LOAN AGREEMENT

Dated as of October 1, 2012

Between

HEALTH AND EDUCATIONAL FACILITIES AUTHORITY OF THE STATE OF MISSOURI

And

BJC HEALTH SYSTEM

$75,000,000
Variable Rate Health Facilities Revenue Bonds
(BJC Health System)
Series 2012B

The rights, title and interest of the Health and Educational Facilities Authority of the State of Missouri in this Loan Agreement (with certain exceptions) have been pledged and assigned to UMB Bank, N.A., as Bond Trustee, under the Bond Trust Indenture dated as of October 1, 2012, between the Authority and the Bond Trustee.

LOAN AGREEMENT

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Signatures S-1, S-2

* * *

LOAN AGREEMENT

THIS LOAN AGREEMENT (the *"Loan Agreement"*), dated as of **October 1, 2012**, between the **HEALTH AND EDUCATIONAL FACILITIES AUTHORITY OF THE STATE OF MISSOURI**, a body politic and corporate and a public instrumentality organized and existing under the laws of the State of Missouri (the *"Authority"*), and **BJC HEALTH SYSTEM**, a nonprofit corporation organized and existing under the laws of the State of Missouri (the *"Corporation"*);

RECITALS

1. Pursuant to the Missouri Health and Educational Facilities Authority Act, Chapter 360 of the Revised Statutes of Missouri, as amended (the *"Act"*), and at the request of the Corporation, the Authority will issue **$75,000,000** aggregate principal amount of **Variable Rate Health Facilities Revenue Bonds (BJC Health System), Series 2012B** (the *"Bonds"*), under a Bond Trust Indenture of even date herewith (the *"Bond Indenture"*) between the Authority and UMB Bank, N.A., St. Louis, Missouri, as Bond Trustee (the *"Bond Trustee"*), for the purpose of making a loan of the proceeds thereof (the *"Loan"*) to the Corporation under this Loan Agreement to provide funds to refund certain outstanding revenue bonds of the Authority described in the Bond Indenture (the *"Refunded Bonds"*) previously issued to finance certain health facilities of the Corporation, in consideration of payments by the Corporation, which will be sufficient to pay the principal of, redemption premium, if any, and the interest on the Bonds.

2. The Corporation is a Member of the Obligated Group and the Obligated Group Agent under the Master Trust Indenture dated as of April 1, 2006 (as amended and supplemented, the *"Master Indenture"*), among the Corporation and such other Persons that are Members of the Obligated Group (collectively, the *"Obligated Group"*) and The Bank of New York Mellon Trust Company, N.A. (successor to The Bank of New York Trust Company, N.A.), as master trustee (the *"Master Trustee"*).

3. Concurrently with the execution and delivery of this Loan Agreement, the Corporation and **Clayton Holdings, LLC** (the *"Purchaser"*) will enter into a Continuing Covenant Agreement dated as of October 1, 2012 (the *"Continuing Covenant Agreement"*), in connection with and as a condition to the initial Purchaser's purchase of the Bonds.

4. The obligations of the Corporation under this Loan Agreement and the Continuing Covenant Agreement, respectively, will be evidenced and secured by **2** separate Master Notes issued under the Master Indenture designated as follows:

- **Master Indenture Note (BJC Health System), Series 2012B-1 (Bond Note)** (the *"Series 2012B-1 Master Note"* or the *"Bond Note"*); and
- **Master Indenture Note (BJC Health System), Series 2012B-2 (Purchaser Note)** (the *"Series 2012B-2 Master Note"* or the *"Purchaser Note"*).

5. The Authority and the Corporation are entering into this Loan Agreement to provide for the loan of the proceeds of the Bonds by the Authority to the Corporation, and the repayment of the Loan by the Corporation.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements set forth in this Loan Agreement, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Corporation covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms.

For all purposes of this Loan Agreement, except as otherwise provided or unless the context otherwise requires, words and terms used in this Loan Agreement have the same meanings as set forth in **Section 101** of the Bond Indenture and in **Section 101** of the Master Indenture.

Section 1.2. Rules of Construction.

For all purposes of this Loan Agreement, except as otherwise provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Loan Agreement:

(a) The defined terms referred to in this Article include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein or in the Bond Indenture shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

(c) All references herein to "generally accepted accounting principles" refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms; provided, as applied to any entity that operates a hospital, extended care facility or other discrete enterprise of a type with respect to which particular accounting principles from time to time shall have been generally adapted or modified, the term "generally accepted accounting principles" shall include the adaptations or modifications.

(d) The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

(e) The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

(f) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

(g) At any time the Bonds are not in an Indexed Put Rate Mode, references herein to the initial Purchaser, the Purchaser or the Continuing Covenant Agreement shall be of no effect unless the context indicates otherwise.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the Authority.

The Authority represents and warrants to the Corporation and the Bond Trustee as follows:

(a) *Organization and Authority.* The Authority (1) is a public instrumentality and body corporate and politic duly organized and existing under the laws of the State of Missouri, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Indenture, to enter into, execute and deliver this Loan Agreement, the Bond Indenture and the other Financing Documents required to be executed and delivered by the Authority in connection with the issuance of the Bonds and to perform its obligations hereunder and thereunder, and (3) by all necessary corporate action has been duly authorized to execute and deliver this Loan Agreement, the Bond Indenture and the other Financing Documents required to be executed and delivered by it in connection with the issuance of the Bonds, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Loan Agreement, the Series 2012B Master Notes and any other Financing Documents by the Authority will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Authority is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory rules or regulations applicable to the Authority or its property.

(c) *Absence of Litigation.* No litigation, proceedings or investigations are pending or, to the knowledge of the Authority, threatened against the Authority at law or in equity before any court, tribunal, governmental authority or arbitration board seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of the Bonds, the Bond Indenture, this Loan Agreement or any other Financing Documents to which the Authority is a party, or which challenges the existence or powers of the Authority to enter into and carry out the transactions contemplated by this Loan Agreement or any other Financing Documents to which it is a party, or wherein an unfavorable determination could materially and adversely affect the validity or enforceability of the Bonds, this Loan Agreement, or any other Financing Document to which the Authority is a party or its ability to perform its obligations thereunder.

Section 2.2. Representations by the Corporation.

The Corporation represents and warrants to the Authority and the Bond Trustee as follows:

(a) *Organization, Tax-Exempt Status and Authority.* The Corporation (1) is a private nonprofit corporation duly organized and validly existing under the laws of the State of Missouri not operated for private or corporate profit, (2) is a "health institution" (as defined in the Act) authorized by law to provide or operate "health facilities" (as defined in the Act) in the State of Missouri, (3) is a Member of the Obligated Group and the Obligated Group Agent under the Master Indenture, (4) is a Tax-Exempt Organization, (5) has not declared and has not been determined to have any "unrelated business taxable

income" as defined in Section 512 of the Internal Revenue Code which could have a material adverse effect on its status as a Tax-Exempt Organization or which, if such income were subject to federal income taxation, could have a material adverse effect on the condition, financial or otherwise, of the Corporation, (6) has lawful power and authority to enter into, execute and deliver this Loan Agreement and the other Financing Documents required to be executed and delivered by it in connection with the issuance of the Bonds and to perform its obligations hereunder and thereunder, and (7) by all necessary corporate action has been duly authorized to execute and deliver this Loan Agreement and the other required Financing Documents, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Loan Agreement and the other Financing Documents by the Corporation will not conflict with or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which it or any of its property is bound or its articles of incorporation, bylaws, or any of the rules or regulations of any court or other governmental body applicable to the Corporation or its property.

