointed by the Corporation with the prior written consent of the Issuer.

### **Section 811 Appointment of Successor Trustee**

If the Trustee or any successor trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer shall appoint a successor, with the consent of the Corporation and the Initial Note Purchaser, and shall mail

notice of such appointment to each Registered Owner. If the Issuer fails to make such appointment within thirty (30) days, the appointment may be made by the Corporation if no Event of Default under the Agreement has occurred and is continuing. No resignation or removal of the Trustee shall be affective unless a successor has accepted the duties of Trustee required hereunder.

### **Section 812 Qualification of Successor**

A successor trustee shall be authorized to exercise trust powers within the Commonwealth and shall be a national bank with trust powers, a bank with trust powers, or a bank and trust company or a trust company organized under the laws of the Commonwealth having a combined net capital and surplus of at least \$50,000,000.

### **Section 813 Instruments of Succession**

Any successor trustee shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder; and, subject to Section 809 hereof, thereupon such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder shall pay over to the successor trustee all moneys held by it hereunder; and, upon request of the successor trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to the successor trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act.

### **Section 814 Merger of Trustee**

Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated or to which the corporate trust business of such Trustee may be sold or otherwise transferred as a whole or substantially as a whole, or any corporation resulting from any merger, consolidation or transfer to which any Trustee hereunder shall be a party, shall be the successor trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding, provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 812 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article VIII.

### **Section 815 Reports of Trustee**

The Trustee shall provide monthly reports relating to funds and accounts established under this Indenture and such other reports relating to such funds as may be reasonably required by the Corporation and the Issuer, and which the Trustee can produce using its existing trust accounting system and staff.

### **Section 816 No Obligation to Review Reports**

The Trustee shall not have any obligation to review any financial statement or report provided to the Trustee by the Corporation or the Issuer pursuant to this Indenture or the

Agreement, nor shall the Trustee be deemed to have notice of any item contained therein or any Event of Default which may be disclosed therein in any manner. The Trustee's sole responsibility with respect to such reports shall be to act as the depository for such reports for the Noteholders and to make such reports available for review by the Noteholders in accordance with this Indenture.

### **Section 817    Limitation on Trustee's Responsibilities Respecting Arbitrage**

Notwithstanding any provision of this Indenture to the contrary, the Trustee shall not be liable or responsible for any calculation or determination which may be required in connection with or for the purpose of complying with Section 148 of the Code including, without limitation, the calculation of amounts required to be paid to the United States under the provisions of such Section 148 of the Code, the maximum amount which may be invested in "nonpurpose obligations" as defined in the Code and the fair market value of any investments made hereunder; and the sole obligation of the Trustee with respect to investments of funds hereunder shall be to invest the moneys received by the Trustee as provided herein pursuant to the oral or Written Request of the Corporation.

## **ARTICLE IX**

### **AMENDMENTS AND SUPPLEMENTS**

#### **Section 901    Amendments and Supplements Without Noteholders' Consent**

This Indenture may be amended or supplemented from time to time, without the written consent of the Noteholders, but with the prior written consent of the Corporation and the Initial Note Purchaser, by a supplemental indenture authorized by a Certified Resolution of the Issuer filed with the Trustee, for one or more of the following purposes:

- (a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;
- (b) to cure any ambiguity, to cure, correct or supplement any defective (whether because of any inconsistency with any other provision hereof or otherwise) provision of this Indenture (which actions shall supersede any actions taken by the Trustee under Section 808 hereof), or to make any other revision which shall not impair the security hereof or materially adversely affect the Noteholders;
- (c) to obtain, maintain or upgrade a rating on the Notes;
- (d) to modify or supplement this Indenture in such manner as may be necessary or appropriate to qualify this Indenture under the Trust Indenture Act of 1939 as then amended, or under any similar federal statute hereafter enacted, including provisions whereby the Trustee accepts such powers, duties, conditions and restrictions under this Indenture and the Issuer undertakes such covenants, conditions or restrictions additional to those contained in this Indenture as would be necessary or appropriate so to qualify this Indenture;

(e) to provide for the establishment of additional funds and accounts under this Indenture and for the proper administration of and transfers of moneys between any such funds and accounts; and

(f) to modify any provisions of this Indenture relating to the mechanics of keeping the Notes immobilized in book-entry form.

