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***CONTINUING COVENANT AGREEMENT***

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CONTINUING COVENANT AGREEMENT

Dated August 11, 2015,

between

CATHOLIC HEALTH INITIATIVES

and

PNC BANK, NATIONAL ASSOCIATION

Relating to

\$51,400,000

WASHINGTON HEALTH CARE FACILITIES AUTHORITY

REVENUE BONDS

SERIES 2015A

(CATHOLIC HEALTH INITIATIVES)

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EXHIBITS

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EXHIBIT B	–	FORM OF REQUEST FOR DIRECT PURCHASE PERIOD CONVERSION

## CONTINUING COVENANT AGREEMENT

THIS CONTINUING COVENANT AGREEMENT, dated August 11, 2015 (this “*Agreement*”), is between CATHOLIC HEALTH INITIATIVES, a nonprofit corporation duly organized and existing under the laws of the State of Colorado and PNC BANK, NATIONAL ASSOCIATION, a national banking association.

### RECITALS

WHEREAS, the Washington Health Care Facilities Authority (the “*Issuer*”) has issued its Revenue Bonds, Series 2015A (Catholic Health Initiatives) (the “*Bonds*”) pursuant to a Bond Trust Indenture dated as of August 11, 2015 (as the same may be amended, modified or restated in accordance with the terms thereof and hereof, the “*Indenture*”), by and between the Issuer and Wells Fargo Bank, National Association (the “*Bond Trustee*”); and

WHEREAS, the Issuer has loaned the proceeds of the Bonds to the Borrower pursuant to a Loan and Security Agreement dated as of August 11, 2015 (as the same may be amended, modified or restated in accordance with the terms thereof and hereof, the “*Loan Agreement*”), between the Issuer and the Borrower; and

WHEREAS, the Borrower is using the proceeds of the Bonds to refund all of the Washington Health Care Facilities Authority Variable Rate Revenue Bonds, Series 2002B (Catholic Health Initiatives), currently outstanding in the principal amount of \$51,400,000; and

WHEREAS, the Index Rate Holder has agreed to purchase the Bonds, and as a condition to such purchase, the Index Rate Holder has required the Borrower to enter into this Agreement.

NOW, THEREFORE, to induce the Index Rate Holder to purchase the Bonds on the date hereof, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Borrower and the Index Rate Holder hereby agree as follows:

### ARTICLE I

#### DEFINITIONS

*Section 1.01. Certain Defined Terms.* In addition to the terms defined in the recitals and elsewhere in this Agreement and the Indenture, the following terms shall have the following meanings:

“*Affiliate*” means, with respect to a specified Person, another Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified Person, including any directors or officers thereof. A Person shall be deemed to control another Person if such Person directly or indirectly owns more than ten percent (10%) of any class of the voting securities or capital stock of, or equity interests in, such

Person or possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

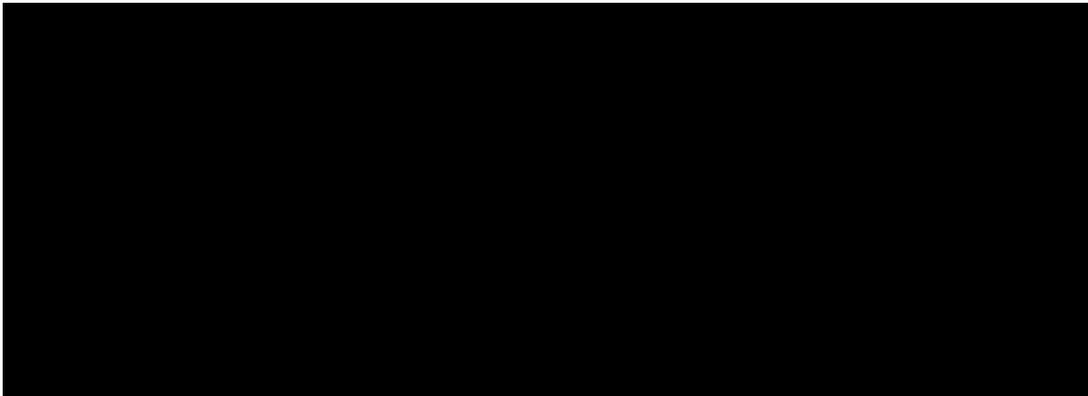
“*Anti-Terrorism Laws*” has the meaning assigned to such term in Section 4.20 hereof.

“*Applicable Law*” means (i) all applicable common law and principles of equity and (ii) all applicable provisions of all (A) constitutions, statutes, rules, regulations and orders of all governmental and non-governmental bodies, (B) Governmental Approvals and (C) orders, decisions, judgments and decrees of all courts (whether at law or in equity) and arbitrators.

“*Applicable Spread*” has the meaning set forth in the Indenture, provided that for reference purposes, such definition as in effect as of the Closing Date is set forth below (and all defined terms used in this definition and not otherwise defined in this Agreement have the meanings set forth in the Indenture):

During the Initial Index Rate Period, initially  subject to adjustment as specified in the table set forth below;

Notwithstanding the foregoing, the Applicable Spread during the Initial Index Rate Period is subject to the maintenance by the Borrower of the Obligor Ratings. In the event of a change in the Obligor Rating, the Applicable Spread shall be the number of basis points associated with such new Obligor Rating as set forth in the following schedule:



In the event of a split rating (*i.e.*, any of S&P, Moody’s or Fitch has assigned an Obligor Rating that is in a different row than the Obligor Rating assigned by either of the other rating agencies), the Applicable Spread shall be the number of basis points associated with the row in which the lowest Obligor Rating appears. If the Obligor Ratings established or deemed to have been established by Moody’s, S&P and Fitch shall be changed, such change shall be effective as of the date on which it is first announced by the applicable Rating Agency, irrespective of when notice of such change shall have been furnished by the Borrower to the Index Rate Holder pursuant to the Bond Indenture or otherwise. Each change in the Applicable Spread shall apply during the period

commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

In the event of the adoption of any new or changed rating system by any of the Rating Agencies after the date of the Indenture, including, without limitation, any recalibration or realignment of the Obligor Rating in connection with the adoption of a “global” rating scale, each rating referred to in the table above shall be deemed to refer to the Rating Category under the new rating system which most closely approximates the applicable Rating Category currently in effect.

“*Base Rate*” means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time, (ii) the Federal Funds Effective Rate in effect at such time plus [REDACTED] and (iii) the Daily LIBOR Rate in effect at such time plus [REDACTED] so long as the Daily LIBOR Rate, is offered, ascertainable and not unlawful. Each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Effective Rate and the Daily LIBOR Rate, as the case may be.

“*Bonds*” has the meaning set forth in the first recital hereof.

“*Bond Trustee*” has the meaning set forth in the first recital hereof.

“*Borrower*” means Catholic Health Initiatives and any successor or assign thereof permitted hereunder.

“*Borrower Participant*” has the meaning ascribed to the term “*Participant*” as of the date hereof in the Capital Obligation Document.

“*Business Day*” has the meaning given such term in the Indenture.

“*Capital Obligation*” means, together (i) Obligation No. 287 issued in favor of the Issuer and assigned to the Bond Trustee as an “Obligation” (as defined in the Capital Obligation Document) under the Capital Obligation Document that evidences and secures the Indebtedness of the Borrower under the Loan Agreement and with respect to the payment of principal of and premium, if any, on the Bonds and (ii) Obligation No. 288 issued in favor of the Index Rate Holder as an “Obligation” (as defined in the Capital Obligation Document) under the Capital Obligation Document that evidences and secures the obligations of the Borrower under this Agreement.

“*Capital Obligation Document*” means the Capital Obligation Document, dated as of November 1, 1997, between the Borrower and the Capital Obligation Trustee, as may have been amended or supplemented to date and as may be further amended, supplemented or restated from time to time, as in effect on the Closing Date; *provided, however*, that for purposes of this Agreement, “Capital Obligation Document” shall include supplements or amendments to the covenants or other provisions of the Capital Obligation Document that are solely for the benefit of, or that exist while, certain “Obligations” (as defined in the Capital Obligation Documents) are

outstanding (*e.g.* bond insurer covenants included within any Supplemental Obligation Document) only so long as such Obligations (as defined in the Capital Obligation Documents) are outstanding or any Person has the benefit of such covenants, provisions, supplements or amendments; *provided, further*, that for purposes of the definition of Related Document, “Capital Obligation Document” shall not include any amendments, supplements or restatements thereto other than permanent amendments, supplements or restatements thereto.

“*Capital Obligation Trustee*” means Wells Fargo Bank, National Association, as successor trustee under the Capital Obligation Document, or any successor thereto appointed in accordance with the Capital Obligation Document.

“*Change in Law*” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation, any Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, ruling, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“*CHI Affiliates*” means the Borrower and the Washington Affiliates.

“*CHI Credit Group*” has the meaning set forth in the Capital Obligation Document.

“*CHI Reporting Group*” has the meaning set forth in the Capital Obligation Document.

“*Church Plans*” has the meaning set forth in Section 4.14 hereof.

“*Closing Date*” means August 11, 2015, subject to the satisfaction or waiver by the Index Rate Holder of the conditions precedent set forth in Section 3.01 hereof.

“*Code*” means the Internal Revenue Code of 1986, as amended, and any successor statute of similar import, and regulations promulgated thereunder, in each case, as in effect from time to time. References to sections of the Code shall be construed also to refer to any successor sections.

“*Controlled Group Member*” means each trade or business (whether or not incorporated) that together with the Borrower or a member of the CHI Credit Group is treated as a single employer under Section 4001(a)(14) or 4001(b)(1) of ERISA or Section 414 of the Code, and, in each case, the regulations promulgated and rulings issued thereunder.

“*Daily LIBOR Rate*” means, for any day, the rate per annum determined by the Index Rate Holder by dividing (i) the Published Rate by (ii) a number equal to 1.00 minus the LIBOR Reserve Percentage.

“*Days of Operating Expenses*” means (x) total operating expenses before restructuring and impairment (*provided however*, that total operating expenses shall not include the following: (a) depreciation, (b) amortization, (c) extraordinary losses, (d) non-recurring losses and (e) non-cash losses) and divided by (y) the number of days in the applicable Fiscal Year.

“*Debt to Capitalization Ratio*” means, as of any date of determination, with respect to any Person, the ratio of (i) such Person’s Long-Term Indebtedness, to (ii) the sum of such Person’s Unrestricted Net Assets and such Person’s Long-Term Indebtedness.

“*Default*” means any event or condition that with notice, passage of time or any combination of the foregoing, would constitute an Event of Default.

“*Default Rate*” has the meaning given such term in the Indenture.

“*Designated Affiliate*” has the meaning set forth in the Capital Obligation Document.

“*Determination of Taxability*” has the meaning given such term in the Indenture.

“*Dollar*” and “*\$*” mean lawful money of the United States.

“*Environmental Approvals*” means any Governmental Action pursuant to or required under any Environmental Law.

“*Environmental Concern Materials*” means (a) any flammable substance, explosive, radioactive material, hazardous material, hazardous waste, toxic substance, solid waste, pollutant, contaminant or any related material, raw material, substance, product or by-product of any substance specified in or regulated or otherwise affected by any Environmental Law (including but not limited to any “hazardous substance” as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, or any similar state Law), (b) any toxic chemical or institutional activities, and (c) asbestos, gasoline, diesel fuel, motor oil, waste and used oil, heating oil and other petroleum products or compounds, polychlorinated biphenyls, radon and urea formaldehyde.

“*Environmental Law*” means any Law, whether now existing or subsequently enacted or amended, relating to (a) pollution or protection of the environment, including natural resources, (b) exposure of Persons, including but not limited to employees, to Environmental Concern Materials, (c) protection of the public health or welfare from the effects of products, by-products, wastes, emissions, discharges or releases of Environmental Concern Materials or (d) regulation of the manufacture, use or introduction into commerce of Environmental Concern Materials including their manufacture, formulation, packaging, labeling, distribution, transportation, handling, storage or disposal. Without limitation, “Environmental Law” shall also include any Environmental Approval and the terms and conditions thereof.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and rules and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

“ERISA Plans” has the meaning set forth in Section 4.14 hereof.

“Event of Default” with respect to this Agreement has the meaning assigned to that term in Section 6.01 hereof and, with respect to any Related Document, has the meaning assigned therein.