(c) *Absence of Litigation.* No litigation, proceedings or investigations are pending or, to the knowledge of the Corporation, threatened against the Corporation at law or in equity before any court, tribunal, governmental authority or arbitration board seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of the Bonds, the Bond Indenture, this Loan Agreement or any other Financing Documents to which the Corporation is a party, or which challenges the existence or powers of the Corporation to enter into and carry out the transactions contemplated by this Loan Agreement or any other Financing Documents to which it is a party, or wherein an unfavorable determination could materially and adversely affect the validity or enforceability of the Bonds, this Loan Agreement, or any other Financing Document to which the Corporation is a party or its ability to perform its obligations thereunder.

(d) *The Master Indenture.* The Bonds, upon their issuance, will constitute Related Bonds (as defined in the Master Indenture) and the Loan and the obligations of the Corporation under the Continuing Covenant Agreement will constitute Indebtedness (as defined in the Master Indenture) incurred in compliance with and secured by the Master Indenture. The Series 2012B Master Notes, upon issuance, each will constitute a Master Note (as defined in the Master Indenture) secured by and entitled to the benefits and protection of the Master Indenture on a parity with all other Master Notes issued and secured under the Master Indenture.

Section 2.3. Survival of Representations.

All representations of the Authority and the Corporation contained in this Loan Agreement or in any certificate or other instrument delivered by the Authority and the Corporation pursuant to this Loan Agreement, the Bond Indenture, or any other Financing Document, or in connection with the transactions contemplated thereby, shall survive the execution and delivery thereof and the issuance, sale and delivery of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations.

ARTICLE III

THE LOAN

Section 3.1. Loan of Funds to the Corporation.

The Authority shall make the Loan to the Corporation, using the proceeds of the sale of the Bonds upon receipt of a copy of a Request for Advance pursuant to the Continuing Covenant Agreement, and the Corporation shall receive such Loan from the Authority, for the purposes and upon the terms and conditions provided in this Loan Agreement and in the Bond Indenture.

Section 3.2. Series 2012B Master Notes.

As an inducement for the Authority to issue the Bonds and make the Loan to the Corporation, and as security for the Loan, and to further provide for the Loan Payments hereunder and the payment of the principal of, redemption premium, if any, and interest on the Bonds, the Corporation shall cause the Series 2012B-1 Master Note to be issued under the Master Indenture, payable to the order of the Bond Trustee, with interest rates, payment dates and prepayment provisions corresponding to the analogous provisions of the Bonds and otherwise being in substantially the form specified by Supplemental Master Trust Indenture No. 9. The Bond Trustee as holder of such Master Note shall be entitled to the benefit, security and protection of the Master Indenture.

As an inducement for the initial Purchaser to purchase the Bonds and as security for the Continuing Covenant Agreement and all obligations thereunder, including without limitation the payment of all amounts due under the Continuing Covenant Agreement, the Corporation shall cause the Series 2012B-2 Master Note to be issued under the Master Indenture, to be outstanding so long as any obligations and amounts due under the Continuing Covenant Agreement remain contingent or outstanding and otherwise being in substantially the form specified by Supplemental Master Trust Indenture No. 9. The Purchaser as holder of such Master Note shall be entitled to the benefit, security and protection of the Master Indenture.

Section 3.3. Use of Proceeds.

The proceeds of the Bonds loaned to the Corporation shall be paid to the Bond Trustee for deposit in the Redemption Fund under the Bond Indenture and shall be administered, disbursed and applied to refund the Refunded Bonds in the manner provided in the Bond Indenture.

ARTICLE IV

PAYMENT PROVISIONS

Section 4.1. Loan Payments.

The Corporation shall make the following payments (*"Loan Payments"*) in repayment of the Loan and to provide for payment of the principal of, redemption premium, if any, and interest on the Bonds, directly to the Bond Trustee, in immediately available funds, for deposit in the Debt Service Fund, on the following dates, and otherwise as set out below:

(a) *Debt Service Fund-Interest:* On or before **10:00 a.m.**, central time, on each Interest Payment Date or any other date that any payment of interest is required to be made in respect of the Bonds pursuant to the Bond Indenture, an amount which is, together with any other moneys available for such purpose in the Debt Service Fund, not less than the interest to become due on the Outstanding principal amount of the Bonds on such Interest Payment Date or other date that interest is due.

(b) *Debt Service Fund-Principal:* On or before **10:00 a.m.**, central time, on each Principal Payment Date on the Bonds (whether at maturity or upon mandatory sinking fund redemption or acceleration or otherwise), an amount which, together with any other moneys available for such purpose in the Debt Service Fund, is not less than the principal due on the Bonds on the next Principal Payment Date by maturity, mandatory sinking fund redemption, acceleration or otherwise.

(c) *Debt Service Fund-Redemption:* On or before the date required by this Loan Agreement or the Bond Indenture, the amount required to redeem Bonds then Outstanding if the Corporation exercises its right to redeem Bonds under any provision of the Bond Indenture or if any Bonds are required to be redeemed under any provision of the Bond Indenture.

The Corporation shall receive a credit against its obligations to make the Loan Payments under this Section and the obligation of the Corporation to make any such payment hereunder shall be deemed satisfied and discharged to the extent provided in **Section 4.2** hereof.

If the Corporation fails to make any of the payments required in this Section, the item or installment so in default shall continue as an obligation of the Corporation until the amount in default shall have been fully paid, and the Corporation agrees to pay the same with interest thereon from the date when such payment was due until paid in full, at the rate of interest borne by the Bonds.

Section 4.2. Credits on Loan Payments.

Notwithstanding any provision contained in this Loan Agreement or in the Bond Indenture to the contrary, in addition to any credits on the Loan resulting from the payment or prepayment of Loan Payments from other sources:

(a) moneys deposited in the Debt Service Fund as interest (including moneys received as accrued interest from the sale of Bonds and any initial deposit made from the proceeds of the sale of any Bonds shall be credited against the obligation of the Corporation to pay interest on the Loan as the same becomes due;

(b) moneys deposited in the Debt Service Fund as principal shall be credited against the obligation of the Corporation to pay the principal of the Loan as the same becomes due in the order of maturity thereof, except that prepayments for purposes of making an optional deposit into the Debt Service Fund for the redemption of Bonds shall be applied to the principal corresponding to the maturities of the Bonds to be redeemed or purchased, delivered and cancelled from the proceeds of such optional deposit;

(c) the principal amount of any Bonds purchased by the Corporation and delivered to the Bond Trustee, or purchased by the Bond Trustee and cancelled, in accordance with the

Bond Indenture shall be credited against the obligation of the Corporation to pay principal on the Loan related to such Bonds so purchased; provided, however, that deposit of a Bond of one maturity may not be credited against a payment which would be used, in the normal course, to retire a Bond of another maturity; and

(d) the investment income accruing to the Debt Service Fund and the amount of any moneys transferred by the Bond Trustee from any other fund held under the Bond Indenture and deposited in the Debt Service Fund as interest or principal shall be credited against the obligation of the Corporation to pay interest or principal, as the case may be, as the same become due.