In addition, if any Notes are then owned (directly or beneficially) by the Initial Note Purchaser or any trust established by the Initial Note Purchaser or any of its affiliates, all amendments and supplements to this Indenture shall be subject to the consent of the Initial Note Purchaser. If at any time the Corporation shall request that the Authority and the Trustee to consent to any amendment pursuant to Section 901 above, the Trustee shall cause notice of the proposed execution of such amendment, change or modification to this Indenture to be given to the Initial Note Purchaser by first class mail, postage prepaid, at least ten (10) days prior to the execution of such amendment, change or modification to this Indenture, which notice shall include a copy of the proposed amendment, change or modification.

#### **Section 902 Amendments With Noteholders' Consent**

This Indenture may be amended from time to time by a supplemental indenture, with the prior written consent of the Issuer and the holders of at least 51% in aggregate principal amount of the Notes then Outstanding and the Initial Note Purchaser; provided, that (a) no amendment shall be made which affects the rights of some but less than all the Outstanding Notes of any one series without the consent of the holders of 51% of the Notes so affected, and (b) no amendment which alters the interest rates on any Notes, the maturities, Interest Payment Dates or redemption provisions of any Notes, this Article IX or the security provisions hereunder may be made without the consent of the holders of all Outstanding Notes adversely affected thereby.

**Section 903 Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel** The Trustee is authorized to join with the Issuer in the execution and delivery of any supplemental indenture, supplemental loan agreement, or amendment permitted by this Article and in so doing shall be fully protected by an Opinion of Counsel that such supplemental indenture, supplemental loan agreement or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

#### **Section 904 Amendments, Etc., of the Agreement Not Requiring Consent of Noteholders**

The Issuer and the Trustee shall, without the consent or notice to the Noteholders but with the consent of the Initial Note Purchaser, consent to any amendment, change or modification of the Agreement as may be required or otherwise permitted (i) by the provisions of the Agreement or this Indenture, (ii) for the purpose of curing any ambiguity, defect, inconsistent provision or omission in the Agreement, or (iii) in connection with any other change therein which, in the judgment of the Trustee and the Issuer, is not to the prejudice of the Trustee or the holders of the Notes.

## **Section 905 Amendments, Etc., of the Agreement Requiring Consent of Noteholders**

Except for the amendments, changes or modifications as provided in Section 904 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Agreement without the written approval or consent of the holders of not less than 51% in aggregate principal amount of the Notes then Outstanding and the Initial Note Purchaser.

## **Section 906 Conditions to Supplements and Amendments**

Before the Trustee shall enter into any supplemental indenture or consent to any amendments to the 1995 Master Indenture or the 2007 Master Indenture, or before the Issuer, the Corporation and the Trustee shall enter into any amendment or supplement to the Agreement, there shall have been delivered to the Trustee: (i) a Favorable Opinion, (ii) an Opinion(s) of Counsel substantially to the effect that upon execution thereof such supplemental indenture or other amendment or supplement will be valid and binding upon each of the Issuer and Corporation, as applicable, (iii) the consent of the Initial Note Purchaser and (iv) any required consents, in writing, of the Noteholders.

# **ARTICLE X**

## **DEFEASANCE**

### **Section 1001 Defeasance**

(a) When interest on, and principal or redemption price (as the case may be) of, all Notes issued hereunder have been paid or there shall have been deposited with the Trustee an amount, evidenced by moneys or non callable Government Obligations the principal of and interest on which, when due, will provide sufficient moneys to fully pay the Notes at the maturity date or date fixed for redemption thereof, as well as all other sums payable hereunder by the Issuer and by the Corporation, the right, title and interest of the Trustee shall thereupon cease and the Trustee, on demand of the Issuer, shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the Issuer and shall turn over to the Issuer or to such Person as may be entitled to receive the same all balances remaining in any funds hereunder.

(b) Notwithstanding the foregoing provisions of Section 1001(a) hereof, the lien of this Indenture shall not be released and discharged until the Trustee has received an Opinion of Counsel to the effect that all conditions precedent to such discharge have been satisfied and, in the event that provision has been made to pay all Notes rather than having paid all Notes, the Trustee receives a verification of the sufficiency of funds held to discharge Notes from an Independent Public Accountant.