“Event of Taxability” means a change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bonds) that has the effect of causing interest paid or payable on the Bonds to become includable, in whole or in part, in the gross income of a Holder or former Holder for federal income tax purposes.

“Excess Interest Amount” has the meaning set forth in Section 2.01(d) hereof.

“Excluded Taxes” means, with respect to any Holder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located and (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Borrower is organized or in which its principal office is located.

“Executive Order” has the meaning assigned to such term in Section 4.20 hereof.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Index Rate Holder from three Federal funds brokers of recognized standing selected by it.

“Fiscal Year” means the period of twelve (12) consecutive calendar months for which financial statements of the respective entity have been examined by its independent certified public accountants; currently for the Borrower, a year ending on June 30.

“Fitch” means Fitch Ratings, Inc., a Delaware corporation, and its successors and assigns.

“*Generally Accepted Accounting Principles*” or “*GAAP*” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Borrower.

“*Governmental Action*” has the meaning set forth in Section 4.04 hereof.

“*Governmental Approval*” means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

“*Governmental Authority*” means the government of the United States or any other nation or any political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“*Historical Debt Service Coverage Ratio*” has the meaning ascribed thereto as of the Closing Date in the Capital Obligation Document.

“*Holder*” has the meaning set forth in the Indenture.

“*Indebtedness*” has the meaning ascribed thereto in the Capital Obligation Document.

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“*Indenture*” has the meaning set forth in the first recital hereof.

“*Index Rate*” has the meaning set forth in the Indenture.

“*Index Rate Holder*” has the meaning set forth in the Indenture.

“*Index Rate Holder Affiliate*” means any Affiliate of the Index Rate Holder.

“*Index Rate Period*” has the meaning set forth in the Indenture.

“*Index Rate Purchase Date*” has the meaning set forth in the Indenture.

“*Index Rate Reset Date*” has the meaning set forth in the Indenture.

“*Initial Index Rate Period*” has the meaning set forth in the Indenture.

“*Initial Index Rate Purchase Date*” means, for reference purposes only, August 1, 2024.

“*Interest Payment Date*” has the meaning set forth in the Indenture.

*“Interest Rate Agreement”* means an interest rate exchange, hedge or similar agreement, entered into by any Member of the Obligated Group, which agreement may include, without limitation, an interest rate swap, a forward or futures contract or an option (e.g. a call, put, cap, floor or collar), and which agreement does not constitute an obligation to repay money borrowed or the equivalent thereof.

*“Interest Rate Mode”* has the meaning set forth in the Indenture.

*“Issuer”* has the meaning set forth in the first recital hereof.

*“Laws”* means federal, state and local laws, statutes, rules, ordinances, regulations, codes, licenses, authorizations, decisions, injunctions, interpretations, orders or decrees of any court or other Governmental Authority having jurisdiction as may be in effect from time to time.

*“LIBOR Reserve Percentage”* means the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to Eurocurrency funding (currently referred to as “Eurocurrency Liabilities”); provided that, so long as no such percentage is in effect, the LIBOR Reserve Percentage shall be zero.

*“Lien”* has the meaning assigned thereto in the Capital Obligation Document.

*“Long-Term Indebtedness”* has the meaning assigned thereto in the Capital Obligation Document.

*“Market Based Organization”* means a group of one or more Borrower Participants (as determined from time to time by the Borrower in its sole discretion) that collectively provide health care services in a particular community or geographical area (as determined from time to time by the Borrower in its sole discretion).

*“Material Adverse Change”* means (a) a change in the condition, financial or otherwise, of the CHI Credit Group, taken as a whole, (i) that has resulted in a decline in combined net revenues of the CHI Credit Group in excess of 5% or (ii) that has resulted in a decline in combined Net Assets of the CHI Credit Group in excess of 5%, or (b) that has a material adverse effect on the legality, validity, binding effect or enforceability of any Related Document or any document or agreement referenced therein or relating thereto to which a member of the CHI Credit Group is a party; *provided*, that any litigation or governmental investigation that (x) is materially covered by appropriate insurance and/or (y) appropriately reserved for in accordance with GAAP shall not be deemed to have a material adverse effect on the condition, financial or otherwise, of the CHI Credit Group, taken as a whole; and *provided, further*, that any such decline in either combined net revenues or combined Net Assets resulting solely from a permitted transfer of Property, merger or dissolution shall not be taken into account in determining a Material Adverse Change. For purposes of this definition, the determination of materiality shall be measured as of the date of the change in condition, financial or otherwise, of the CHI Credit Group, on a pro forma basis, based on the combined net revenues or the

combined Net Assets of the CHI Credit Group, tested as of the last day of the immediately preceding Fiscal Year.

*“Material Adverse Effect”* means (a) a change in the condition, financial or otherwise, of the CHI Credit Group, taken as a whole, (i) that has resulted in a decline in combined net revenues of the CHI Credit Group in excess of twenty percent (20%) or (ii) that has resulted in a decline in combined Net Assets of the CHI Credit Group in excess of twenty percent (20%), or (b) that has a material adverse effect on the legality, validity, binding effect or enforceability of any Related Document or any document or agreement referenced therein or relating thereto to which a member of the CHI Credit Group is a party; *provided*, that any litigation or governmental investigation that (x) is materially covered by appropriate insurance and/or (y) appropriately reserved for in accordance with GAAP shall not be deemed to have a material adverse effect on the condition, financial or otherwise, of the CHI Credit Group, taken as a whole; and *provided, further*, that any such decline in either combined net revenues or combined Net Assets resulting solely from a permitted transfer of Property, merger or dissolution shall not be taken into account in determining a Material Adverse Effect. For purposes of this definition, the determination of materiality shall be measured as of the date of the change in condition, financial or otherwise, of the CHI Credit Group, on a pro forma basis, based on the combined net revenues or the combined Net Assets of the CHI Credit Group, tested as of the last day of the immediately preceding Fiscal Year.

*“Material Default”* means (i) any event or condition that with notice, passage of time or any combination of the foregoing, would constitute an event of default under a Parity Debt Agreement relating to a breach of any financial covenant which measures the financial performance or financial condition of the CHI Credit Group or the CHI Reporting Group or (ii) any event or condition that with notice, passage of time or any combination of the foregoing, would constitute an event of default relating to dissolution, liquidation, reorganization, insolvency, bankruptcy, receivership or similar events under such Parity Debt Agreement or an event of default under such Parity Debt Agreement similar to Section 6.01(h) or Section 6.01(i) hereof.

*“Material Designated Affiliate”* has the meaning set forth in the Capital Obligation Document.

*“Material Subsidiary”* means any member of the CHI Reporting Group whose total revenues accounts for thirty-five percent (35%) or more of the combined total revenues of the CHI Reporting Group based on the financial statements for the most recent Fiscal Year or an aggregation or combination of members of the CHI Reporting Group, whose total revenues accounts for thirty-five percent (35%) or more of the combined total revenues of the CHI Reporting Group based on the financial statements for the most recent Fiscal Year.

*“Maximum Interest Rate”* means with respect to any obligations owed to a Holder hereunder (other than amounts due to a Holder with respect to interest on the Bonds, which is governed by the Indenture), the maximum non-usurious lawful rate of interest permitted by applicable law.

“*Member of the Obligated Group*” has the meaning set forth in the Capital Obligation Document.

“*Moody’s*” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns.

“*Multiemployer Plan*” means a Plan that is a “multiemployer plan” as defined in Section 3(37) or 4001(a)(3) of ERISA.

“*Net Assets*” means, as of any date of determination, with respect to any such Person, such Person’s total assets less such Person’s total liabilities, in each case as determined in accordance with GAAP.

“*Obligations*” means all indebtedness, obligations and liabilities of the Borrower to the Holders from time to time arising under or in connection with or evidenced or secured by this Agreement or any other Related Document to which the Borrower is a party, and all extensions, renewals or refinancings thereof, whether such indebtedness, obligations or liabilities are direct or indirect, otherwise secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising. Without limitation of the foregoing, such indebtedness, obligations and liabilities include the principal amount thereof and the interest, fees, indemnities or expenses under or in connection with this Agreement or any other Related Document to which the Borrower is a party, and all extensions, renewals and refinancings thereof, whether or not made in compliance with the terms and conditions of this Agreement or in excess of the Index Rate Holder’s funding obligations hereunder. Obligations shall remain Obligations notwithstanding any assignment or transfer or any subsequent assignment or transfer of any of the Obligations or any interest therein.

“*Obligor Rating*” means the long-term, unenhanced credit rating(s) from time to time established by the Rating Agencies on the long-term, unenhanced debt of the CHI Credit Group that is secured and payable on a parity with the Capital Obligation.

“*OFAC*” has the meaning assigned to such term in Section 4.20(a)(v) hereof.

“*Other Taxes*” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“*Outstanding*” has the meaning set forth in the Indenture.

“*Parity Debt Agreements*” means any credit agreement, insurance agreement, direct purchase agreement, supplemental indenture, Interest Rate Agreement, Supplemental Obligation Document or other agreement, instrument or facility (or any amendment, supplemental or modification thereto) between a Person and any Member of the Obligated Group relating to Parity Indebtedness that is secured by an Obligation (as defined in the Capital Obligation Document).

“*Parity Indebtedness*” means any Indebtedness or Interest Rate Agreement that is secured on a parity basis with, or is senior to, the Capital Obligations evidencing and securing the Bonds and the Obligations hereunder.

“*Patriot Act*” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

“*PBGC*” means the Pension Benefit Guaranty Corporation established under Title IV of ERISA or any other governmental agency, department or instrumentality succeeding to the functions of said corporation.

“*Pension-Related Event*” means any of the following events or conditions that would reasonably be expected to result in a Material Adverse Effect: (a) any action is taken by any Person (i) to terminate, or that would result in the termination of, a Plan, either pursuant to its terms or by operation of law (including any amendment of a Plan that would result in a termination under Section 4041(e) of ERISA), or (ii) to have a trustee appointed for a Plan pursuant to Section 4042 of ERISA; (b) the PBGC notifies any Person of its determination that an event described in Section 4042 of ERISA has occurred with respect to a Plan, that a Plan should be terminated, or that a trustee should be appointed for a Plan; (c) any Reportable Event occurs with respect to a Plan; (d) any action occurs or is taken that would reasonably be expected to result in the Borrower becoming subject to liability for a complete or partial withdrawal by any Person from a Multiemployer Plan (including seller liability incurred under Section 4204(a)(2) of ERISA), or the Borrower or any Controlled Group Member receives from any Person a notice or demand for payment on account of any such alleged or asserted liability; (e)(i) there occurs any failure to meet the minimum funding standard under Section 302 of ERISA or Section 412 of the Code with respect to a Plan, or any tax return is filed showing any tax payable under Section 4971(a) of the Code with respect to any such failure, or the Borrower or any Controlled Group Member receives a notice of deficiency from the Internal Revenue Service with respect to any alleged or asserted such failure, or (ii) any request is made by any Person for a variance from the minimum funding standard, or an extension of the period for amortizing unfunded liabilities, with respect to a Plan, or (iii) the Borrower or any Controlled Group Member fails to pay the PBGC premium with respect to a Plan when due and it remains unpaid for more than thirty (30) days thereafter; or (f) there occurs any “prohibited transaction” within the meaning of Section 406 of ERISA or Section 4975 of the Code involving a Plan.

“*Permitted Encumbrances*” has the meaning ascribed thereto as of the Closing Date in the Capital Obligation Document.

“*Person*” has the meaning set forth in the Indenture.

“*Plan*” means (a) any employee pension benefit plan within the meaning of Section 3(2) of ERISA (other than a Multiemployer Plan) covered by Title IV of ERISA by reason of Section 4021 of ERISA, of which the Borrower or any Controlled Group Member is or has been within the preceding five years a “contributing sponsor” within the meaning of Section 4001(a)(13) of ERISA, or that is or has been within the preceding five years maintained for employees of the

Borrower or any Controlled Group Member, (b) any employee pension benefit plan within the meaning of Section 3(2) of ERISA (other than a Multiemployer Plan) that is subject to Title I of ERISA by reason of Section 4 of ERISA and is subject to the minimum funding requirements of Section 302 of ERISA or Section 412 of the Code, of which the Borrower or any Controlled Group Member is or has been within the preceding five years an employer liable for contributions within the meaning of Section 302(c)(11) of ERISA or Section 412(c)(11) of the Code, or that is or has been within the preceding five years maintained for employees of the Borrower or any Controlled Group Member, or (c) any ERISA Plan.