Section 4.3. Liquidity Payments for Purchase Price of Tendered Bonds

The Corporation shall pay to the Bond Trustee, at the times and in the amounts and manner therein specified, the amounts required in order to purchase any Bonds tendered for purchase pursuant to the Bond Indenture; provided, however, that the amounts required to be paid by the Corporation under this paragraph shall be reduced by the amounts made available for such purpose from the proceeds of the remarketing of such Bonds by the Remarketing Agent deposited in the Bond Purchase Fund or through payments by the Liquidity Provider (which may be a third-party liquidity provider or the Corporation as self-liquidity provider) under the Liquidity Facility deposited in the Bond Purchase Fund under **Section 308** of the Bond Indenture. The Corporation authorizes and directs the Bond Trustee to demand money under the Liquidity Facility in accordance with and subject to the terms and conditions of the provisions of the Liquidity Agreement and the Bond Indenture to the extent necessary for the purchase of Bonds pursuant to the Bond Indenture. The Corporation authorizes and directs the Bond Trustee to apply the payments made by the Corporation under this paragraph to the payment of the purchase price of Bonds.

Section 4.4. Additional Payments.

The Corporation shall make the following additional payments to the following Persons:

(a) *Authority Fees.* The Corporation shall pay to the Authority, upon demand, its regular fees and charges and all reasonable expenses, including attorneys fees, incurred by the Authority in relation to the Bonds and the transactions contemplated by this Loan Agreement, the Bond Indenture and any of the Financing Documents.

(b) *Bond Trustee and Professional Fees.* The Corporation shall pay to the Bond Trustee, the Remarketing Agent, authenticating agents, paying agents, registrars, counsel, accountants, rebate analysts and other Persons when due, all reasonable fees, charges and expenses of such Persons for services rendered under the Bond Indenture and under any of the Financing Documents and expenses incurred in the performance of such services under the Bond Indenture and any of the Financing Documents for which such Persons are entitled to payment or reimbursement, including expenses of compliance with the Tax Compliance Agreement.

(c) *Advances By Bond Trustee.* The Corporation shall pay to the Bond Trustee the amount of all advances of funds made by the Bond Trustee under the provisions of this Loan Agreement or the Bond Indenture, with interest thereon at the prime rate announced from time to time by the Bond Trustee.

(d) *Arbitrage Rebate Payments.* The Corporation shall pay to the United States Government or the Bond Trustee for deposit in the Rebate Fund all rebate payments required under Section 148(f) of the Internal Revenue Code and the Tax Compliance Agreement, to the extent such amounts are not available to the Bond Trustee in the Rebate Fund held under the Bond Indenture.

(e) *Costs of Enforcement.* In the event the Corporation defaults under any of the provisions of this Loan Agreement and the Bond Trustee or the Purchaser employs attorneys or incurs other fees, charges and expenses for the collection of required payments or the enforcement of performance or observance of any obligation or agreement on the part of the Corporation contained in this Loan Agreement or the Continuing Covenant Agreement, the Corporation on demand therefor shall pay to the Bond Trustee or the Purchaser, as applicable, the reasonable fees and expenses of such attorneys and such other fees, charges and expenses so incurred by the Bond Trustee or the Purchaser, as applicable. The Corporation also shall pay, and shall indemnify the Authority, the Bond Trustee and the Purchaser from and against, all costs, expenses and charges, including reasonable counsel fees and expenses, incurred for the collection of payments due or for the enforcement or performance or observance of any covenant or agreement of the Corporation under this Loan Agreement, the Bond Indenture or any other Financing Document.

(f) *Taxes and Assessments.* The Corporation shall pay all taxes and assessments of any type or character charged to the Authority or to the Bond Trustee affecting the amount available to the Authority or the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including property and other taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding any taxes based upon the capital and/or income of the Bond Trustee or any other Person other than the Corporation; provided, however, that the Corporation shall have the right to protest any such taxes or assessments and to require the Authority or the Bond Trustee, as the case may be, at the Corporation's expense, to protest and contest any such taxes or assessments assessed or levied upon them and that the Corporation shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest, or contest would materially adversely affect the rights or interests of the Authority or the Bond Trustee.

(g) *Payments Under Continuing Covenant Agreement.* The Corporation shall pay to the Purchaser all amounts which are payable by the Corporation to the Purchaser under the Continuing Covenant Agreement or other instrument which secures the Corporation's obligations to the Purchaser and its obligation to repay the Bonds.

(h) *Other Amounts Payable.* The Corporation shall pay to the Person or Persons entitled thereto, any other amounts which the Corporation has agreed to pay under this Loan Agreement or the Continuing Covenant Agreement or which the Corporation is required to pay under the Bond Indenture or the Continuing Covenant Agreement.

Section 4.5. Prepayment of the Loan.

The Corporation may prepay from time to time the amounts payable under this Loan Agreement in sums sufficient to redeem or to pay or cause to be paid all or part of the Bonds in accordance with the provisions of the Bond Indenture. Upon written notice and direction by the Corporation to the Authority to redeem Bonds subject to optional redemption under the Bond Indenture, the Bond Trustee shall forthwith take all steps (other than the payment of the money required for such redemption) necessary under the applicable redemption provisions of the Bond Indenture to effect redemption of all or part of the then Outstanding Bonds, as may be specified by the Corporation, on the date established for such redemption. Whenever any Bonds shall have been called for optional redemption under any provision of the Bond Indenture, the Corporation shall cause to be deposited with the Bond Trustee moneys in such amounts and at such times required to redeem such Bonds, including the principal, redemption premium, if any, and accrued interest thereon to the redemption date. The Corporation further agrees that in the event the payment of principal of and interest on the Loan is accelerated upon the occurrence of an event of default under this Loan Agreement, all Loan Payments payable for the remainder of the term of this Loan Agreement shall be accelerated and prepayment shall be made on the Loan in such amounts. Any such prepayments shall be deposited in the Debt Service Fund, and applied by the Bond Trustee in accordance with the provisions of the Bond Indenture.

Section 4.6. Obligations Absolute and Unconditional.