### **Section 1002 Deposit of Funds for Payment of Notes**

(a) If the Issuer deposits with the Trustee moneys or Government Obligations sufficient to pay the principal or redemption price of any particular Note or Notes becoming due, either at Stated Maturity or by call for redemption or otherwise, together with all interest



accruing thereon to the due date, interest on the Note or Notes shall cease to accrue on the due date and all liability of the Issuer with respect to such Note or Notes shall likewise cease. Thereafter such Note or Notes shall be deemed not to be Outstanding hereunder and the holder or holders of such Note or Notes shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Note or Notes, and the Trustee shall hold such funds in trust for such holder or holders.

(b) Notwithstanding the foregoing provisions of Section 1002(a) hereof, the lien of this Indenture shall not be released and discharged until the Trustee has received an Opinion of Counsel to the effect that all conditions precedent to such discharge have been satisfied and, in the event that provision has been made to pay all Notes rather than having paid all Notes, the Trustee receives a verification of the sufficiency of funds held to discharge Notes from an Independent Public Accountant.

## **ARTICLE XI**

### **MISCELLANEOUS**

#### **Section 1101 Unclaimed Moneys**

Any moneys deposited with the Trustee by the Issuer in accordance with the terms and covenants of this Indenture, in order to redeem or pay any Note in accordance with the provisions of this Indenture, and remaining unclaimed by the Registered Owner of the Note for three (3) years after the date fixed for redemption or maturity, as the case may be, shall, if the Issuer is not at the time to the knowledge of the Trustee in default with respect to any of the terms and conditions of this Indenture, or in the Notes contained, be repaid by the Trustee to the Issuer upon its Written Request therefor; and thereafter the Registered Owner of the Note shall be entitled to look only to the Issuer for payment thereof, provided, however, that the Trustee, before being required to make any such repayment, shall, at the expense of the Issuer, mail to the Registered Owner thereof at his address, as the same shall last appear on the Note Register, a notice to the effect that such moneys have not been so applied and that after the date named in such notice any unclaimed balance of such moneys then remaining shall be returned to the Issuer. In the absence of any such Written Request from the Issuer, the Trustee shall from time to time deliver such unclaimed funds to or as directed by pertinent escheat authority, as identified by the Trustee in its sole discretion, pursuant to and in accordance with applicable unclaimed property laws, rules or regulations. If such moneys remain unclaimed by the Registered Owner of the Note for four (4) years after the date of transfer to the Issuer, such funds will be transferred by the Issuer to the Treasurer of the Commonwealth. Money held by the Trustee pursuant to his Section 1101 shall be held uninvested and without liability for interest. The Issuer hereby covenants and agrees to indemnify and save the Trustee harmless from any and all loss, costs, liability and expense suffered or incurred by the Trustee by reason of having returned any such moneys to the Issuer as herein provided.

#### **Section 1102 No Rights Conferred on Others**

Nothing herein contained shall confer any right upon any Person other than the parties hereto and the holders of the Notes.

### **Section 1103 Illegal Provisions Disregarded**

If any term or provision of this Indenture or the Notes or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such term or provision to Persons and situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision hereof and thereof shall be valid and enforceable to the fullest extent permitted by law.

### **Section 1104 Controlling Law**

The laws of the Commonwealth shall govern the interpretation of this Indenture.

### **Section 1105 Successors and Assigns**

All the covenants, promises and agreements in this Indenture contained by or on behalf of the Issuer or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

### **Section 1106 Headings for Convenience Only**

The table of contents and descriptive headings in this Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

### **Section 1107 Severability**

If any provision of this Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Indenture shall not affect the remaining portions of this Indenture, or any part thereof.

### **Section 1108 Notices**

Except as otherwise provided in this Indenture, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when in writing and mailed by first class mail, postage prepaid, with proper address as indicated below. Other than as required in this Indenture, any of such parties may, by written notice given by such party to the others, designate any address or addresses to which notices, certificates or other communications to them. Until otherwise provided by the respective parties, all notices, certificates and communications to such parties shall be addressed as follows:

To the Issuer:

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

To the Corporation:

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

To the Trustee:

The Bank of New York Mellon Trust Company, N.A.  
525 William Penn Place, 7th Floor  
Pittsburgh, PA 15259  
Attention: Institutional Trust Services

To the Initial Note Purchaser:

RBC Capital Markets Corporation  
Three World Financial Center  
200 Vesey Street  
New York, NY 10281-8098  
Attention: Andrew Sanford

To the Rating Agencies:

Fitch Ratings  
One State Street Plaza  
New York, NY 10004  
Moody's Investors Service  
99 Church Street  
New York, NY 10007

Standard & Poor's Corporation  
55 Water Street  
New York, NY 10004

Moody's Investor's Service  
7 World Trade Center at 250 Greenwich Street  
Public Finance Group, 23rd Floor  
New York, NY 10007

### **Section 1109 Additional Notices to Rating Agency**

The Trustee hereby agrees that if at any time

(a) payment of principal and interest on the Notes is accelerated pursuant to the provisions of Section 702 hereof,

(b) the Issuer shall redeem the entire principal amount of the Notes Outstanding hereunder or any portion thereof prior to maturity, or the lien of this Indenture is defeased,

(c) a successor or replacement Trustee is appointed hereunder,

(d) the Noteholders shall consent to any amendment to, or shall waive any provision of this Indenture,

(e) the Trustee and the Issuer propose to enter into a supplemental Indenture pursuant to either Section 901 or 902 hereof or the Corporation and the Issuer propose to enter into an amendment to the Agreement pursuant to Section 904 or 905 hereof, or

(f) the Trustee shall merge or consolidate with another financial institution.

then, in each case, the Trustee will promptly give notice of the occurrence of such event to each Rating Agency, which notice in the case of an event referred to in clause (d) hereof shall include a copy of any such amendment or waiver.

### **Section 1110 Counterparts**

This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.


### **Section 1111 Immunity of Officers, Employees and Members of Issuer**

No recourse shall be had for the payment of the principal of or premium or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, director, member, employee or agent of the Issuer, or of any successor public corporation, as such, either directly or through the Issuer or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Notes.

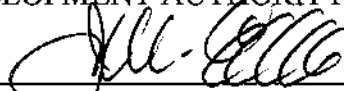
[Signature Page to Trust Indenture]

IN WITNESS WHEREOF, the ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY has caused this Trust Indenture to be signed in its name and on its behalf by its Chairman or Vice Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, Assistant Secretary or Authorized Designate, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., has caused these presents to be signed in its name and on its behalf by one of its Vice Presidents, its official seal to be hereunto affixed, all as of the day and year above first written.

ATTEST:

By:   
(Assistant) Secretary/Authorized Designate

ALLEGHENY COUNTY HOSPITAL  
DEVELOPMENT AUTHORITY

By:   
(Vice) Chairman

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., AS TRUSTEE

By:   
Vice President

## EXHIBIT A

### FORM OF 2008 NOTE

BY PURCHASING THIS SERIES 2008 NOTE YOU HEREBY CONSENT TO THE RELEASE AND DISCHARGE OF THE 1995 MTI NOTE AND THE 1995 MASTER INDENTURE (AS SUCH TERMS ARE HEREINAFTER DEFINED) AND ACKNOWLEDGE THAT THE 1995 MTI NOTE AND THE 1995 MASTER INDENTURE MAY BE RELEASED AT ANY TIME WITHOUT NOTICE UPON RECEIPT OF THE CONSENTS OF HOLDERS OF NOTES PREVIOUSLY ISSUED UNDER THE 1995 MASTER INDENTURE AND CERTAIN INSURERS.

**Allegheny County Hospital Development Authority  
University of Pittsburgh Medical Center  
Revenue Note, Series 2008**

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>CUSIP:</u>	<u>NUMBER:</u>
Index Rate (as defined below)	December 1, 2011	December 12, 2008	01728A564	R-1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED MILLION DOLLARS (\$100,000,000)

Allegheny County Hospital Development Authority (the "**Issuer**"), a body politic and corporate and a public instrumentality of the Commonwealth of Pennsylvania (the "**Commonwealth**") and validly existing under the laws of the Commonwealth, for value received, promises to pay, but solely from the Trust Estate as defined in the Trust Indenture dated as of December 1, 2008, between the Issuer and the Trustee, as hereinafter defined (the "**Indenture**"), to the registered owner named above, or registered assigns, upon presentation and surrender hereof, on the maturity date specified above, unless this Note shall have been previously redeemed in whole or in part and payment of the redemption price shall have been duly made or provided for, the principal amount shown above. The Issuer also promises to pay (but solely from the Trust Estate) interest on the principal amount shown above, at the Index Rate (herein defined), from the most recent Interest Payment Date (hereinafter defined) to which interest has been duly paid or provided for next preceding this Note's date of authentication unless (i) such date of authentication is an Interest Payment Date, in which case interest shall accrue from the date of authentication, (ii) such date of authentication is prior to January 2, 2009, in which case interest shall accrue from December 12, 2008, (iii) such date of authentication is on or after a Record Date but before an Interest Payment Date, in which case interest shall accrue from the Interest Payment Date which immediately succeeds the date of authentication, or (iv) interest on the Note shall be in default, in which case interest shall accrue from the date on which interest on the Note was last paid or provided for. Payments of interest shall be made on the first business Day of each month (each an "**Interest Payment Date**") until payment of the principal amount or redemption price has been paid or duly provided for.