*“Plan Termination Event”* means (i) a “reportable event” described in Section 4043 of ERISA and the regulations issued thereunder (other than, a “reportable event” not subject to the provision for 30-day notice to the PBGC under such regulations) occurring with respect to a Plan, or (ii) the withdrawal of the Borrower or any of Controlled Group Member from a Plan during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC, or (v) any other event or condition that might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

*“Primary Beneficiary”* means a bank, bond insurer, swap provider or any other Person that is party to a Parity Debt Agreement with the Borrower or any other Member of the Obligated Group, including without limitation the Capital Obligation Trustee.

*“Prime Rate”* means, for any day, the rate of interest per annum identified as the “prime rate” for such day in the print edition of The Wall Street Journal; *provided*, however, that if the print edition of The Wall Street Journal is not published on any day or if the “prime rate” is not published in the print edition of The Wall Street Journal on that day, the “prime rate” shall be the “prime rate” published in the online edition of The Wall Street Journal on that day; and *provided further*, however, that if no “prime rate” is published for any day in either edition of The Wall Street Journal (whether by reason of such day not being a business day or otherwise), The Wall Street Journal for the next preceding day for which the “prime rate” was published in The Wall Street Journal shall be the “prime rate” for such day; and *provided further*, however, that if more than one rate of interest per annum is published in The Wall Street Journal as the “prime rate” or “prime rates” for any applicable day, or in the event of any inconsistency between the “prime rates” published in the print and online editions, the Prime Rate for such day shall be the highest of such rates of interest that are so published in The Wall Street Journal.

*“Property”* has the meaning assigned thereto in the Capital Obligation Document.

*“Published Rate”* means the rate of interest published each Business Day in *The Wall Street Journal* “Money Rates” listing under the caption “London Interbank Offered Rates” for a one month period (or, if no such rate is published therein for any reason, then the Published Rate shall be the eurodollar rate for a one month period which appears on the Reuters Screen LIBOR01 Page or Bloomberg as of 11:00 a.m. (London, England time) on such day (or, if such day is not a Business Day, on the immediately preceding Business Day)).

“*Rating Agency*” means Moody’s, Fitch and/or Standard & Poor’s, as applicable.

“*Related Documents*” means this Agreement, the Bonds, the Indenture, the Loan Agreement, the Tax Agreement, the Capital Obligation, the Capital Obligation Document, the Seventy-First Supplemental Obligation Document, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the forgoing.

“*Relevant Indebtedness*” means any Indebtedness of the Borrower that is secured by the Capital Obligation Document (other than Indebtedness of the Borrower that is by its terms expressly subordinated to the “Obligations” of the Borrower under and as defined in the Capital Obligation Document).

“*Reportable Event*” means (i) a reportable event described in Section 4043 of ERISA and regulations thereunder, (ii) a withdrawal by a substantial employer from a Plan to which more than one employer contributes, as referred to in Section 4063(b) of ERISA, (iii) a cessation of operations at a facility causing more than twenty percent (20%) of Plan participants to be separated from employment, as referred to in Section 4068(f) of ERISA, or (iv) a failure to make a required installment or other payment with respect to a Plan when due in accordance with Section 412 of the Code or Section 302 of ERISA that causes the total unpaid balance of missed installments and payments (including unpaid interest) to exceed \$1,000,000.

“*Required Bond Payments*” has the meaning set forth in the Indenture.

“*Risk-Based Capital Guidelines*” means (i) the risk-based capital guidelines in effect in the United States, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

“*Seventy-First Supplemental Obligation Document*” means that certain Seventy-First Supplemental Obligation Document dated August 11, 2015, between the Borrower and the Capital Obligation Trustee, pursuant to which the Borrower has issued the Capital Obligations.

“*Standard & Poor’s*” or “*S&P*” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, a corporation organized and existing until the laws of the State of New York, its successors and assigns.

“*Subsidiary*” of a Person means (a) any corporation more than fifty percent (50%) of the outstanding securities or interests having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, and (b) any partnership, limited liability company, association, joint venture or similar business organization more than fifty percent (50%) of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled, and (c) with respect to Borrower, any Person (other than Borrower) included in the “CHI Credit Group” as defined in the Capital Obligation Document. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of the Borrower.

“*Supplemental Obligation Document*” has the meaning set forth in the Capital Obligation Document.

“*Tax Agreement*” has the meaning set forth in the Indenture.

“*Taxable Date*” means the date on which interest on the Bonds is first includable in gross income of the Holder (including, without limitation, any previous Holder) thereof as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“*Taxable Determination Date*” means the date upon which a Determination of Taxability occurs.

“*Taxable Period*” has the meaning set forth in Section 2.03(b) hereof.

“*Taxable Rate*” means, with respect to a Taxable Period, the product of (i) the interest rate on the Bonds during such period and (ii) 1.54.

“*Taxes*” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“*Unrestricted Cash and Investments*” means the sum of cash, cash equivalents and readily marketable investment securities (including board designated funds), but excluding: (A) trustee-held funds, trustee held reserves, trustee held deposits or set-asides, malpractice funds, litigation reserves (to the extent such litigation reserves are restricted in a manner that such funds may not be used to pay debt service or other operating expenses), self-insurance or captive insurer funds, pension or retirement funds, and any other funds set aside or reserved in such a manner so as to restrict the funds so that such funds are not available to the Borrower (or any other member of the CHI Credit Group) to pay debt service on Indebtedness; and (B) any amounts pledged or posted, or required to be pledged or posted, to secure obligations under an Interest Rate Agreement. For purposes of this definition of “*Unrestricted Cash and Investments*”, if marketable investment securities are loaned pursuant to a security lending program, either the market value of such securities that are loaned or any cash held as collateral under such lending program shall be included as Unrestricted Cash and Investments, but not both such amounts.

“*Unrestricted Net Assets*” means, as of any date of determination, with respect to any such Person, all Net Assets of such Person the use of which is not temporarily or permanently restricted in any manner or to any extent, in each case as determined in accordance with GAAP.

“*Washington Affiliates*” has the meaning set forth in the Indenture.

*Section 1.02. Computation of Time Periods.* In this Agreement, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding.”

*Section 1.03. Construction.* Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word “including” shall be deemed to mean “including but not limited to,” and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The Section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

*Section 1.04. Incorporation of Certain Definitions by Reference.* Any capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Indenture.

*Section 1.05. Accounting Terms and Determinations.* Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with Generally Accepted Accounting Principles. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth this Agreement, and either the Borrower or the Index Rate Holder shall so request, the Index Rate Holder and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Index Rate Holder financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. As of the Closing Date, GAAP classifies certain leases as “operating leases” and others as “capital leases” by applying certain criteria to distinguish between the two classifications. If, after the Closing Date, there shall occur any change in GAAP and such change shall result in a change in the classification of certain leases from operating leases to capital leases (whether such leases were placed as of the Closing Date or entered into at a future date), such reclassification shall be deemed not effective for purposes of this Agreement in its entirety. No delay by the Borrower or the Index Rate Holder in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles.

*Section 1.06. Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference.*

(a) Nothing in this Agreement shall be deemed to amend, or relieve the Borrower of its obligations under, any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the Borrower to take certain actions, or not to take certain actions, with regard for example to Permitted Encumbrances, incurrence of Indebtedness, transfers of assets, maintenance of financial ratios and similar matters, the Borrower nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.06, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided).

## **ARTICLE II PURCHASE OF BONDS; THE BORROWER'S OBLIGATIONS**

*Section 2.01. Purchase of Bonds; Payment Obligations.* (a) *Purchase Price.* Upon the conditions set forth in Article III hereof and based on the representations, warranties and covenants of the Borrower set forth in the Related Documents and herein, the Index Rate Holder hereby agrees to purchase from the Issuer, and the Borrower hereby agrees to cause the Issuer to sell to the Index Rate Holder, all, but not less than all, of the Bonds at an aggregate purchase price of the outstanding principal amount of the Bonds. On the Closing Date, the Borrower shall deliver to the Index Rate Holder at such place as the parties hereto may mutually agree upon, the documents described in Article III hereof. Upon delivery of such documents, the Index Rate Holder will pay the full purchase price for the Bonds in immediately available federal funds payable to the Bond Trustee on behalf of the Issuer. One fully registered Bond in the aggregate principal amount of the Bond shall be issued to and registered in the name of the Index Rate Holder. The Bonds are to be dated the date of delivery thereof, and are to mature, be subject to redemption and purchase prior to maturity and bear interest as set forth in the Indenture. The Borrower hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all Obligations owing to the Holders, with interest thereon at the rate or rates provided in such Related Documents and under such Obligations.

(b) The Borrower shall pay within thirty (30) days after demand:

(i) if an Event of Default shall have occurred, all reasonable costs and expenses of the Holder in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of its rights under this Agreement, the other Related Documents and such other documents that may be delivered in connection therewith;

(ii) a fee for each amendment to this Agreement or any Related Document, consent by the Holder with respect to any amendment to any Related Document or

waiver by the Holder under any Related Document, in each case, in a reasonable amount to be negotiated with the Borrower in good faith, plus the fees and expenses of counsel to the Holder in connection therewith;

(iii) the reasonable fees and out-of-pocket expenses for counsel or other reasonably required consultants to the Holder in connection with advising the Holder as to its rights and responsibilities in connection with an Event of Default under this Agreement or in connection with responding to requests from the Borrower for approvals, consents and waivers;

(iv) any amounts advanced by or on behalf of the Holder to the extent required to cure any Default, Event of Default or event of nonperformance hereunder under or any Related Document, together with interest at the Default Rate; and

(v) all reasonable fees, costs and expenses of any consultants providing services to the Borrower or the Holder in accordance with this Agreement.

In addition, if at any time any Governmental Authority shall require revenue or other documentary stamps or any other tax in connection with the execution or delivery of this Agreement or other Related Documents, then, if the Borrower lawfully may pay for such stamps, taxes or fees, the Borrower shall pay, when due and payable, for all such stamps, taxes and fees, including interest and penalties thereon, and the Borrower agrees to save the Holder harmless from and against any and all liabilities with respect to or resulting from any delay of Borrower in paying, or omission of the Borrower to pay, such stamps, taxes and fees hereunder.

(c) Upon the occurrence of an Event of Default, the Obligations arising under this Agreement shall bear interest at the Default Rate, which shall be payable by the Borrower upon demand therefor.

(d) (i) If the amount of interest payable on Obligations arising under this Agreement (specifically excluding interest on the Bonds, which is governed by the Indenture) for any period in accordance with the terms hereof exceeds the amount of interest that would be payable for such period had interest for such period been calculated at the Maximum Interest Rate, then interest for such period shall be payable in an amount calculated at the Maximum Interest Rate.

(ii) Any interest that would have been due and payable for any period but for the operation of the immediately preceding subclause (i) shall accrue and be payable as provided in this subclause (ii) and shall, less interest actually paid to the Holder for such period, constitute the "Excess Interest Amount." If there is any accrued and unpaid Excess Interest Amount as of any date, then the principal amount with respect to which interest is payable shall bear interest at the Maximum Interest Rate until payment has been made to the Holder of the entire Excess Interest Amount.

(iii) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Obligations arising under this Agreement remains unpaid, the

Borrower shall pay to the Holder a fee equal to any accrued and unpaid Excess Interest Amount.

*Section 2.02. Increased Payments.* (a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, any Holder;

(ii) subject any Holder to any Tax of any kind whatsoever with respect to this Agreement or the Bond, or change the basis of taxation of payments to such Holder in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 2.03 and the imposition of, or any change in the rate of any Excluded Tax payable by such Holder); or

(iii) impose on any Holder any other condition, cost or expense affecting this Agreement or the Bonds;

and the result of any of the foregoing shall be to increase the cost to such Holder of owning the Bonds, or to reduce the amount of any sum received or receivable by such Holder hereunder or under the Bonds (whether of principal, interest or any other amount) then, upon written request of such Holder as set forth in clause (c) of this Section, the Borrower shall promptly pay to such Holder, as the case may be, such additional amount or amounts as will compensate such Holder, as the case may be, for such additional costs incurred or reduction suffered.