The obligations of the Corporation under this Loan Agreement are general obligations of the Corporation, and the full faith and credit of the Corporation is pledged to the payment of all amounts due and payable by the Corporation under this Loan Agreement. The Corporation shall pay all such amounts due and payable under this Loan Agreement using any and all available resources of the Corporation, as necessary. The Corporation shall pay all Loan Payments and other payments due under this Loan Agreement and perform its obligations, covenants and agreements under this Loan Agreement, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment, discrimination or defense or any right of termination or cancellation arising from any circumstances whatsoever, and regardless of the invalidity of any portion of this Loan Agreement, and, to the extent permitted by law, the Corporation waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Loan Agreement or which releases or purports to release the Corporation therefrom. Nothing in this Loan Agreement shall be construed as a waiver by the Corporation of any rights or claims the Corporation may have against the Authority or the Bond Trustee under this Loan Agreement or otherwise, but any recovery upon such rights or claims shall be had from the Authority or the Bond Trustee separately, it being the intent of this Loan Agreement that the Corporation shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Loan Agreement for the benefit of the Owners of the Bonds.

ARTICLE V

GENERAL COVENANTS AND PROVISIONS

Section 5.1. Corporate Existence and Tax-Exempt Status.

Except as otherwise expressly provided in this Loan Agreement or the Master Indenture, the Corporation shall (a) preserve and keep in full force and effect its corporate or other separate legal existence, (b) remain qualified to do business and conduct its affairs in each jurisdiction where ownership of its property or the conduct of its business or affairs requires such qualification, and (c)

maintain its status as a Tax-Exempt Organization and as a or "health institution" or an "educational institution" under the Act.

Section 5.2. Use of Property.

Subject to the provisions of this Article, the Corporation shall have the right to use its property for any purpose allowed by law and contemplated by the Act. Except as provided in this Loan Agreement, the Authority reserves no power or authority with respect to the operation of the property by the Corporation and activities incident thereto, it being the intention of the parties to this Loan Agreement that so long as the Corporation shall duly and faithfully observe and perform all of the terms, covenants, provisions and agreements of this Loan Agreement, the Corporation shall manage, administer and govern the property of the Corporation in its activities and affairs on a continuing day-to-day basis.

The Corporation agrees that it will not use or permit the use of any of the properties financed or refinanced, or for which it is reimbursed, in whole or in part, out of the proceeds of the Bonds (a) for sectarian instruction or study or as a place of religious worship or in connection with any part of a program of a school or department of divinity of or for any religious denomination or for the training of ministers, priests, rabbis or other similar persons in the field of religion; or (b) in a manner which is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America and the decisions of the United States Supreme Court interpreting the same or by any comparable provisions of the Constitution of the State of Missouri and the decisions of the Missouri Supreme Court interpreting the same.

Section 5.3. Indemnity.

The Corporation shall pay and indemnify and save the Authority and the Bond Trustee and their respective members, directors, officers, employees and agents harmless from and against all loss, liability, damage or expense (including, without limitation, reasonable attorneys fees and expenses) arising out of the Bond Trustee's acceptance and/or administration of the trusts created under the Bond Indenture, the issuance of the Bonds and the execution of this Loan Agreement and the other Financing Documents, including, but not limited to, claims for loss or damage to any property or injury to or death of any person, asserted by or on behalf of any person, firm, corporation or governmental authority arising out of or in any way connected with any property of the Corporation, or the conditions, occupancy, use, possession, conduct or management of, or any work done in or about such property. The Corporation shall also pay and indemnify and save the Authority and the Bond Trustee and their respective members, directors, officers, employees and agents harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred by them in any action or proceeding brought by reason of any such claim, demand, expense, penalty, fine or tax. If any action or proceeding is brought against the Authority or the Bond Trustee or their respective members, directors, officers, employees or agents by reason of any such claim or demand, the Corporation, upon notice from the Authority or the Bond Trustee, covenants to resist and defend such action or proceeding on demand of the Authority or the Bond Trustee or their respective members, directors, officers, employees or agents. If the Corporation fails to employ counsel or such counsel shall fail to actively defend such actions or protect the Authority or the Bond Trustee, or both, the Authority and the Bond Trustee may employ counsel at the expense of the Corporation to defend such action. Notwithstanding the foregoing, neither the Authority nor the Bond Trustee nor their respective members, directors, officers, employees and agents shall be indemnified against liability for damage arising out of bodily injury to persons or damage to property caused by their own willful and malicious acts or omissions or willful and malicious acts or omissions of their own members, directors, officers, employees or agents. The Corporation shall also pay and indemnify the Authority and the Bond Trustee from and against all fees, costs, expenses and charges, including

reasonable counsel fees and expenses, incurred after default of the Corporation in enforcing any covenant or agreement of the Corporation contained in this Loan Agreement, the Bond Indenture or the other Financing Documents. The foregoing indemnifications shall survive the termination of the Bond Indenture or the resignation or removal of the Bond Trustee.

Section 5.4. Continuing Disclosure.

The parties have been advised that the Bonds are exempt from the disclosure requirements of Rule 15c2-12 (the *"Rule"*) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, and neither the Corporation nor the Authority is under any obligation under the Rule to provide or cause to be provided any annual financial information, operating data or notices of certain material events with respect to the Bonds. In the event such exemption from the Rule shall for any reason no longer apply, including but not limited to conversion of the Bonds to a Fixed Rate as provided in the Bond Indenture, the Corporation will provide or cause to be provided, in accordance with the requirements of the Rule (a) certain annual financial information and operating data, if customarily prepared and publicly available, and (b) timely notice of the occurrence of certain material events with respect to the Bonds, and will take all other actions as are necessary and appropriate to comply with and carry out the continuing disclosure requirements of the Rule.

Section 5.5. Tax Covenants.

The Corporation hereby represents, warrants and agrees that the Tax Compliance Agreement executed and delivered by the Corporation concurrently with the issuance and delivery of the Bonds is true, accurate and complete in all material respects as of the date on which executed and delivered. The Corporation shall comply with the Tax Compliance Agreement and covenants and agrees that it will not take any action or permit any action to be taken that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds and will take whatever action, or refrain from whatever action, necessary to comply with the requirements of the Internal Revenue Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

Section 5.6. Permitted Indebtedness.

The Corporation may issue or incur additional Indebtedness (as defined in the Master Indenture) for any proper corporate purpose if the conditions set forth in the Master Indenture are met.

Section 5.7. Covenants under Master Indenture and Other Financing Documents.

The Bond Indenture, the Master Indenture and the other Financing Documents are an integral part of the terms and conditions of the Loan made by the Authority to the Corporation under this Loan Agreement and the execution of this Loan Agreement by the Corporation constitutes conclusive evidence of approval of the Bond Indenture, the Master Indenture and the other Financing Documents by the Corporation to the extent such documents relate to the Corporation. Additionally, the Corporation agrees that, whenever the Bond Indenture, the Master Indenture and any other Financing Documents by their terms impose a duty or obligation upon the Corporation, such duty or obligation shall be binding upon the Corporation to the same extent as if the Corporation were an express party to such documents, and the Corporation shall perform or cause to be performed all covenants and agreements required on the part of the Corporation under the Bond Indenture, the Master Indenture and any other Financing Documents, and shall deliver to the Bond Trustee all reports, opinions and other documents required by the Bond Indenture, the Master Indenture and all other Financing Documents to be submitted to the Bond Trustee at the times required by the Bond Indenture, the Master Indenture and all other Financing Documents.