As used in this Note:

**“Alternate Index”** means on any date, a rate equal to 85% of the interest rate on 7-day Dealer Placed Top Top Tier A-1+/P1/F1+ Commercial Paper, as reported by Bloomberg L.P. under United States Money Market Rates (MMR-US)/CP-Dealer Placed page.

**“Applicable Spread”** means the Applicable Spread specified in the chart below which corresponds to the lowest rating assigned by Moody’s, S&P or Fitch to the senior long-term debt of the Corporation without regard to third-party credit enhancement or, as applicable, the Applicable Spread described in the last sentence of this definition:

<b>Moody’s</b> Aa3 or higher	<b>S&amp;P</b> AA- or higher	<b>Fitch</b> AA- or higher	<b>Applicable Spread</b>
			225 bps
A1	A+	A+	275 bps
A2	A	A	300 bps
A3	A-	A	325 bps
Baa1	BBB+	BBB+	350 bps
Baa2	BBB	BBB	400 bps

In the event that the rating assigned to the senior long-term debt of the Corporation is withdrawn or is suspended or falls below Baa2, BBB or BBB by Moody’s, S&P or Fitch, the Applicable Spread shall equal the number of basis points by which the Maximum Interest Rate exceeds the SIFMA Municipal Index or the Alternate Index, whichever is then used to determine the Index Rate.

**“Business Day”** means a day which is not (a) a Saturday or Sunday, (b) a day on which commercial banks in (1) Pittsburgh, Pennsylvania, (2) New York, New York, or (3) the city or cities in which the corporate trust office of the Trustee responsible for the administration of this Indenture are authorized by law or required by law or executive order to be closed.

**“Default Rate”** means 15% per annum.

**“Index Rate”** means a variable interest rate for the Notes equal to the SIFMA Municipal Index plus the Applicable Spread, as determined by the Trustee.

**“Initial Note Purchaser”** RBC Capital Markets Corporation, and its successors and assigns.

**“Maximum Interest Rate”** means the lesser of 12% per annum and the maximum rate permitted by law.

**“SIFMA Municipal Index”** means the SIFMA Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; provided, however, that if such index is no longer produced by Municipal

Market Data, Inc., or its successor, then "SIFMA Municipal Index" shall mean the Alternate Index.

This Note shall bear interest at the Index Rate. After the occurrence and during the continuance of an Event of Default, this Note shall bear interest at the Default Rate. At no time shall this Note bear interest at a rate higher than the Maximum Interest Rate.

The Index Rate shall be determined on Wednesday of each week and shall apply to the period commencing on and including the Thursday immediately following the date of determination and ending on and including the next succeeding Wednesday. The first Index Rate period shall be the period commencing on and including December 12, 2008 and ending on and including December 17, 2008.

The Trustee shall determine the Index Rate for the Notes and shall furnish such Index Rate to the Issuer, the Corporation (as hereinafter defined) and the Initial Note Purchaser, not later than the Business Day next succeeding the date of determination of the Index Rate by telephone or telecopy, promptly confirmed in writing. Not later than the third Business Day preceding each Interest Payment Date, the Trustee shall notify the Issuer and the Corporation in writing of the total amount of interest payable on the Notes on such Interest Payment Date. In lieu of the notification provided in the preceding sentence, the Trustee may make such information available by Electronic Means.

Interest shall be computed on the basis of a 365/366 day year for the actual number of days elapsed.