(b) *Capital Requirements.* If any Holder determines that any Change in Law affecting such Holder or such Holder's parent or holding company, if any, regarding capital requirements, has or would have the effect of reducing the rate of return on such Holder or such Holder's parent or holding company holding, if any, as a consequence of this Agreement, or ownership of the Bonds, to a level below that such Holder or such Holder's parent or holding company could have achieved but for such Change in Law (taking into consideration such Holder's policies and the policies of such Holder's parent or holding company with respect to capital adequacy), then from time to time upon written request of such Holder as set forth in clause (c) of this Section, the Borrower shall promptly pay to such Holder such additional amount or amounts as will compensate such Holder or such Holder's parent or holding company for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of any Holder setting forth the amount or amounts necessary to compensate any such Holder or any such Holder's parent or holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay any such Holder, as the case may be, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of any such Holder to demand compensation pursuant to this Section shall not constitute a waiver of any such Holder's right to demand such compensation.

(e) The Borrower acknowledges that under this Section 2.02, certain payments may be made to the Holder. Before a payment is made by the Borrower under this Section, the Borrower will endeavor to obtain an opinion of a firm of attorneys nationally recognized on the subject of tax-exempt municipal finance that such payment by the Borrower does not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes. The Borrower covenants to take such actions as may be necessary and possible so that such payment does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. In the event such an opinion cannot be obtained or delivered by nationally recognized bond counsel within 30 days from the date the Borrower is notified such payment is due, nothing herein shall prevent such payment from then being made by the Borrower in the amount and manner required by this Agreement.

(f) The obligations of the Borrower under this Section 2.02 shall survive the termination of this Agreement, the termination of the Loan Agreement and the redemption or other payment in full of the Bonds.

*Section 2.03. Taxes.* (a)(i) Any and all payments by or on account of any obligation of the Borrower hereunder or under the Bonds shall be made free and clear of and without deduction, reduction or withholding for any Indemnified Taxes or Other Taxes; *provided* that if the Borrower shall be required by Applicable Law to deduct any Indemnified Taxes (including any Other Taxes) from such payments, then (A) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Holder receives an amount equal to the sum it would have received had no such deductions been made, (B) the Borrower shall make such deductions and (C) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(ii) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(iii) The Borrower shall indemnify the Holder within thirty (30) days after written demand by the Holder therefor (together with the certificate described in the last sentence of this Section 2.03(a)(iii)), for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Holder on or with respect to any payment by or on account of any obligation of the Borrower hereunder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Holder shall be conclusive absent manifest error.

(iv) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Holder the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Holder.

(v) If the Holder determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified pursuant to this Section 2.03(a) (including additional amounts pursuant to this Section 2.03(a)), it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section 2.03(a) with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Holder and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided*, that the Borrower, upon the request of the Holder agrees to repay the amount paid by the Holder pursuant to this Section 2.03(a) to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Holder in the event the Holder is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (v), in no event will the Holder be required to pay any amount to the Borrower pursuant to this clause (v) the payment of which would place the Holder in a less favorable net after-Tax position than the Holder would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 2.03(a) shall not be construed to require the Holder to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

(b) (i) In the event a Taxable Date shall occur, in addition to the amounts required to be paid with respect to the Bonds by the Borrower under the Loan Agreement and the Bonds, the Borrower hereby agrees to pay to each Holder on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to such Holder on the Bonds during the period for which interest on the Bonds is includable in the gross income of such Holder if the Bonds had borne interest at the Taxable Rate, beginning on the Taxable Date and ending on the Taxable Determination Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Holder during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by such Holder as a result of interest on the Bonds becoming includable in the gross income of such Holder, together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by such Holder in connection therewith.

(ii) Subject to the provisions of clauses (iii) and (iv) below, such Holder shall afford the Borrower the opportunity, at the Borrower's sole cost and expense, to contest (1) the validity of any amendment to the Code that causes the interest on the Bonds to be includable in the gross income of such Holder or (2) any challenge to the validity of the tax exemption with respect to the interest on the Bonds, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals).

(iii) The Borrower shall, on demand, immediately reimburse such Holder for any and all expenses (including attorneys' fees for services that may be required or desirable, as determined

by such Holder in its sole discretion) that may be incurred by the Index Rate Holder in connection with any such contest, and shall, on demand, immediately reimburse the Index Rate Holder for any and all penalties or other charges payable by such Holder for failure to include such interest in its gross income; and

(iv) The obligations of the Borrower under this Section 2.03(b) shall survive the termination of this Agreement, the termination of the Loan Agreement and the redemption or other payment in full of the Bonds.

(c) The obligations of the Borrower under this Section 2.03 shall survive the termination of this Agreement and the redemption or other payment in full of the Obligations arising under this Agreement.

*Section 2.04. Obligations Absolute.* The payment obligations of the Borrower under this Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including without limitation the following:

(a) any lack of validity or enforceability of this Agreement, the Bonds or any of the other Related Documents;

(b) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(c) the existence of any claim, set-off, defense or other right that the Borrower may have at any time against any Holder or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or

(d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Notwithstanding this Section, the Holder acknowledges the Borrower may have the right to bring a collateral action with respect to one or more of the foregoing circumstances. The Borrower's payment obligations shall remain in full force and effect pending the final disposition of any such action. All fees payable pursuant to this Agreement shall be deemed to be fully earned when due and non-refundable when paid.

*Section 2.05. Funding Indemnity.* In the event the Holder shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Holder to purchase or hold the Bonds or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Holder) as a result of any purchase, redemption or acceleration of the Bonds on a date other than an Index Rate Reset Date for any reason, whether before or after default, and whether or not such payment is required by any provision of this Agreement, then upon the demand of the Holder, the Borrower shall pay to the Holder a fee in such amount as will reimburse the Holder for such loss, cost, or expense. If the Holder requests

such fee, it shall provide to the Borrower a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such fee in reasonable detail and such certificate shall be conclusive if reasonably determined.

*Section 2.06. Extension of Index Rate Purchase Date.* The Borrower may provide written notice to the Index Rate Holder, in the form of Exhibit B hereto, of its desire to convert the Bonds to a new Index Rate Period and request that the Index Rate Holder purchase such Bonds in such new Index Rate Period, provided that such request is made no earlier than two years prior to the Index Rate Purchase Date then in effect and no later than of one hundred twenty (120) days prior to the Index Rate Purchase Date then in effect. The Index Rate Holder will make reasonable efforts to respond to such request within sixty (60) days after receipt of all information necessary, in the Index Rate Holder's reasonable judgment, to permit the Index Rate Holder to make an informed credit decision. The Index Rate Holder may, in its sole and absolute discretion, decide to accept or reject any such request and no consent shall become effective unless the Index Rate Holder shall have consented thereto in writing. In the event the Index Rate Holder fails to definitively respond to such request within such sixty (60) day period, the Index Rate Holder shall be deemed to have refused to grant such request. The consent of the Index Rate Holder, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Index Rate Holder. By providing notice to the Index Rate Holder in the form of Exhibit B hereto, the Borrower shall be deemed to represent and warrant that (a) no Default or Event of Default has occurred and is continuing, (b) no event has occurred and is continuing that could reasonably be expected to result in a Material Adverse Change and (c) all representations and warranties of the Borrower made in this Agreement are true and correct and are deemed to be made as of the date of such request.

*Section 2.07. Termination.* Upon the occurrence of (i) any redemption, repayment or other payment pursuant to the Indenture of all of the then-Outstanding Bonds so that said Bonds shall have ceased to be Outstanding under the Indenture, or (ii) any conversion of all of the then-Outstanding Bonds to an Interest Rate Mode other than the Index Rate Period or (iii) the replacement of this Agreement with another "Index Rate Agreement" (as defined in the Indenture) pursuant to the terms of the Indenture, then in each case, this Agreement shall be terminated and no longer in full force and effect, except for those provisions that specifically state that they survive the termination of this Agreement or the repayment of the Bonds.

### **ARTICLE III**

#### **CONDITIONS PRECEDENT TO PURCHASE OF BONDS**

*Section 3.01. Documentary Requirements.* The effectiveness of this Agreement and the obligation of the Index Rate Holder to purchase the Bonds are subject to the conditions precedent that the Index Rate Holder shall have received, on or before the Closing Date, the items listed below in this Section, each dated and in form and substance satisfactory to the Index Rate Holder. However, should the Index Rate Holder purchase the Bonds prior to its receipt and approval of any of the following items, such purchase shall be deemed to be a waiver of any documentary requirement.

(a) A certificate of the Secretary or Assistant Secretary of the Borrower dated as of the Closing Date as to (i) true copies of the articles of incorporation and by-laws of the Borrower in effect on such date (that, in the case of articles of incorporation, shall be certified to be true, correct and complete by the Secretary of State of Colorado not more than thirty (30) days before the Closing Date), (ii) evidence of corporate authority of the Borrower to enter into this Agreement, (iii) true copies of the IRS letter to the United States Conference of Catholic Bishops, together with a page from the Official Catholic Directory showing the inclusion of CHI therein, and (iv) the incumbency and signature of the officer of the Borrower executing this Agreement and the other Related Documents to which the Borrower is a party that are being executed on the Closing Date.

(b) The following financing documents:

(i) an executed original or certified copy of each of this Agreement and the other Related Documents, as applicable; and

(ii) an executed original of the Capital Obligation duly executed by the Borrower, and the Index Rate Holder shall have received evidence satisfactory to the Index Rate Holder that all conditions to the delivery of the Capital Obligation have been satisfied; and

(iii) one fully registered, executed and authenticated Bond, in the aggregate principal amount equal to \$51,400,000, issued to and registered in the name of the Index Rate Holder, or as otherwise directed by the Index Rate Holder.

(c) The following opinions, addressed to the Index Rate Holder or on which the Index Rate Holder is otherwise expressly authorized to rely:

(i) from counsel to the Borrower, as to the due execution and delivery of the Related Documents to which the Borrower is a party being executed on the Closing Date and the enforceability of the Related Documents to which the Borrower is a party and such other customary matters as the Index Rate Holder may reasonably request;

(ii) from Hillis Clark Martin & Peterson P.S., in customary form, as to the validity of the Bonds and as the exemption of interest from federal income taxation and such other customary matters as the Index Rate Holder may reasonably request; and

(iii) from counsel to the Issuer, as to the due execution and delivery of the Related Documents to which the Issuer is a party and the enforceability thereof and such other customary matters as the Index Rate Holder may reasonably request.

(d) A certificate dated the Closing Date and signed by the President, a Vice President or an authorized officer of the Borrower, certifying that (a) the representations and warranties of the Borrower set forth in this Agreement shall be true and correct on and as of the Closing Date; (b) at the time of and immediately after giving effect to this Agreement and the issuance of the

Bonds bearing interest at the Index Rate on the Closing Date, no Default or Event of Default shall have occurred and be continuing;

(e) The following miscellaneous items:

(i) receipt of satisfactory evidence that the Borrower has been assigned long-term unenhanced ratings of at least “A” (negative outlook) by Standard & Poor’s and “A2” (negative outlook) by Moody’s; and

(ii) receipt of financial statements of the CHI Reporting Group for the fiscal year ended June 30, 2014.

(f) *No Bond Rating; DTC.* The Bonds shall not be (i) assigned a separate rating by any Rating Agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor’s CUSIP Service.

*Section 3.02. Credit Requirements.* Prior to the Closing Date, the Index Rate Holder shall have determined, in its sole discretion, that the Borrower meets the Index Rate Holder’s credit requirements.

*Section 3.03. Payment of Fees.* Within 30 days of receipt of an invoice relating thereto, the Borrower shall pay to Chapman and Cutler LLP the reasonable fees and expenses of counsel to the Index Rate Holder incurred in connection with the transaction contemplated by the Related Documents.

## ARTICLE IV

### REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants to each Holder as follows, *provided that* each such representation and warranty by the Borrower with respect to a Designated Affiliate, or which is otherwise inclusive of a Designated Affiliate, shall be limited, as it pertains to such Designated Affiliate(s), to the knowledge of the Borrower:

*Section 4.01. Corporate Status.* The Borrower and each of the other members of the CHI Reporting Group is a corporation or other entity duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation. The Borrower and each of the other members of the CHI Reporting Group has corporate or other legal power and authority to own its Property and to transact the business in which it is currently engaged. The Borrower and each of the other members of the CHI Reporting Group is duly qualified to do business as a foreign corporation and is in good standing in all jurisdictions in which the ownership of its Property or the nature of its activities or both makes such qualification necessary.