ARTICLE VI

ASSIGNMENTS

Section 6.1. Assignment of Authority's Rights.

Under the Bond Indenture, the Authority has pledged, assigned, transferred in trust and granted a security interest to the Bond Trustee in all of the Authority's rights, title and interest under this Loan Agreement (except for the Authority's rights to payment of its fees and expenses and the Authority's right to indemnification in certain circumstances and as otherwise expressly set forth in this Loan Agreement) as security for the Bonds, and such rights, title and interest may be exercised, protected and enforced for or on behalf of the Owners of the Bonds in conformity with this Loan Agreement, the Bond Indenture and the Continuing Covenant Agreement. Each of the Bond Trustee and the Purchaser is hereby given the right to enforce, as assignee of the Authority, the performance of the obligations of the Corporation under this Loan Agreement, and the Corporation hereby consents to the same and agrees that the Bond Trustee and the Purchaser may enforce such rights as provided in this Loan Agreement, the Bond Indenture and the Continuing Covenant Agreement. The Authority and the Corporation recognize that each of the Bond Trustee and the Purchaser is a third party creditor-beneficiary of this Loan Agreement.

Section 6.2. Assignment by the Corporation.

The Corporation shall not assign this Loan Agreement, as a whole or in part, unless such assignment is pursuant to a merger, consolidation or transfer of the Corporation's property substantially as an entirety permitted under the Master Indenture, or unless the following conditions are met:

(a) No assignment (other than an assignment to another member of the New Credit Group under a New Master Indenture (as defined in the Master Indenture) executed in accordance with **Section 901** of the Master Indenture) shall relieve the Corporation from primary liability for any of its obligations under this Loan Agreement, and in the event of any such assignment, (other than an assignment to another member of the New Credit Group under a New Master Indenture executed in accordance with **Section 901** of the Master Indenture) the Corporation shall continue to remain primarily liable for payment of the amounts specified in this Loan Agreement and the performance and observance of the other agreements to be performed and observed by the Corporation under this Loan Agreement to the same extent as though no assignment had been made.

(b) The assignee shall assume the obligations of the Corporation under this Loan Agreement to the extent of the interest assigned.

(c) The Bond Trustee and the Authority shall have received an Opinion of Bond Counsel, in form and substance satisfactory to the Bond Trustee and the Authority, to the effect that under then existing law the consummation of such assignment would not adversely affect the exclusion of the interest payable on the Bonds from gross income under the Internal Revenue Code.

(d) The Corporation shall give prior written notice of such assignment to the Authority, the Bond Trustee and the Purchaser, and, within **30** days after the delivery thereof, shall

furnish or cause to be furnished to the Authority, the Bond Trustee and the Purchaser a true and complete copy of each assignment and assumption of obligations and an Opinion of Counsel that such assignment is permitted by and in compliance with the provisions of this Loan Agreement is delivered to the Bond Trustee, the Purchaser and the Authority.

Notwithstanding the foregoing, while the Bonds bear interest at Indexed Put Rates, the Corporation shall not assign this Loan Agreement, as a whole or in part, without the prior written consent of the Purchaser in its sole and absolute discretion.

ARTICLE VII

DEFAULT AND REMEDIES

Section 7.1. Events of Default.

The term *"event of default"*, wherever used in this Loan Agreement, means any one of the following events (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any interest on the Loan when such interest becomes due and payable;

(b) default in the payment of the principal of (or premium, if any, on) the Loan when the same becomes due and payable (whether at maturity, upon proceedings for redemption, by acceleration or otherwise);

(c) default in the payment of the purchase price of tendered Bonds required by **Section 4.3** hereof;

(d) default in the performance, or breach, of any covenant or agreement of the Corporation in this Loan Agreement (other than a covenant or agreement a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of **60** days after there has been given to the Corporation by the Authority or the Bond Trustee or to the Corporation and the Bond Trustee by the Owners of at least **25%** in Outstanding principal amount of the Bonds, a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default cannot be fully remedied within such **60**-day period, but can reasonably be expected to be fully remedied, such default shall not constitute an event of default if the Corporation shall promptly upon receipt of such notice commence the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch;

(e) any representation or warranty made by the Corporation in this Loan Agreement or in any written statement or certificate furnished to the Authority or the Bond Trustee or the purchaser of any Bond in connection with the sale of any Bond or furnished by the Corporation pursuant to this Loan Agreement proves untrue in any material respect as of

the date of the issuance or making thereof and shall not be corrected or brought into compliance within **60** days after there has been given to the Corporation by the Authority or the Bond Trustee or to the Corporation and the Bond Trustee by the Owners of at least **25%** in Outstanding principal amount of the Bonds, a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default cannot be fully remedied within such **60**-day period, but can reasonably be expected to be fully remedied, such default shall not constitute an event of default if the Corporation shall promptly upon receipt of such notice commence the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch;

(f) the entry of a decree or order by a court having jurisdiction in the premises for relief in respect of the Corporation, or adjudging the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, adjustment or composition of or in respect of the Corporation under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of or for the Corporation or any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order remains unstayed and in effect for a period of **90** consecutive days;

(g) the commencement by the Corporation of a voluntary case, or the institution by the Corporation of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization, arrangement or relief under the United States Bankruptcy Code or any other applicable federal or state law, or the consent or acquiescence by it to the filing of any such petition or the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability or its failure to pay its debts generally as they become due, or the taking of corporate action by the Corporation in furtherance of any such action; or

(h) the occurrence and continuance of any "event of default" specified in the Bond Indenture or in the Master Indenture that has not been waived or cured.

Promptly after the chief executive officer or chief financial officer of the Corporation may reasonably be deemed to have knowledge of a default hereunder, the Corporation will deliver to the Bond Trustee, the Liquidity Provider and the Purchaser a written notice specifying the nature and period of existence thereof and the action the Corporation is taking and proposes to take with respect thereto.

Section 7.2. Acceleration of Maturity; Rescission and Annulment.

If an event of default under this Loan Agreement occurs and is continuing, the Bond Trustee, as assignee of the Authority, may, and if requested by the Owners of not less than **25%** in Outstanding principal amount of the Bonds shall (a) by written notice to the Corporation and the Authority, declare the principal of the Loan and the interest accrued thereon to be due and payable, and upon any such declaration such principal and interest shall become immediately due and payable, or (b) by written notice to the Master Trustee, request that the Master Trustee declare the principal of the Bond Note (if not then due and payable) to be due and payable immediately subject to the provisions of **Section 709** of

the Master Indenture regarding waiver of events of default, anything in the Master Indenture or in this Loan Agreement contained to the contrary notwithstanding.