The principal of, and premium, if any, on this Note is payable to the registered owner hereof upon presentation and surrender of this Note at the office The Bank of New York Mellon Trust Company, N.A., as trustee, in Pittsburgh, Pennsylvania or its successor (the "Trustee"). Interest payable on any Interest Payment Date, subject to certain exceptions provided in the Indenture, shall be paid to the registered owner hereof, as shown on the registration books maintained by the Trustee (the "Note Register") as of the close of business on the last day of the month (whether or not a Business Day) immediately preceding each Interest Payment Date (the "Regular Record Date") (1) by check of the Trustee mailed on the Interest Payment Date to the registered owner at that owner's address as it appears on the Note Register or at such other address as is furnished to the Trustee in writing by the registered owner hereof, (2) if requested in writing by a registered owner of \$1,000,000 or more in principal amount of the Notes, by wire transfer to a designated account at a member bank of the Federal Reserve System, if such written request is received by the Trustee not less than one (1) Business Day prior to the Regular Record Date or (3) in such other manner as is agreed upon between the registered owner and the Trustee. All payments hereunder shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Interest on this Note which is payable but not duly paid on the date due (defined as "Defaulted Interest") shall cease to be payable to the registered owner hereof as of the relevant Regular Record Date but shall be payable instead to the registered owner hereof as of the close of business on a Special Record Date. The "Special Record Date" for the payment of such Defaulted Interest shall be the date selected by the Trustee which shall be not less than 10 days prior to the date of the proposed payment. The Trustee shall cause notice of the proposed



payment of such Defaulted Interest and the Special Record Date therefor to be mailed to the registered owner hereof not less than 10 days prior to such Special Record Date.

This Note is registered as to both principal and interest on the Note Register to be kept for that purpose at the office of the Trustee, and both principal and interest shall be payable only to the registered owner hereof. This Note may be surrendered for registration of transfer or for exchange to the Trustee, duly endorsed, or accompanied by a satisfactory written instrument of transfer executed by the holder or his attorney duly authorized in writing. Upon surrender of any Notes to be transferred or exchanged, the Trustee shall record the transfer or exchange in its Note Register and shall authenticate and deliver new Notes appropriately registered and in appropriate authorized denominations. The Trustee shall not be required to effect or register any transfer or exchange of any Note between the Record Date and the related Interest Payment Date or during a period beginning at the opening of business 15 days before the date of mailing of notice of redemption of Notes selected for redemption and ending at the close of business on the day of such mailing or for any Notes so selected for redemption in whole or in part, except that Notes properly surrendered for partial redemption may be exchanged for new Notes in authorized denominations equal in the aggregate to the unredeemed portion. No transfer or exchange made other than as described above and in the Indenture shall be valid or effective for any purpose under the Indenture. The Issuer and the Trustee may treat the registered owner of this Note, as its name appears in the Note Register as of the appropriate dates, as the absolute owner hereof for any and all purposes under the Indenture, and shall not be affected by any notice to the contrary.

### **General**

This Note is one of the Issuer's University of Pittsburgh Medical Center Revenue Notes, Series 2008 (the "**Notes**"), issued in the aggregate principal amount of \$100,000,000 under and pursuant to the Indenture. Reference is made to the Indenture and the Loan Agreement dated as of December 1, 2008 (the "**Agreement**"), between the Issuer and UPMC (the "**Corporation**"), a Pennsylvania non-profit corporation, for provisions concerning, among other things, a statement of the purposes for which the Notes have been issued, the application of the proceeds of the Notes, the Trust Estate assigned and pledged for the security of the Notes, the rights and obligations of the Issuer and the Trustee and provisions relating to the rights of the registered owners of the Notes.

The Agreement requires the Corporation to make payments to the Issuer, together with other available moneys, to meet the debt service requirements on the Notes, to pay the fees and expenses of the Trustee and the Issuer, and to pay certain costs associated with the Notes. The Notes are secured by and payable from (i) the 2008C Note dated as of December 1, 2008 (the "**1995 MTI Note**"), issued under the terms of and pursuant to the Master Trust Indenture dated as of December 1, 1995 (the "**Original 1995 Master Indenture**"), as supplemented by, among others, a Supplemental Master Trust Indenture No. 49 dated as of December 1, 2008 (the "**Supplemental Master Indenture No. 49**" and, together with the Original 1995 Master Indenture, as so supplemented, the "**1995 Master Indenture**"), between the Corporation, as obligated group representative, and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "**1995 Master Trustee**"), and (ii) the 2008C Note dated as of December 1, 2008 (the "**2007 MTI Note**"), issued under the terms of and pursuant to the Master Trust Indenture dated as of May 1, 2007 (the "**Original 2007 Master Indenture**"), as supplemented

by, among others, a Supplemental Master Trust Indenture No. 10 dated as of December 1, 2008 (the "**Supplemental Master Indenture No. 10**" and, together with the Original 2007 Master Indenture, as so supplemented, the "**2007 Master Indenture**"), between the Corporation, as obligated group agent, and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "**2007 Master Trustee**");

The executed counterparts of the Indenture, the Agreement and the 1995 Master Indenture and the 2007 Master Indenture are on file at the Pittsburgh, Pennsylvania office of the Trustee.