*Section 4.02. Power and Authorization.* The Borrower has all requisite power and authority to execute, deliver, perform, and take all actions contemplated by, this Agreement and

each other Related Document to which it is a party, and all such action has been duly and validly authorized by all necessary corporate proceedings on its part. Without limitation of the foregoing, the Borrower has the corporate power and authority to borrow pursuant to, and perform all other obligations under, this Agreement and the other Related Documents to which it is a party to the fullest extent permitted hereby and thereby from time to time, and has taken all necessary action to authorize such borrowings and the performance of such other obligations.

*Section 4.03. Execution and Binding Effect.* This Agreement and each other Related Document to which the Borrower is a party has been duly and validly executed and delivered by the Borrower, and each constitutes the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

*Section 4.04. Governmental Approvals.* All authorizations, consents, licenses, orders and other approvals of, and registrations and filings with, and taking of any other action in respect of or by, any court or Governmental Authority (collectively, "*Governmental Action*"), or by the holders of any debt or equity securities of the Borrower, in each case, that are required in connection with execution and delivery of this Agreement or any other Related Document or the consummation of the transactions herein or therein contemplated, have been obtained or made, as the case may be, and are in full force and effect, and there is no action, suit, proceeding or investigation pending or threatened that seeks or may result in the reversal, rescission, termination, modification or suspension of any such Governmental Action or debt or equity holder action.

*Section 4.05. Absence of Conflicts.* Neither the execution and delivery of this Agreement or any other Related Document, nor consummation of the transactions herein or therein contemplated, nor performance of or compliance with the terms and conditions hereof or thereof does or will:

- (a) violate or conflict with any Law, or
- (b) violate any order, writ, injunction or decree of any court or Governmental Authority, or the articles of incorporation or by-laws of the Borrower, or result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any Lien upon any of the Property of the Borrower pursuant to the terms of, any mortgage, indenture, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its Property is bound.

*Section 4.06. Financial Statements.* The Borrower has heretofore furnished to the Index Rate Holder the audited financial statements of the CHI Reporting Group for the fiscal year ended June 30, 2014, and the unaudited financial statements of the CHI Reporting Group for the nine month period ended March 31, 2015, and the audited statement of cash flow of the Borrower for the fiscal year ended June 30, 2014 and the unaudited statement of cash flow of the Borrower for the nine month period ended March 31, 2015. Such audited financial statements

(including the notes thereto) have been prepared in accordance with GAAP and present fairly the financial condition of the CHI Reporting Group as of such date and results of its operation for the period then ended, and such audited statement of cash flow of the Borrower presents fairly the changes in cash flow as of such date and for the period then ended. Since March 31, 2015, there has been no material adverse change in the financial condition, properties and operations of the CHI Reporting Group.

*Section 4.07. Absence of Undisclosed Liabilities.* Neither the Borrower nor the CHI Reporting Group has any liability or obligation of any nature whatever (whether absolute, accrued, contingent or otherwise, whether or not due), forward or long-term commitments or unrealized or anticipated losses from unfavorable commitments that has, or would be likely to have, a Material Adverse Change, except (a) as disclosed in the financial statements referred to in Section 4.06 hereof and (b) liabilities, obligations, commitments and losses incurred after March 31, 2015, in the ordinary course of business and consistent with past practices.

*Section 4.08. Accurate and Complete Disclosure.* All statements, information, financial statements, reports and other papers and data with respect to the Borrower and the other members of the CHI Reporting Group furnished to the Index Rate Holder were, at the time the same were so made or furnished to the Index Rate Holder, complete and correct in all material respects. There is no fact, circumstance or condition that is known to the Borrower but that has not been disclosed by the Borrower to the Index Rate Holder that materially and adversely affects, or in the future may (so far as the Borrower can foresee) materially and adversely affect, the validity or enforceability of, or the authority or ability of the Borrower to perform its obligations under, this Agreement and the other Related Documents to which the Borrower is a party or the business, financial condition, results of operations or prospects of the Borrower or any other member of the CHI Reporting Group. No document furnished or statement made by the Borrower in connection with the negotiation, preparation or execution of this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein not misleading.

*Section 4.09. Regulatory Restrictions.* Neither the Borrower nor any of its Subsidiaries is (a) an “investment company” or a company “controlled” by an investment company within the meaning of the Investment Company Act of 1940, as amended, or (b) subject to any other Law that purports to restrict or regulate its ability to borrow money or obtain credit as a consequence of the nature of the business conducted by such Person.

*Section 4.10. Litigation.* There is no pending, or to the Borrower’s knowledge threatened in writing, action, suit, proceeding, inquiry or investigation by or before any Governmental Authority against the Borrower or any of its Subsidiaries, which, if adversely decided, would reasonably be expected to have a Material Adverse Change.

*Section 4.11. Absence of Events of Default.* (i) No event has occurred and is continuing and no condition exists that constitutes an Event of Default or Default, and (ii) neither the Borrower nor any other member of the CHI Reporting Group is in default under (a) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (b) any Law, or (c) any of its Indebtedness, or (d) any contract, agreement or

instrument to which it is a party or by which it or its Property is bound, in each case, which default could have a Material Adverse Change.

*Section 4.12. Insurance.* The Borrower maintains insurance (either through a self-insurance program and/or with financially sound and reputable insurers) with respect to its Property and business and against at least such liabilities, casualties and contingencies and in at least such types and amounts as are customary in the case of corporations engaged in the same or similar businesses or having similar properties similarly situated.

*Section 4.13. Tax Status.* The Borrower (a) is an organization described in Section 501(c)(3) of the Code; (b) is not a “private foundation” as described in Section 509(a) of the Code; (c) is included in the United States Conference of Catholic Bishops Group ruling from the Internal Revenue Service to the effect that the institutions listed in the edition of the Official Catholic Directory referenced therein are such organizations and is listed in the Official Catholic Directory referred to in such Group Ruling, which listing has not been modified, limited or revoked; (d) is in material compliance with all terms, conditions and limitations, if any, contained in such letter or other notification; and (e) is exempt from federal income taxes under Section 501(a) of the Code, except for taxes that will not affect its tax exempt status. All tax returns or reports of the Borrower required by law have been filed, and to its knowledge, all tax returns or reports of the Borrower’s Subsidiaries required by law have been filed, and all taxes, assessments, contributions, fees and other governmental charges (other than those presently payable without penalty or interest and those currently being contested in good faith and against which adequate reserves have been established) upon the Borrower or its Subsidiaries or their assets, properties or income, that are payable, have been paid other than returns the failure of which to file will not cause a Material Adverse Change.

*Section 4.14. Employee Benefits.* Except as set forth below in this Section 4.14, each “employee benefit plan,” within the meaning of Section 3(3) of ERISA, previously established or presently maintained by the Borrower or a Controlled Group Member was so established and/or is presently maintained: (a) by an entity that is exempt from tax under Section 501 of the Code and is either: (i) a church or a convention or association of churches; or (ii) a corporation or other entity controlled by an entity described in (i); and (b) substantially for the benefit of current and/or former employees of the entities described in (a) so as to constitute a “Church Plan” within the meaning of Section 3(33)(A) of ERISA and exempt from the requirements of Title I of ERISA pursuant to Section 4(b) of ERISA (collectively, the “Church Plans”). The Borrower also maintains certain “employee benefit plans,” within the meaning of Section 3(3) of ERISA that are not “church plans,” within the meaning of Section 3(33) of ERISA, which are subject to ERISA (collectively, the “ERISA Plans”) and the Borrower and each Controlled Group Member is in compliance in all material respects with all applicable provisions of the Code and other Law applicable to such Church Plans and such ERISA Plans. Neither the Borrower nor any Controlled Group Member has ever had any Pension-Related Event or Plan Termination Event.

*Section 4.15. Environmental.* To the Borrower’s knowledge, after due inquiry, the facilities and properties that are integral to the operations of the Borrower’s or any of its Subsidiaries’ health care facilities are in material compliance with all applicable Environmental Laws, except to the extent such non-compliance would not have a Material Adverse Change.

*Section 4.16. No Margin Stock.* No part of the proceeds of the issuance and sale of the Bonds will be used for the purpose of buying or carrying any “margin stock,” as such term is used in Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time, or to extend credit to others for the purpose of buying or carrying any “margin stock.” The Borrower is not engaged in the business of extending credit to others for the purpose of buying or carrying “margin stock.” The Borrower does not own any “margin stock.”

*Section 4.17. Compliance with Related Documents.* All of the representations and warranties of the Borrower contained in the Capital Obligation Document are true and correct as if made on the date hereof; and all such representations and warranties are incorporated herein by reference.

*Section 4.18. Subsidiaries.* Other than the other members of the CHI Credit Group, the Borrower has no Subsidiaries. There are no restrictions on the Borrower or any of its Subsidiaries that prohibit or otherwise restrict the transfer of cash or other assets from any Subsidiary of the Borrower to the Borrower, other than prohibitions or restrictions that would not materially adversely affect the Borrower’s ability to pay the Obligations.

*Section 4.19. Relevant Indebtedness.* The obligations owed to the Index Rate Holders hereunder are evidenced and secured by the Capital Obligation, constitute Relevant Indebtedness, are not and shall not be subordinated to other Relevant Indebtedness and will be treated on a pari passu basis with all other Relevant Indebtedness.

*Section 4.20. Anti-Terrorism Laws.* Neither the Borrower nor any of its Affiliates is in violation of any laws relating to terrorism or money laundering (“*Anti-Terrorism Laws*”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “*Executive Order*”), and the Patriot Act;

- (a) Neither the Borrower nor any of its Affiliates is any of the following:
  - (i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;
  - (ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;
  - (iii) a Person with which the Index Rate Holder is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;
  - (iv) a Person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or
  - (v) a Person that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“*OFAC*”) or any list of Persons issued by OFAC pursuant to the

Executive Order at its official website or any replacement website or other replacement official publication of such list;

(b) Neither the Borrower nor any of its Affiliates (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (a)(ii) above, (ii) deals in, or otherwise engages in any transaction relating to, any Property or interests in Property blocked pursuant to the Executive Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

## ARTICLE V

### AFFIRMATIVE AND NEGATIVE COVENANTS OF THE BORROWER

#### *Section 5.01. Reporting Requirements.*

(a) *Capital Obligation Disclosure Obligations.* The Borrower shall provide to the Index Rate Holder, at the same time it is provided to the Capital Obligation Trustee, the materials and notices required to be delivered to the Capital Obligation Trustee pursuant to Section 406 of the Capital Obligation Document, including, without limitation, the financial reports of the Borrower and the Borrower Participants for each Fiscal Year, all as set forth in Section 406 of the Capital Obligation Document.

(b) *Financial Information.* In addition to the annual information required by Section 406 of the Capital Obligation Document, the Borrower shall, not later than ninety (90) days after the end of each of the first three quarters of the Borrower's Fiscal Year, provide quarterly unaudited financial information for the Borrower, the Borrower Participants and the Material Designated Affiliates prepared by the Borrower. Additionally, the Borrower shall, not later than ninety (90) days after the end of the fourth quarter of the Borrower's Fiscal Year, provide quarterly unaudited financial information for the Borrower and the Borrower Participants prepared by the Borrower. The unaudited financial information shall include a condensed balance sheet and a consolidated statement of operations, presented on a basis substantially consistent with the format of the audited financial statements.

(c) *Default Certificates; Compliance with Financial Covenants.* Within ninety (90) days after the close of each of the first three fiscal quarters of each fiscal year of the Borrower and within one hundred fifty (150) days after the close of each fiscal year of the Borrower, the Borrower shall provide to the Index Rate Holder a certificate in the form of Exhibit A hereto signed by an authorized officer of the Borrower that (i) states that no Event of Default or Default has occurred and is continuing as of the date of such certificate or, if such an Event of Default or Default has occurred and is continuing, specifying the nature thereof and the steps the Borrower is taking to remedy the same and (ii) only for the certificate delivered within one hundred fifty (150) days after the close of each fiscal year of the Borrower, sets forth in reasonable detail the calculation of the financial covenants set forth in Section 5.15 hereof.