At any time after such a declaration of acceleration has been made, but before any judgment or decree for payment of money due on the Loan has been obtained by the Bond Trustee as hereinafter in this Article provided, the Bond Trustee may, by written notice to the Corporation, rescind and annul such declaration and its consequences if:

(a) the Corporation has deposited with the Bond Trustee a sum sufficient to pay (1) all overdue installments of interest on the Loan, (2) the principal of (and premium, if any, on) the Loan which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in the Bonds, and (3) all sums paid or advanced by the Bond Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Bond Trustee, its agents and counsel;

(b) all events of default, other than the non-payment of the principal installments of the Loan which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in **Section 7.7** of this Loan Agreement; and

(c) with respect to Indexed Put Bonds, the Bond Trustee has received the prior written consent of the Purchaser in its sole and absolute discretion.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

Section 7.3. Exercise of Remedies by the Bond Trustee.

Upon the occurrence and continuance of any event of default under this Loan Agreement, unless the same is waived as provided in this Loan Agreement, the Bond Trustee, as assignee of the Authority, shall have the following rights and remedies, in addition to any other rights and remedies provided under this Loan Agreement or by law:

(a) *Right to Bring Suit, Etc.* The Bond Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, and interest on the Loan, including interest on overdue principal (and premium, if any) and on overdue installments of interest, and any other sums due under this Loan Agreement, to realize on or to foreclose any of its interests or liens under this Loan Agreement, to enforce and compel the performance of the duties and obligations of the Corporation as set forth in this Loan Agreement and to enforce or preserve any other rights or interests of the Bond Trustee under this Loan Agreement existing at law or in equity.

(b) *Exercise of Remedies at Direction of Bondowners.* If requested in writing to do so by the Owners of not less than **25%** in Outstanding principal amount of the Bonds and if indemnified as provided in the Bond Indenture, the Bond Trustee shall be obligated to exercise such one or more of the rights and remedies conferred by this Article as the Bond Trustee shall deem most expedient in the interests of the Bondowners.

(c) *Restoration of Positions.* If the Bond Trustee has instituted any proceeding to enforce any right or remedy under this Loan Agreement by suit, foreclosure, the appointment of a receiver, or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Bond Trustee, then and in every case the Authority, the Corporation, the Bond Trustee and the Bondowners shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Bond Trustee shall continue as though no such proceeding had been instituted.

Section 7.4. Application of Moneys Collected.

Any moneys collected by the Bond Trustee pursuant to this Article (after the deductions for payment of costs and expenses of proceedings resulting in the collection of such moneys) together with any other sums then held by the Bond Trustee as part of the Trust Estate, shall be applied as provided in the Bond Indenture and, in case of the distribution of such money on account of principal (or premium, if any) or interest on the Bonds, shall be credited against amounts due on the Loan.

Section 7.5. Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the Bond Trustee, the Purchaser or the Liquidity Provider is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.6. Delay or Omission Not Waiver.

No delay or omission of the Bond Trustee to exercise any right or remedy accruing upon an event of default shall impair any such right or remedy or constitute a waiver of any such event of default or an acquiescence therein. Every right and remedy given by this Article or by law to the Bond Trustee or the Bondowners may be exercised from time to time and as often as may be deemed expedient by the Bond Trustee.

Section 7.7. Waiver of Past Defaults.

Subject to the provisions of **Section 7.2** hereof and the provisions of the Bond Indenture, before any judgment or decree for payment of money due has been obtained by the Bond Trustee as provided in this Article, the Owners of a majority in Outstanding principal amount of the Bonds may, by written notice delivered to the Bond Trustee and the Corporation, on behalf of the Owners of all the Bonds waive any past default hereunder and its consequences, except a default (a) in the payment of the principal of (or premium, if any) or interest on any Bond, or (b) in respect of a covenant or provision hereof which under **Article VIII** cannot be modified or amended without the consent of the Owner of each Outstanding Bond affected.

Upon any such waiver, such default shall cease to exist, and any event of default arising therefrom shall be deemed to have been cured, for every purpose of this Loan Agreement; but no such waiver shall extend to or affect any subsequent or other default or impair any right or remedy consequent thereon.

Notwithstanding anything to the contrary herein, with respect to Indexed Put Bonds, the Authority and/or the Bond Trustee may waive an event of default hereunder only with the prior written consent of the Purchaser in it sole and absolute discretion.

Section 7.8. Advances by Bond Trustee.

If the Corporation fails to make any payment or perform any of its covenants in this Loan Agreement, the Bond Trustee may, at any time and from time to time, use and apply any moneys held by it under the Bond Indenture, or make advances, to effect payment or performance of any such covenant on behalf of the Corporation. All moneys so used or advanced by the Bond Trustee, together with interest at the Bond Trustee's announced prime rate per annum, shall be repaid by the Corporation upon demand and such advances shall be secured under the Bond Indenture prior to the Bonds. For the repayment of all such advances the Bond Trustee shall have the right to use and apply any moneys at any time held by it under the Bond Indenture but no such use of moneys or advance shall relieve the Corporation from any default hereunder.

ARTICLE VIII

SUPPLEMENTAL LOAN AGREEMENTS

Section 8.1. Supplemental Loan Agreements without Consent of Bondowners.

Without the consent of the Owners of any Bonds, the Authority and the Corporation may from time to time enter into one or more Supplemental Loan Agreements, for any of the following purposes:

(a) to more precisely identify any project financed or refinanced out of the proceeds of the Bonds, or to substitute or add additional property thereto;

(b) to add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of the Loan, as herein set forth, additional conditions, limitations and restrictions thereafter to be observed;

(c) to evidence the succession of another corporation to the Corporation and the assumption by any such successor of the covenants of the Corporation herein contained;

(d) to add to the covenants of the Corporation or to the rights, powers and remedies of the Bond Trustee for the benefit of the Owners of all Bonds or to surrender any right or power herein conferred upon the Corporation;

(e) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or to make any other changes, with respect to matters or questions arising under this Loan Agreement, provided such action shall not materially adversely affect the interests of the Owners of the Bonds;

(f) to modify, amend, change or remove any covenant, agreement, term or provision of this Loan Agreement, including amending and restating this Loan Agreement in its entirety (but excluding any modification of the type prohibited in **Section 8.2** of this Loan

Agreement without the consent of the Owner of each Outstanding Bond affected thereby) in order to effect a New Master Debt Transaction permitted by and meeting each of the requirements of **Section 901(j)** of the Master Indenture.

Section 8.2. Supplemental Loan Agreements with Consent of Bondowners.

With the written consent of the Owners of not less than a majority in Outstanding principal amount of the Bonds affected by such Supplemental Loan Agreement, the Authority and the Corporation may enter into Supplemental Loan Agreements for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Loan Agreement or of modifying in any manner the rights of the Bond Trustee and the Owners of the Bonds under this Loan Agreement; provided, however, that no such Supplemental Loan Agreement shall, without the written consent of the Owner of each Outstanding Bond affected thereby, carry out any of the following:

(a) change the stated maturity of the principal of, or any installment of interest on, the Loan, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any place of payment where, or the coin or currency in which, the Loan, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date);

(b) reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose Owners is required for any such Supplemental Loan Agreement, or the consent of whose Owners is required for any waiver provided for in this Loan Agreement of compliance with certain provisions of this Loan Agreement or certain defaults hereunder and their consequences; or

(c) modify any of the provisions of this Section or **Section 7.7** hereof, except to increase any percentage provided thereby or to provide that certain other provisions of this Loan Agreement cannot be modified or waived without the consent of the Owner of each Bond affected thereby.