### **Redemption**

***Optional Redemption.*** The Notes are subject to optional redemption prior to the Maturity Date, in whole or in part, at the Written Request of the Corporation, on (a) any date when the Notes bear interest at a rate of interest equal to the Maximum Interest Rate, and (b) any date on and after June 25, 2009, at a redemption price equal to the principal amount of the Notes called for redemption, without premium.

***Extraordinary Optional Redemption.*** The Notes are subject to extraordinary optional redemption, in whole or in part, at any time, in authorized denominations of no less than \$5,000, by the Issuer, at the Written Request of the Corporation, in the event of condemnation, damage or destruction of the Corporation's Property or any part thereof, as qualified herein, but only out of the Net Proceeds deposited with or held by the Trustee for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date. The Issuer will provide to the Trustee written direction to redeem the Notes at least 46 days prior to the redemption date. Any such redemption shall be made in the order of maturity designated by the Corporation and within any maturity by lot, as selected by the Trustee.

Notice of any redemption shall be given at least 14 days and not more than 30 days prior to the date fixed for redemption by mailing by first class mail a notice to the registered owners of the Notes to be redeemed as provided in the Indenture, but failure to mail any such notice and any defect in any such notice or the mailing thereof, as it affects any particular Note, shall not affect the validity of the proceedings for such redemption of any other Note. If the Issuer deposits funds (as more fully described in the Indenture) with the Trustee sufficient to pay the redemption price of any Notes, together with interest accrued to the redemption date, as provided in and limited by the terms of the Indenture, interest on such Notes will cease to accrue on the redemption date and thereafter such Notes will be payable as to principal, interest and premium only out of the funds so deposited.

This Note and the issue of which it forms a part are issued under the laws of the Commonwealth pursuant to the Pennsylvania Municipality Authorities Act, as amended, and resolutions duly adopted by the Issuer, and are limited obligations of the Issuer payable solely from and secured by the Trust Estate (as defined in the Indenture). THE NOTES ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE. NEITHER THE PRINCIPAL OF THE NOTES, NOR THE INTEREST ACCRUING THEREON, SHALL EVER CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER, OR AN INDEBTEDNESS OF THE COUNTY OF ALLEGHENY OR THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR

INSTRUMENTALITY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER OR SHALL EVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OF ALLEGHENY OR THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF, NOR WILL THE NOTES BE, OR BE DEEMED TO BE, AN OBLIGATION OF THE COUNTY OF ALLEGHENY OR THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF. THE ISSUER HAS NO TAXING POWER.

This Note shall not constitute the personal obligation, either jointly or severally, of the members of the Board of the Issuer or of any other officer, employee or agent of the Issuer.

This Note shall not be entitled to any right, security or benefit under the Indenture or be valid or become obligatory for any purpose until this Note shall have been authenticated by the Trustee, by execution of the certificate of authentication inscribed hereon.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of the Notes in order to make them legal, valid and binding obligations of the Issuer in accordance with their terms, and the execution of the Indenture have happened, exist and have been performed as so required; the Issuer has received payment in full for the Notes; and no limitation of indebtedness, either statutory or constitutional, has been exceeded in the issuance of the Notes.

The registered owner of this Note shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture and except that any registered owner may institute action to enforce the payment of the principal of or the interest on his or her Note.

Upon the occurrence of certain events, and on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all Notes then Outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

Modifications or alterations of the Indenture or any trust indenture supplemental thereto, the Agreement or any agreement supplemental thereto, may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement.

This Note, notwithstanding the provisions for registration of transfer stated herein and contained in the Indenture, at all times shall be and shall be understood to be an investment security within the meaning of and for all the purposes of the Uniform Commercial Code of Pennsylvania. This Note is issued with the intent that the laws of the Commonwealth of Pennsylvania shall govern its construction.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

**IN WITNESS WHEREOF**, the Allegheny County Hospital Development Authority has caused this Note to be executed in its name by the facsimile signature of its Chairman or Vice Chairman and the facsimile seal of the Issuer to be imprinted hereon, attested by the facsimile signature of its Secretary, Assistant Secretary or Authorized Designate all as of the date of issuance of the Notes.