(d) *Other Material Events.* The Borrower shall give, or cause to be given, to the Index Rate Holder, within the time period indicated below, notice of the occurrence of each of the following events:

1. not later than ten (10) Business Days after the chief executive officer, the chief financial officer, the treasurer, the vice president, treasury services or the general counsel of Borrower has actual knowledge of the occurrence of any Default or Event of Default, notice of such Default or Event of Default and notice specifying in reasonable detail the nature and period of existence thereof and what action the Borrower has taken or proposes to take with respect thereto;

2. not later than fifteen (15) Business Days after the chief executive officer, the chief financial officer, the treasurer, the vice president, treasury services or the general counsel of Borrower has actual knowledge of the occurrence of any “default” or “event of default” as defined under any Related Document or any Parity Debt Agreement, notice of such default or event of default, and notice specifying in reasonable detail the nature and period of existence thereof and what action the Borrower has taken or proposes to take with respect thereto; and

3. not later than ten (10) Business Days after obtaining knowledge of the occurrence of any of the listed events set forth in CFR § 240.15c2-12 as in effect on the Closing Date with respect to any Parity Indebtedness, notice of such event.

(e) *Further Information.* So long as PNC Bank, National Association is the Index Rate Holder under this Agreement, Borrower will furnish to the Index Rate Holder such other information and in such form as the Index Rate Holder may reasonably request in writing from time to time; *provided, however,* that the Borrower need not disclose to the Index Rate Holder (i) any patient records or other patient information or (ii) any material subject to an attorney-client privilege; *provided, further,* notwithstanding anything to the contrary herein, that failure to deliver information requested by the Index Rate Holder pursuant to this Section 5.01(e) shall not constitute an Event of Default.

The Borrower shall make all financial statements required to be delivered under Section 5.01(a) and Section 5.01(b) available on <http://emma.msrb.org> (or, upon prior written notice to the Index Rate Holder, any other applicable online system used by the Borrower) for the posting of financial statements, and the posting of any such financial statements on <http://emma.msrb.org> (or such other system) no later than the deadlines required by Section 5.01 (or 4.06 of the Capital Obligation Document, as applicable) shall be deemed to be compliance with these sections.

*Section 5.02. Insurance.* The Borrower shall (a) maintain insurance (either through a self-insurance program and/or with financially sound and reputable insurers) with respect to its properties and business and against such liabilities, casualties and contingencies and of such types and in such amounts as are customary in the case of corporations engaged in the same or similar businesses or having similar properties similarly situated, and (b) from time to time, upon request, furnish to the Index Rate Holder a description of its existing insurance coverage and

evidence (which shall take the form of executed insurance certificates) that such insurance is in full force and effect.

*Section 5.03. Payment of Taxes and Other Potential Charges and Priority Claims.* Except as with respect to Permitted Encumbrances, the Borrower shall, and shall cause each of the other members of the CHI Reporting Group to, pay or discharge:

(1) on or prior to the date on which penalties attach thereto, all material taxes, assessments and other governmental charges lawfully imposed upon it or any of its properties;

(2) on or prior to the date when due, all material lawful claims of materialmen, mechanics, carriers, warehousemen, landlords and other like Persons that, if unpaid, might result in the creation of a Lien upon any such Property; and

(3) on or prior to the date when due, all other material lawful claims that, if unpaid, might result in the creation of a Lien upon any such Property or that, if unpaid, might give rise to a claim entitled to priority over general creditors of the Borrower or such Subsidiary in a case under Title 11 (Bankruptcy) of the United States Code, as amended;

provided, that unless and until foreclosure, levy, sale or similar proceedings shall have been commenced, the Borrower or such other member of the CHI Reporting Group need not pay or discharge any such tax, assessment, charge or claim so long as (x) the validity thereof is contested in good faith and by appropriate proceedings diligently conducted and (y) such reserves or other appropriate provisions as may be required by GAAP shall have been made therefor.

*Section 5.04. Preservation of Corporate Status.* (a) The Borrower will, and will cause each member of the CHI Reporting Group to, preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation and remain qualified in each other jurisdiction in which the failure to preserve and maintain the same or remain so qualified could have a Material Adverse Effect; *provided, however*, that nothing contained in this Section 5.04(a) shall prevent any merger or consolidation permitted under the Capital Obligation Document and Section 5.17 hereof.

(b) *Tax Exempt Status.* The Borrower will, and will cause each CHI Affiliate to, maintain its status as a corporation exempt from Federal income tax under Section 501(a) of the Code by reason of being an organization described in Section 501(c)(3) of the Code, to the extent it is necessary for such entity to do so in order to maintain the exemption of interest on the Bonds from federal income taxation.

*Section 5.05. Governmental Approvals and Filings.* The Borrower shall keep and maintain in full force and effect all Governmental Actions necessary in connection with execution and delivery of this Agreement or any other Related Document, consummation of the transactions hereon or therein contemplated, performance of or compliance with the terms and conditions hereof or thereof or to ensure the legality, validity, binding effect, enforceability or

admissibility in evidence hereof or thereof, except to the extent that failure to maintain the same could not reasonably be expected to result in a Material Adverse Effect.

*Section 5.06. Maintenance of Properties.* The Borrower shall maintain, or cause to be maintained, in good repair, working order and condition, ordinary and reasonable wear and tear excepted, all Property now or hereafter owned, leased or otherwise possessed by it and its Subsidiaries in all material respects, and shall make or cause to be made all needful and proper repairs, renewals, replacements and improvements thereto, in each case as and to the extent necessary or appropriate to the proper and advantageous conduct of its business in all material respects.

*Section 5.07. Avoidance of Other Conflicts.* The Borrower shall comply, and shall cause each Subsidiary to, comply with:

- (1) any Law,
- (2) its articles of incorporation or by-laws (or other constituent documents),  
and
- (3) any agreement or instrument to which it is a party or by which it is a party or by which it or any of its respective properties may be subject or bound,

in each case, the non-compliance with which could reasonably be expected to have a Material Adverse Effect.

*Section 5.08. Books and Records; Inspection Rights.* The Borrower shall, and shall cause each member of the CHI Reporting Group to, make and keep books, records and accounts that, in reasonable detail, accurately and fairly reflect its transactions and dispositions of its assets and maintain adequate systems of internal accounting controls; and, from and after the occurrence and during the continuation of any event or condition that with notice, passage of time or any combination of the foregoing, would constitute an Event of Default described in Section 6.01(h) or 6.01(i) hereof or an Event of Default, at any reasonable time and from time to time, upon reasonable notice in writing, the Borrower shall permit, and will cause each of the other members of the CHI Reporting Group to permit, the Index Rate Holder or agents or representatives thereof, at the expense of the Borrower, to examine and make copies of and abstracts from the records (specifically excluding, however, any such books or records (i) subject to the attorney-client privilege, (ii) to the extent they include personnel, patient and similar records that the Borrower is not permitted by law to disclose or (iii) identifying donors to the Borrower), and books and accounts of, and to visit the properties of, the Borrower and/or the other members of the CHI Reporting Group) and to discuss the affairs, finances and accounts of the Borrower and/or the other members of the CHI Reporting Group with any of its officers and independent auditors (and by this provision the Borrower agrees to authorize such auditors to discuss with the Index Rate Holder or agents or representatives thereof such affairs, finances and accounts at such time).

*Section 5.09. Use of Proceeds.* The proceeds of the Bonds shall not be applied in violation of any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board), the Indenture or the Capital Obligation Document.

*Section 5.10. Conduct of Business.* The Borrower shall cause the business of the Borrower and each other member of the CHI Reporting Group, taken as a whole, to be conducted substantially as conducted and operated during the present and preceding fiscal year. In furtherance of the foregoing, the Borrower will maintain, and the Borrower will cause each other member of the CHI Reporting Group to maintain, (i) all accreditations with respect to the operation of their respective properties and businesses, and (ii) all permits, licenses and other governmental approvals, in each case, with respect to the operation of their respective properties and businesses, except to the extent that failure to so maintain could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

*Section 5.11. Maintenance of Church Plans and Plans.* The Borrower shall and shall cause each Controlled Group Member to (a) keep in full force and effect any and all Church Plans and Plans that are presently in existence or may, from time to time, come into existence, unless such Church Plans or Plans can be terminated without Material Adverse Effect to the Borrower or the applicable Controlled Group Member in connection with such termination; (b) make contributions to each of their Church Plans and Plans in a timely manner and in a sufficient amount to comply with the terms of each such pension plan; and (c) comply with all material requirements of the Code, ERISA and applicable Law that relate to Church Plans or Plans, as applicable. The Borrower shall deliver to the Index Rate Holder, promptly after the filing or receipt thereof, copies of all reports or notices that the Borrower or Controlled Group Member files or receives under ERISA with or from the Internal Revenue Service, the PBGC or the U.S. Department of Labor, other than reports or notices that would not in the Borrower's reasonable opinion have a Material Adverse Effect.

*Section 5.12. Environmental Compliance.* The Borrower shall use, operate and maintain all of its Properties in material compliance with all Environmental Laws, keep or acquire all necessary permits, approvals, certificates, licenses and other authorizations relating to environmental matters in effect and remain in material compliance therewith, and handle all Environmental Concern Materials in material compliance with all Environmental Laws.

*Section 5.13. Incorporation of Covenants.* (a) The Borrower shall comply with all its covenants and agreements set forth in Article IV and Article VI of the Capital Obligation Document, which covenants and agreements are hereby incorporated herein by reference and, notwithstanding anything to the contrary set forth herein or in the Capital Obligation Document, shall be for the benefit of, and run directly to, the Holders, and the Holders shall be entitled to rely upon all such covenants and agreements as though all such covenants and agreements were set forth herein in full or otherwise addressed directly to the Holders. All such covenants and agreements shall be unaffected by any amendment, modification or waiver after the date hereof of the Capital Obligation Document, unless amended, modified or waived in accordance with Section 5.17(a) hereof.

(b) (i) If any Parity Debt Agreement, whether now in effect or entered into by the Borrower after the date hereof or in connection with any amendment to a Parity Debt Agreement, contains any different or more restrictive financial covenant or any different or greater security-related covenant than those contained in this Agreement (the “*Incorporated Covenants*”), then such Incorporated Covenants as well as related defined terms contained therein, respectively, shall be deemed to be incorporated by reference (all of the foregoing, together with any modifications, amendments and waivers thereto that are permitted by Section 5.13(b)(iii) and 5.17(a) hereof, are collectively referred to herein as the “*Incorporated Provisions*”) into this Section 5.13(b) for the benefit of the Holders with the same effect as if each and every such Incorporated Provision were set forth in this Section 5.13(b) in its entirety.

(ii) The Holders shall have the benefits of such Incorporated Provisions for so long as the Primary Beneficiary or any other Person has the benefit of such Incorporated Provisions.

(iii) To the extent that any of the Incorporated Provisions may be amended, modified and waived solely by the Primary Beneficiary (and no other Person has a right in any other agreement to similarly agree to such modification or waiver in any agreement relating to Parity Indebtedness), then the agreement of the Primary Beneficiary to amend, modify or waive such Incorporated Provisions shall be effective to amend, modify or waive such Incorporated Provisions for purposes of this Agreement; *provided, however*, that from and after the occurrence of any Material Default or any Event of Default, no amendment, modification or waiver of the Incorporated Provisions by the Primary Beneficiary shall be effective to amend, modify or waive such Incorporated Provision hereunder without the prior written consent of the Index Rate Holder.

*Section 5.14. Further Assurances.* The Borrower will execute, acknowledge where appropriate, and deliver or file, and cause to be executed, acknowledged where appropriate, and delivered or filed, from time to time promptly at the request of the Index Rate Holder, all such instruments and documents as in the opinion of the Index Rate Holder are necessary or advisable to carry out the intent and purpose of this Agreement and the other Related Documents.

*Section 5.15. Financial Covenants.* The Borrower shall:

(a) *Liquidity Covenant.* Cause the CHI Reporting Group to maintain an aggregate amount of Unrestricted Cash and Investments at least equal to seventy-five (75) Days of Operating Expenses as of the last day of each Fiscal Year of the CHI Reporting Group. The foregoing Liquidity Covenant shall be tested and reported annually.