It shall not be necessary for the required percentage of Owners of Bonds under this Section to approve the particular form of any proposed Supplemental Loan Agreement, but it shall be sufficient if such act shall approve the substance thereof.

Section 8.3. Execution of Supplemental Loan Agreements.

In executing or consenting to any Supplemental Loan Agreement permitted by this Article, the Authority and the Bond Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Bond Counsel addressed to the Bond Trustee and the Authority stating that the execution of such Supplemental Loan Agreement is authorized or permitted by this Loan Agreement, and that the execution and delivery thereof will not adversely affect the exclusion from federal gross income of interest on the Bonds. The Bond Trustee may, but shall not be obligated to, consent to any such Supplemental Loan Agreement which affects the Bond Trustee's own rights, duties or immunities under this Loan Agreement or otherwise.

Section 8.4. Effect of Supplemental Loan Agreements.

Upon the execution of any Supplemental Loan Agreement under this Article, this Loan Agreement shall be modified in accordance therewith and such Supplemental Loan Agreement shall form a part of this Loan Agreement for all purposes; and the Corporation, the Authority, the Bond Trustee and every Owner of Bonds theretofore or thereafter authenticated and delivered under the Bond Indenture shall be bound thereby.

Section 8.5. Reference in Bonds to Supplemental Loan Agreements.

Bonds authenticated and delivered after the execution of any Supplemental Loan Agreement pursuant to this Article may, and if required by the Authority shall, bear a notation in form approved by the Bond Trustee as to any matter provided for in such Supplemental Loan Agreement. If the Authority shall so determine, new Bonds so modified as to conform, in the opinion of the Authority, to any such Supplemental Loan Agreement may be prepared and executed by the Authority and authenticated and delivered by the Bond Trustee in exchange for Outstanding Bonds.

ARTICLE IX

TERM AND TERMINATION OF LOAN AGREEMENT

Section 9.1. Term of Loan Agreement.

This Loan Agreement shall be effective concurrently with the initial issuance and delivery of the Bonds and shall continue in force and effect until the principal of, redemption premium, if any, and interest on all of the Bonds have been fully paid (or provision for their payment shall have been made in accordance with the Bond Indenture) together with all sums to which the Authority, the Liquidity Provider, the Purchaser and the Bond Trustee are entitled from the Corporation under this Loan Agreement; provided, however, the provisions of **Sections 4.4(e)** and **5.3** related to payment of fees and indemnification of the Authority, the Bond Trustee and the Purchaser, as applicable, reimbursement payments and other amounts payable to the Liquidity Provider under the Liquidity Agreement and payable to the Purchaser under the Continuing Covenant Agreement, and arbitrage rebate payments shall remain in full force and effect.

Section 9.2. Termination and Discharge of Loan Agreement.

If the Corporation shall pay and discharge or provide for the payment or redemption and discharge of the whole amount of the principal of, redemption premium, if any, and interest on the Bonds at the time Outstanding as provided in the Bond Indenture, or shall make arrangements satisfactory to the Authority and the Bond Trustee for such payment or redemption and discharge, and shall pay or cause to be paid all other sums payable under this Loan Agreement, then all right, title and interest of the Authority and the Bond Trustee under this Loan Agreement shall thereupon cease, terminate and become void (except as provided in **Section 9.1** of this Loan Agreement), the Loan and the Bonds shall cease to be entitled to any benefit under this Loan Agreement, and all covenants, agreements and obligations of the Corporation to the Bond Trustee and the Owners of the Bonds shall thereupon cease, terminate and become void; provided that the Owners of the Bonds shall be entitled to payment thereof at the times and in the manner stipulated therein and in the Bond Indenture from the sources provided for such payment.

Section 9.3. Amounts Remaining in Funds.

It is agreed by the parties hereto that any amounts remaining in any account of the Project Fund, the Debt Service Fund, the Bond Purchase Fund and the Rebate Fund (other than the Liquidity Provider Purchase Account in the Bond Purchase Fund) created under the Bond Indenture upon expiration or earlier termination of this Loan Agreement, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Bond Indenture), the fees and expenses of the Bond Trustee in accordance with the Bond Indenture and the fees and expenses of the Authority in accordance with this Loan Agreement, and after payment of the amounts, if any, required to be paid to the United States from the Rebate Fund in accordance with the Bond Indenture, shall belong to and be paid to the Corporation by the Bond Trustee; *provided, however*, moneys drawn on the Liquidity Facility and deposited in the Liquidity Provider Purchase Account shall be paid to the Liquidity Provider or as otherwise provided in the Bond Indenture, and not to the Corporation.

ARTICLE X

LIQUIDITY FACILITY

Section 10.1. The Liquidity Facility.

The Corporation shall use its best efforts to cause the Liquidity Facility or a Substitute Liquidity Facility to be continuously maintained in full force and effect (except when not required pursuant to **Article V** of the Bond Indenture or when the Bonds are bearing interest at Indexed Put Rates) in an amount equal to the Outstanding principal amount of the Bonds plus required interest coverage thereon, until all of the Bonds have been paid in full or their payment provided for in accordance with the Bond Indenture.

Unless the Corporation has elected to convert all of the Bonds to the Fixed Rate and such Bonds will not be secured by a Liquidity Facility after the Conversion Date, the Corporation will exercise its best efforts to extend the term of the Liquidity Facility currently in effect or to cause a Substitute Liquidity Facility to be delivered by the Liquidity Provider to the Bond Trustee not less than **30** days prior to the termination date of the Liquidity Facility then in effect pursuant to the provisions of the Bond Indenture.

Section 10.2. Substitute Liquidity Facility.

Subject to the conditions set forth in the Bond Indenture, the Corporation may provide for the delivery to the Bond Trustee of a Substitute Liquidity Facility in accordance with the provisions of the Bond Indenture. The Corporation shall furnish written notice to the Bond Trustee, as described in the Bond Indenture, notifying the Bond Trustee of the Corporation's intention to exercise its option to provide for the delivery of a Substitute Liquidity Facility to the Bond Trustee and instructing the Bond Trustee to furnish notice to the Bondowners and the then existing Liquidity Provider regarding the proposed delivery of the Substitute Liquidity Facility, as set forth in the Bond Indenture.

If at any time there shall have been delivered to the Bond Trustee a Substitute Liquidity Facility, together with the other documents and opinions required by the Bond Indenture, then the Bond Trustee shall accept such Substitute Liquidity Facility and promptly surrender the previously held Liquidity Facility to the issuer thereof for cancellation, in accordance with the terms of such Liquidity Facility. If

at any time there shall cease to be any Bonds outstanding under the Bond Indenture, the Bond Trustee shall promptly surrender the Liquidity Facility to the issuer thereof, in accordance with the terms of such Liquidity Facility, for cancellation. The Bond Trustee shall comply with the procedures set forth in the Liquidity Facility relating to the termination thereof.