ATTEST:

ALLEGHENY COUNTY HOSPITAL  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
(Assistant) Secretary/Authorized Designate

By: \_\_\_\_\_  
(Vice) Chairman

(SEAL)

**CERTIFICATE OF AUTHENTICATION**

This Note is one of the Notes described in the with-mentioned Indenture. The text of the opinion attached hereto is the text of the opinion of Bond Counsel, Houston Harbaugh, P.C., Pittsburgh, Pennsylvania, dated and delivered on the date of delivery of and payment for the Notes, an executed counterpart of which is on file with the Trustee.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., AS TRUSTEE

Dated: \_\_\_\_\_, 2008

By: \_\_\_\_\_  
Vice President

## ASSIGNMENT

For value received \_\_\_\_\_ hereby sells,  
assigns \_\_\_\_\_ and \_\_\_\_\_ transfers \_\_\_\_\_ unto  
\_\_\_\_\_ the within  
Note issued by the Allegheny County Hospital Development Authority, Pittsburgh, Pennsylvania  
and all rights thereunder, hereby irrevocably appointing  
\_\_\_\_\_ to transfer such Note on the Note  
Register, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed\*: \_\_\_\_\_

\* Signature(s) must be Guaranteed by a member of an approved Signature Guarantee  
Medallion Program.

NOTICE\* The signature to this assignment must correspond with the name as it appears upon  
the face of within Note in every particular, without alteration or any change whatever.

\_\_\_\_\_

The following abbreviations when used in the inscription on the face of the within Note,  
shall be construed as though they were written out in full according to applicable laws or  
regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_

(Cust)

(Minor)

under Uniform Gifts to Minors Act \_\_\_\_\_ (State)

**EXHIBIT B**

FORM OF 2008 PROJECT FUND REQUISITION

Allegheny County Hospital Development Authority  
University of Pittsburgh Medical Center Revenue Notes, Series 2008

PROJECT FUND REQUISITION NUMBER \_\_\_\_\_

Dated: \_\_\_\_\_

The Bank of New York Mellon Trust Company, N.A., as Trustee

Ladies and Gentlemen:

Pursuant to the provisions of Section 305 of the Trust Indenture dated as of December 1, 2008 (the "**Indenture**"), between the Allegheny County Hospital Development Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, you are hereby requested to make the payments listed on Attachment A from the 2008 Project Fund:

In connection with this requisition, we do hereby certify as follows:

- (1) The work or services to which the payment relates has been accomplished or performed in a manner satisfactory to UPMC and the amount to be paid does not exceed the obligation on account of which the payment is made;
- (2) the amounts requisitioned have been incurred by UPMC and its subsidiaries and that each item thereof is properly reimbursable from the Project Fund;
- (3) that there has not been filed with or served upon UPMC notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition;
- (4) that such requisition contains no item representing payment on account of any retained percentage which UPMC is on the date of such certificate entitled to retain;
- (5) that such item has not been included in any previous requisition; and
- (6) that such requisition relates to payments with respect to components of the Project that are to be used in the charitable (within the meaning of Section 501(c)(3) of the Code) activities of UPMC.
- (7) On behalf of the UPMC, the undersigned duly authorized signor certifies (a) the payment being received by UPMC pursuant to this requisition will, in turn, be paid to the vendor identified on the attached invoice within thirty days of receipt of moneys from the Trustee, (b) pending payment to such vendor such moneys shall be held uninvested or shall be invested solely in Investment Securities and (c) a detailed report disclosing the Investment Securities

acquired with the moneys received from the Trustee pending payment to the vendor, the dates acquired, the income received from such investments and the date final payment was made to the vendor shall be submitted to the Trustee within sixty days of payment to the vendor so as to permit the accurate computation of any rebatable arbitrage in accordance with the Tax Regulatory Certificate or that payment is being received to reimburse prior capital expenditures of UPMC and its subsidiaries.

The terms used herein which are defined in the Indenture are used herein with the same meanings as so defined in the Indenture.

UPMC

BY: \_\_\_\_\_  
Authorized Signor