(b) *Historical Debt Service Coverage Ratio.* Cause the CHI Reporting Group to maintain a Historical Debt Service Coverage Ratio of at least 1.1 to 1.0 as of the last day of each fiscal year of the CHI Reporting Group. The foregoing Historical Debt Service Coverage Ratio shall be tested and reported annually.

(c) *Debt to Capitalization Ratio.* Cause the CHI Reporting Group to maintain a Debt to Capitalization Ratio at a level not greater than 0.65 to 1.0 as of the last day of each fiscal year

of the CHI Reporting Group. The foregoing Debt to Capitalization Ratio shall be tested and reported annually.

*Section 5.16. Maintenance of Rating.* The Borrower shall at all times cause to be maintained underlying long-term unenhanced ratings on all or part (as determined by the Borrower in its reasonable discretion) of the Relevant Indebtedness (other than the Bonds) by at least two Rating Agencies. Additionally, the Borrower shall not at any time permit any rating to be withdrawn or suspended or unavailable if the effect of such withdrawal or suspension or unavailability would be to cure an Event of Default under this Agreement or reduce the Applicable Spread.

*Section 5.17. Negative Covenants of the Borrower.* (a) The Borrower will not modify, amend or supplement, or give any consent to any modification, amendment or supplement or make any waiver with respect to, any provision of any Related Document if such amendment, modification or supplement in the reasonable judgment of the Index Rate Holder, would be adverse to the Holders (it being understood that, in order to effectuate the provisions of this Section 5.17(a), the Borrower will furnish to the Index Rate Holder copies or drafts of all proposed modifications, amendments, supplements and waivers with respect to the Related Document and obtain from the Index Rate Holder the reasonable judgment of the Index Rate Holder as to whether the effect thereof could be adverse to the Holders); *provided, however*, that nothing contained in this Section 5.17(a) shall limit, alter or modify, or be deemed to limit, alter or modify, in any respect or to any extent, the provisions of Section 5.13 of this Agreement.

(b) The Borrower shall not create, incur, assume or suffer to exist Indebtedness (other than Indebtedness evidenced or secured by Permitted Encumbrances) that is senior to any Relevant Indebtedness including the Obligations secured by the Capital Obligation.

(c) If at any time the long-term unenhanced rating on the Relevant Indebtedness shall be reduced below a rating of “A3” by Moody’s or “A-” by Standard & Poor’s or “A-” by Fitch, then:

(1) *Certain Significant Transactions.* (i) The Borrower will not (whether in a single transaction or a series of transactions) sell, lease, assign, transfer or otherwise dispose of, or permit any other member of the CHI Reporting Group to sell, lease, assign, transfer or otherwise dispose of, any assets constituting in excess of twenty percent (20%) of the assets of the CHI Reporting Group (as shown on the financial statements of the CHI Reporting Group for the most recently completed fiscal year of the CHI Reporting Group and as such assets were valued for purposes of such financial statements);

(ii) the Borrower will not (whether in a single transaction or a series of transactions) permit any other Person or Persons (other than another member of the CHI Reporting Group) having assets in excess of twenty percent (20%) of the assets of the CHI Reporting Group (as shown on the financial statements of the CHI Reporting Group for the most recently completed fiscal year of the CHI

Reporting Group) or revenues in excess of twenty percent (20%) of the revenues of the CHI Reporting Group (as shown on the financial statements of the CHI Reporting Group for the most recently completed fiscal year of the CHI Reporting Group) (such Person or Persons being referred to herein, collectively, as a “*Significant Person*”) to consolidate with the Borrower under circumstances in which the Borrower is the Person surviving such consolidation or to merge into the Borrower; and

(iii) the Borrower will not (whether in a single transaction or a series of transactions) permit any Significant Person (other than another member of the CHI Reporting Group) to consolidate with or to merge with or into any other member of the CHI Reporting Group, unless each of the following conditions shall have been fulfilled:

(A) such transaction, and the actions of the Borrower with respect thereto, are in compliance with Section 405 of the Capital Obligation Document;

(B) if such transaction had occurred during the most recently completed fiscal year of the CHI Reporting Group for which financial statements are available, the Historical Debt Service Coverage Ratio of the CHI Reporting Group for such fiscal year would not have been less than 1.5 to 1.0 and the Debt to Capitalization Ratio of the CHI Reporting Group as of the last day of such fiscal year would not have been greater than 0.65 to 1.0; and

(C) prior to or concurrently with the consummation of such transaction, the Borrower shall have furnished to the Index Rate Holder written notice of such transaction (containing a reasonably detailed description of such transaction) and a certificate of the chief financial officer of the Borrower to the effect that each of the conditions precedent to such transaction contained in this Section 5.17(c) has been fulfilled (and, in the case of such condition precedent contained in the preceding clause (B), demonstrating in reasonable detail the basis for such fulfillment.

(2) *Consolidation, Merger, etc.* The Borrower will not liquidate or dissolve or otherwise dispose of all or substantially all of its assets (whether in a single transaction or a series of transactions) or merge into another Person or permit one or more other Persons to consolidate with it under circumstances in which such other Person or Persons is or are the Person or Persons surviving such consolidation, unless each of the following conditions shall have been fulfilled:

(A) such disposition, merger or consolidation, and the actions of the Borrower with respect thereto, are in compliance with the applicable provisions of Section 405 of the Capital Obligation Document;

(B) if such disposition, merger or consolidation had occurred during the most recently completed fiscal year of the CHI Reporting Group for which financial statements are available, the Historical Debt Service Coverage Ratio of the CHI Reporting Group for such fiscal year would not have been less than 1.5 to 1.0 and the Debt to Capitalization Ratio of the CHI Reporting Group as of the last day of such fiscal year would not have been greater than 0.65 to 1.0;

(C) after giving effect to such disposition, consolidation or merger, no Default or Event of Default will have occurred and be continuing;

(D) the Person to which such disposition is made or the Person surviving such consolidation or merger assumes in writing, reasonably satisfactory in form and substance to the Index Rate Holder, the performance of all of the obligations, covenants, agreements and conditions of this Agreement and the Related Documents to which the Borrower is a party; and

(E) the Borrower shall have given to the Index Rate Holder not less than twenty (20) days' prior written notice of such disposition, merger or consolidation and furnished to the Index Rate Holder (i) all such information concerning such disposition, consolidation or merger as the Index Rate Holder shall have reasonably requested, and (ii) a certificate of an appropriate officer of the Borrower to the effect that each of the conditions precedent to such disposition, merger or consolidation contained in this Section 5.17(c) has been fulfilled (and, in the case of such condition precedent contained in the preceding clause (B), demonstrating in reasonable detail the basis for such fulfillment).

(3) *Liens.* The Borrower shall not and shall not permit any other member of the CHI Reporting Group to at any time create, incur, assume or suffer to exist any Lien of the Borrower or any other member of the CHI Reporting Group on any of its Property to secure Indebtedness, or agree, become or remain liable (contingently or otherwise) to do any of the foregoing, except for Permitted Encumbrances; *provided* that such covenant by the Borrower with respect to a Designated Affiliate, or which is otherwise inclusive of a Designated Affiliate, shall be limited, as it pertains to such Designated Affiliate(s), to the best efforts of the Borrower.

## ARTICLE VI

### EVENTS OF DEFAULT

*Section 6.01. Events of Default.* The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an “Event of Default” hereunder, unless waived in writing by the Index Rate Holder:

(a) *Payment Failure.* Default by the Borrower in the due and punctual payment of: (i) Required Bond Payments and (ii) any other Obligations when due hereunder or under any of the other Related Documents.

(b) *Representation and Warranties.* Any representation or warranty made or deemed made by the Borrower in or pursuant to or in connection with this Agreement or any other Related Document, or any statement made by the Borrower in any financial statement, certificate, report, exhibit or document furnished pursuant to or in connection with this Agreement or any other Related Document, shall prove to have been false or misleading in any material respect as of the time when made or deemed made; or

(c) *Certain Covenant Breaches.* The Borrower shall default in the performance or observance of any of the covenants contained in Section 5.04, 5.05, 5.09, 5.13 (but solely with respect to financial covenants and subject to their respective cure periods, as applicable), 5.15, 5.16 or 5.17 hereof; or

(d) *Other Covenant Breaches.* The Borrower shall default in the performance or observance of any of the covenants contained in this Agreement (other than as elsewhere specifically addressed in another paragraph of this Section 6.01), which breach remains uncured for a period that is the earlier to occur of (A) thirty (30) days after the chief executive officer, the chief financial officer, the treasurer, the vice president, treasury services or the general counsel of Borrower has actual knowledge of such breach or (B) thirty (30) days after written notice to Borrower from the Index Rate Holder.

(e) *Cross-Default.* (i) The Borrower or any other member of the CHI Reporting Group shall fail to pay when due any principal of or premium, if any, or interest on any Parity Indebtedness or any payments on any Interest Rate Agreement that constitutes Parity Indebtedness, or (ii) the Borrower or any other Material Subsidiary shall fail to pay when due (A) any principal of or premium, if any, or interest on any Indebtedness of the Borrower or any Material Subsidiary, as applicable, which is outstanding in an amount of \$50,000,000 or more (other than Indebtedness of the Borrower or any Material Subsidiary, as applicable, under this Agreement and Indebtedness of the Borrower that is expressly by its terms subordinated in payment to the “Obligations” of the Borrower under and as defined in the Capital Obligation Document) or (B) any payment or payments which individually or in the aggregate equal or exceed \$50,000,000 under any Interest Rate Agreement (other than an Interest Rate Agreement described in clause (i) above) to which the Borrower or any Material Subsidiary, as applicable, is a counterparty; or

(f) *Judgment.* One or more final, non-appealable judgments in respect to the payment of money shall have been entered against the Borrower or any member of the CHI Reporting Group, which judgment or judgments, exceed \$50,000,000 in the aggregate, and such judgment or judgments shall have remained undischarged, unbonded and unstayed for a period of sixty (60) consecutive days; or

(g) *Invalidity; Contest.* Any Related Document or term or provision thereof relating to the payment of principal or interest on the Bonds or the Capital Obligation shall cease to be in full force and effect or fully enforceable against the Borrower or any Material Subsidiary a party thereto, or the Borrower or any Material Subsidiary, or any Governmental Authority in a final non-appealable judgment or order, shall, or shall purport to, terminate (except in accordance with the terms of such Related Document), repudiate, declare voidable or void, or otherwise contest the legality, validity, binding effect or enforceability of, any Related Document or any term or provision thereof relating to the payment of principal or interest on the Bonds or the Capital Obligation.

(h) *Insolvency.* (i) A proceeding shall have been instituted in respect of the Borrower or any Material Subsidiary:

(i) seeking to have an order for relief entered in respect of such Person, or seeking a declaration or entailing a finding that such Person is insolvent or a similar declaration or finding, or seeking dissolution, winding-up, charter revocation or forfeiture, liquidation, reorganization, arrangement, adjustment, composition or other similar relief with respect to such Person, its assets or its debts under any Law relating to bankruptcy, insolvency, relief of debtors or protection of creditors, termination of legal entities or any other similar Law now or hereafter in effect, or

(ii) seeking appointment of a receiver, trustee, liquidator, assignee, sequestrator or other custodian for such Person or for all or any substantial part of its Property,

and such proceeding shall result in the entry, making or grant of any such order for relief, declaration, finding, relief or appointment, or such proceeding shall remain undismissed and unstayed for a period of sixty (60) consecutive days.