Section 10.3. Rights of Liquidity Provider.

The provisions in this Loan Agreement relating to the Liquidity Provider shall apply for so long as any amounts remain owing to the Liquidity Provider under the Liquidity Agreement and the Liquidity Provider has not failed to honor a properly presented purchase notice delivered in conformity with the terms of the Liquidity Facility, unless any such provision is waived by the Liquidity Provider or modified by agreement between the Liquidity Provider and the Corporation. Anything contained in this Loan Agreement, the Bond Indenture or the Bonds to the contrary notwithstanding, the existence of all rights given to the Liquidity Provider under this Loan Agreement and the Bond Indenture with respect to the giving of consents or approvals or the direction of proceedings are expressly conditioned upon its honoring of properly presented purchase notices delivered in conformity with the terms of the Liquidity Facility. Any such rights shall not apply at any time that the Liquidity Provider wrongfully fails to make any payment pursuant to a properly presented purchase notice delivered under the Liquidity Facility which failure has not been cured; provided, that this Loan Agreement shall not in any way limit or affect the rights of the Liquidity Provider as a Bondowner, or as subrogee of a Bondowner or as assignee of a Bondowner or to otherwise be reimbursed and indemnified for its costs and expenses and other payment on or in connection with the Bonds or the Liquidity Facility either by operation of law or at equity or by contract. The rights, if any, given to the Liquidity Provider hereunder shall be further subject to the provisions of **Article V** of the Bond Indenture.

Section 10.4. Payments by Liquidity Provider.

The Liquidity Provider shall, to the extent of any payments made by it pursuant to the Liquidity Facility, be subrogated to all rights of the Authority or its assigns (including, without limitation, the Bond Trustee) as to all obligations of the Corporation with respect to which such payments shall be made by the Liquidity Provider, but, so long as any of the Bonds remain Outstanding under the terms of the Bond Indenture, such right of subrogation on the part of the Liquidity Provider shall be in all respects subordinate to all rights and claims of the Authority for all payments which are then due and payable under the Bond Indenture or otherwise arising under this Loan Agreement, the Bond Indenture or the Bonds. The Bond Trustee will, upon request, execute and deliver any instrument reasonably requested by the Liquidity Provider to evidence such subrogation and the Bond Trustee shall assign to the Liquidity Provider its rights in any obligations of the Corporation with respect to which payment of the entire principal balance and accrued interest thereon shall be made by the Liquidity Provider.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.1. Further Assurances.

The Corporation will do, execute, acknowledge and deliver such further acts, instruments, financing statements and assurances as the Bond Trustee may reasonably require for accomplishing the purposes of the Bond Indenture, this Loan Agreement and the Continuing Covenant Agreement.

Section 11.2. Payments Due on Saturdays, Sundays and Holidays.

If the day for any payment due under this Loan Agreement is not a Business Day, then such payment may be made on the next succeeding Business Day without additional interest and with the same force and effect as if made on the specified date for payment.

Section 11.3. Notices.

It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Loan Agreement to be given to or filed with the Authority, the Bond Trustee, the Corporation or the Owners of the Bonds if the same is given or filed in the manner and at the addresses specified in the Bond Indenture.

Section 11.4. Limitation of Authority's Liability.

No agreements or provisions contained herein nor any agreement, covenant or undertaking of the Authority contained in any Financing Document executed by the Authority in connection with the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Authority or a general obligation of or a charge against its general credit or shall obligate the Authority financially in any way, except with respect to the funds available hereunder or under the Bond Indenture and pledged to the payment of the Bonds, and their application as provided under the Bond Indenture. The Authority has no taxing power. No failure of the Authority to comply with any term, covenant or agreement herein or in any Financing Document executed by the Authority in connection with the Bonds shall subject the Authority to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the funds available hereunder or under the Bond Indenture and pledged to the payment of the Bonds. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Authority for any failure to comply with any term, condition, covenant or agreement herein or in the Bond Indenture; provided, that no costs, expenses or other monetary relief shall be recoverable from the Authority except as may be payable from the funds available hereunder or under the Bond Indenture and pledged to the payment of the Bonds.

Notwithstanding any other provision of this Loan Agreement or any other Financing Document, (a) the Authority shall not be required to take action under this Loan Agreement unless the Authority (1) is requested in writing by an appropriate Person to take such action, and (2) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any official, officer, member, director, agent, employee or servant of the Authority shall be liable to the Corporation, the Bond Trustee or any other Person for any action taken by the Authority or by its officials, officers, members, directors, agents, employees or servants, or for any failure to take action under this Loan Agreement or the Bond Indenture. In acting under this Loan Agreement, or in refraining from acting under this Loan Agreement, the Authority may conclusively rely on the advice of its counsel.

Section 11.5. Immunity of Officers, Employees and Members of the Authority and the Corporation.

No recourse shall be had for the payment of the principal of or premium or interest on any of the Loan or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Loan Agreement contained against any past, present or future officer, member, trustee, director, employee

or agent of the Authority or the Corporation, or, respectively, of any successor public or private corporation thereto, as such, either directly or through the Authority, the Corporation, or respectively, any successor public or private corporation thereto, 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, members, trustees, directors, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement.

Section 11.6. No Violations of Law.

Any other term or provision in this Loan Agreement to the contrary notwithstanding (a) in no event shall this Loan Agreement be construed as (1) depriving the Authority of any right or privilege, or (2) requiring the Authority or any member, agent, employee, representative or advisor of the Authority to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else, which deprivation or requirement would violate, or result in the Authority's being in violation of the Act or any other applicable state or federal law, and (b) at no time and in no event will the Corporation permit, suffer or allow any of the proceeds of the Loan to be transferred to any Person in violation of, or to be used in any manner which is prohibited by, the Act or any other state or federal law.

Section 11.7. Benefit of Loan Agreement.

This Loan Agreement shall inure to the benefit of and shall be binding upon the Authority, the Corporation, the Bond Trustee, the Purchaser, the Owners of the Bonds and the Liquidity Provider and their respective successors and assigns. Nothing in this Loan Agreement or in the Bond Indenture or the Bonds, express or implied, shall give to any Person, other than such parties, any benefit or any legal or equitable right, remedy or claim under this Loan Agreement.

Section 11.8. Severability.

If any provision in this Loan Agreement, the Bond Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11.9. Electronic Transactions.

The parties agree that the transaction described herein may be conduted and related documents may be stored by electronic means.

Section 11.10. Counterparts.

This Loan Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 11.11. Governing Law.

This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the Authority and the Corporation have caused this Loan Agreement to be executed by their duly authorized officers, as of the day and year first above written.

HEALTH AND EDUCATIONAL FACILITIES AUTHORITY OF THE STATE OF MISSOURI

By: _____
Title: Executive Director

BJC HEALTH SYSTEM

By: _____

Title: Chief Investment Officer and Treasurer