(i) The Borrower or any Material Subsidiary shall become insolvent; shall fail to pay, become unable to pay, or state that it is or will be unable to pay, its debts as they become due; shall voluntarily suspend transaction of its business; shall make a general assignment for the benefit of creditors; shall institute (or fail to controvert within 60 days) a proceeding described in Section 6.01(h)(i), or (whether or not any such proceeding has been instituted) shall consent to or acquiesce in any such order for relief, declaration, finding or relief described therein; shall institute (or fail to controvert within 60 days) a proceeding described in Section 6.01(h)(ii), or (whether or not any such proceeding has been instituted) shall consent to or acquiesce in any such appointment or to the taking of possession by any such custodian of all or any substantial part of its Property; shall

dissolve, wind-up, revoke or forfeit its charter or liquidate itself or any substantial part of its Property; or shall take any action in furtherance of any of the foregoing; or

(j) *Cross-Default.* Any “Event of Default” under and as defined in any of the Related Documents shall have occurred and be continuing; or

(k) *Rating Downgrade.* The long-term unenhanced rating on the Relevant Indebtedness shall be withdrawn, suspended (other than any such withdrawal that results from the payment, redemption or defeasance of the applicable Relevant Indebtedness) or reduced below a rating of “Baa2” by Moody’s or “BBB” by Standard & Poor’s or “BBB” by Fitch; or

(l) *Pension-Related Event.* A Pension-Related Event occurs; *provided, however,* that with respect to any Plan that is a Multiemployer Plan, such event or condition shall not be an Event of Default unless the withdrawal liability or the past due obligation to make contributions of the Borrower or any Controlled Group Member to such Plan or the PBGC in connection with such event or condition exceeds \$50,000,000.

*Section 6.02. Consequences of an Event of Default.* If an Event of Default specified in Section 6.01 hereof shall occur and be continuing, the Index Rate Holder may:

(a)(i) by written notice to the Borrower, declare the outstanding amount of the Obligations under this Agreement to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue, *provided that,* if any Event of Default described in Section 6.01(h) or (i) hereof shall occur, the Obligations under this Agreement shall be automatically mature and be due and payable on the date of the occurrence of such Event of Default without presentment, demand, protest, notice of intention to accelerate, notice of acceleration or other notice of any kind to the Borrower or any other Person, all of which are hereby expressly waived;

(ii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Borrower under the Related Documents, whether for specific performance of any agreement or covenant of the Borrower or in aid of the execution of any power granted to any Holder in the Related Documents;

(iii) deliver a written notice to the Bond Trustee and the Borrower that an Event of Default has occurred and is continuing and directing the Bond Trustee to cause a mandatory tender or an acceleration of the Bonds or remedial action as is provided for in the Indenture;

(iv) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however*, that the Index Rate Holder shall have no obligation to effect such a cure; and

(v) exercise (other than as provided for in clause (iii) of this Section 6.02(a)), or cause to be exercised, any and all remedies as it may have under the Related Documents and as otherwise available at law and at equity.

(b) In the case of an Event of Default described in Section 6.01(b) hereof, the Index Rate Holder shall notify the Borrower of a mandatory tender or an acceleration at least thirty (30) days prior thereto. In the case of any Event of Default described in Section 6.01(c) hereof, the Index Rate Holder shall notify the Borrower of a mandatory tender or an acceleration at least thirty (30) days prior thereto; *provided however*, that if any other Parity Debt Agreement does not require that the Borrower be notified of a mandatory tender or an acceleration at least thirty (30) days prior thereto in connection with any event of default under such Parity Debt Agreement similar to an Event of Default described in Section 6.01(c) hereof, then no such thirty (30) day notice from the Index Rate Holder to the Borrower shall be required hereunder in connection with a mandatory tender or an acceleration following any Event of Default described in Section 6.01(c) hereof. Notwithstanding the foregoing sentences of this Section 6.02(b), if any other holder or credit enhancer of Parity Indebtedness or any counterparty under any Interest Rate Agreement related thereto or any other Primary Beneficiary causes any such Parity Indebtedness or other obligations of the Borrower to become immediately due and payable, the Index Rate Holder may immediately, without notice, avail itself of the remedies set forth in 6.02(a)(i) and 6.02(a)(iii) hereof and/or declare or cause to be declared the unpaid principal amount of all outstanding Bonds, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder to be immediately due and payable.

*Section 6.03. Remedies Cumulative; Solely for the Benefit of Holders.* To the extent permitted by, and subject to the mandatory requirements of, applicable law, each and every right, power and remedy herein specifically given to the Index Rate Holder and the other Holders in the Related Documents shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Index Rate Holder and the other Holders, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

The rights and remedies of the Index Rate Holder and the other Holders specified herein are for the sole and exclusive benefit, use and protection of the Index Rate Holder and the other Holders, and the Index Rate Holder and the other Holders are entitled, but shall have no duty or obligation to the Borrower, the Bond Trustee or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Index Rate Holder or any other Holder hereunder or under any of the other Related Documents.

*Section 6.04. Waivers or Omissions.* No delay or omission by the Index Rate Holder or any other Holder in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right, remedy or power or be construed to be a waiver of any default on the part of the Index Rate Holder or any other Holder or to be acquiescence therein. No express or implied waiver by the Index Rate Holder of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

*Section 6.05. Discontinuance of Proceedings.* In case the Index Rate Holder or any other Holder shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Index Rate Holder or such other Holder shall have the unqualified right so to do and, in such event, the Borrower, Index Rate Holder and the other Holders shall be restored to their former positions with respect to the Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Index Rate Holder or any other Holders hereunder shall continue as if the same had never been invoked.

## ARTICLE VII

### INDEMNIFICATION

*Section 7.01. Indemnification.* In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the Borrower hereby agrees (to the extent permitted by law) to indemnify and hold harmless the Index Rate Holder and its officers, directors and agents (each, an “*Indemnitee*”) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys’ fees) that may incur or that may be claimed against an Indemnitee by any Person or entity whatsoever (collectively, the “*Liabilities*”) by reason of or in connection with (a) the execution and delivery or transfer of, or payment or failure to pay under, any Related Document; (b) the issuance and sale of the Bonds; and (c) the use of the proceeds of the Bonds; *provided* that the Borrower shall not be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused the willful misconduct or gross negligence of such Indemnitee. If any proceeding shall be brought or threatened against an Indemnitee by reason of or in connection with the events described in clause (a), (b) or (c) as a condition of indemnity hereunder each Indemnitee shall promptly notify the Borrower in writing and the Borrower shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnitee and the payment of all reasonable costs of litigation. Notwithstanding the preceding sentence, each Indemnitee shall have the right to employ its own counsel and to determine its own defense of such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the employment of such counsel shall have been authorized in writing by the Borrower, or (ii) the Borrower, after due notice of the action, shall not have employed counsel satisfactory to such Indemnitee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnitee shall be borne by the Borrower. The Borrower shall not be liable for any settlement of any such action effected without its consent. Nothing under this Section 7.01 is intended to limit the Borrower’s payment of the Obligations.

*Section 7.02. Survival.* The obligations of the Borrower under this Article VII shall survive the payment of the Bonds and the termination of this Agreement.

## ARTICLE VIII

### MISCELLANEOUS

*Section 8.01. Patriot Act Notice.* The Index Rate Holder hereby notifies the Borrower that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Index Rate Holder to identify the Borrower in accordance with the Patriot Act. The Borrower hereby agrees that it shall promptly provide such information upon request by the Index Rate Holder.

*Section 8.02. Further Assurances.* From time to time upon the request of either party hereto, the other shall promptly and duly execute, acknowledge and deliver any and all such further instruments and documents as the requesting party may in its reasonable discretion deem necessary or desirable to confirm this Agreement, and the other Related Documents, to carry out the purpose and intent hereof and thereof or to enable the requesting party to enforce any of its rights hereunder or thereunder. At any time, and from time to time, upon request by the Index Rate Holder, the Borrower will, at the Borrower's expense, correct any defect, error or omission that may be discovered in the form or content of any of the Related Documents. Upon any failure by the Borrower to do so, the Index Rate Holder or the Bond Trustee may make, execute and record any and all such instruments, certificates and other documents for and in the name of the Borrower, all at the sole expense of the Borrower, and the Borrower hereby appoints the Index Rate Holder and the Bond Trustee as the agent and attorney-in-fact of the Borrower to do so, this appointment being coupled with an interest and being irrevocable. In addition, at any time, and from time to time, upon request by the Index Rate Holder or the Bond Trustee, the Borrower will, at the Borrower's expense, provide any and all further instruments, certificates and other documents as may, in the opinion of the Index Rate Holder or the Bond Trustee, be necessary or desirable in order to verify the Borrower's identity and background in a manner satisfactory to the Index Rate Holder or the Bond Trustee.

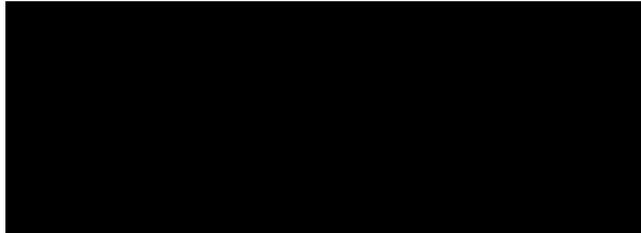
*Section 8.03. Amendments and Waivers; Enforcement.* The Index Rate Holder and the Borrower may from time to time enter into agreements amending, modifying or supplementing this Agreement or the other Related Documents or changing the rights of the Index Rate Holder or the Borrower hereunder or thereunder, and the Index Rate Holder may from time to time grant waivers or consents to a departure from the due performance of the obligations of the Borrower hereunder or thereunder. Any such agreement, waiver or consent must be in writing and shall be effective only to the extent specifically set forth in such writing. In the case of any such waiver or consent relating to any provision hereof, any Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Default or Event of Default or impair any right consequent thereto.

*Section 8.04. No Implied Waiver; Cumulative Remedies.* No course of dealing and no delay or failure of the Index Rate Holder in exercising any right, power or privilege under this Agreement or the other Related Documents shall affect any other or future exercise thereof or exercise of any right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Index Rate Holder under this Agreement are cumulative and not exclusive of any rights or remedies that the Index Rate Holder would otherwise have under any Related Document, at law or in equity.

*Section 8.05. Notices.* All notices, requests, demands, directions and other communications (collectively “*notices*”) under the provisions of this Agreement shall be in writing (including email and facsimile communication), unless otherwise expressly permitted hereunder, and shall be sent by first-class mail or overnight delivery and shall be deemed received as follows: (i) if by first class mail, five (5) days after mailing; (ii) if by overnight delivery, on the next Business Day; (iii) if by email, when appropriate answer back is received; (iv) if by telephone, when given to a person who confirms such receipt; and (v) if by facsimile, when confirmation of receipt is obtained. All notices shall be sent to the applicable party at the following address or in accordance with the last unrevoked written direction from such party to the other parties hereto:

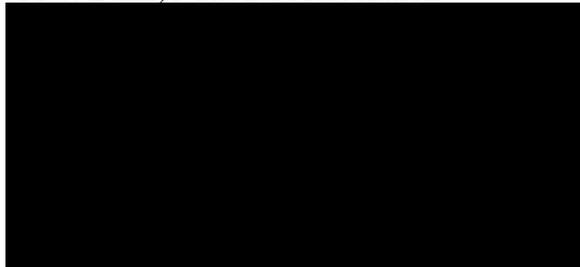
If to the Borrower:

Catholic Health Initiatives



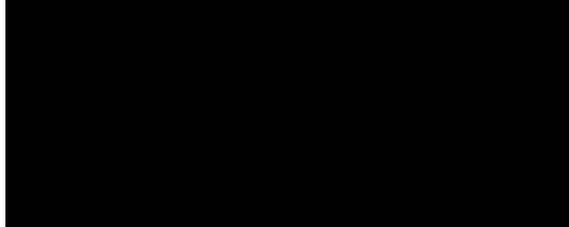
If to the Index Rate Holder:

PNC Bank, National Association



If to the Bond Trustee:

Wells Fargo Bank, National Association



The Index Rate Holder may rely on any notice (including telephone communication) purportedly made by or on behalf of the other, and shall have no duty to verify the identity or authority of the Person giving such notice, unless such actions or omissions would amount to gross negligence or intentional misconduct.

*Section 8.06. Reserved.*

*Section 8.07. No Third-Party Rights.* Nothing in this Agreement, whether express or implied, shall be construed to give to any Person other than the parties hereto and the Holders any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto; *provided that*, the Issuer shall be entitled to the receipt of certain notices and information as provided herein and may enforce such rights hereunder.

*Section 8.08. Severability.* The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

*Section 8.09. Governing Law; Consent To Jurisdiction; Waiver of Jury Trial.* (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS; *PROVIDED, HOWEVER*, THAT THE OBLIGATIONS OF THE BORROWER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF COLORADO.

(b) EACH PARTY HERETO CONSENTS TO AND SUBMITS TO IN PERSONAM JURISDICTION AND VENUE IN THE COMMONWEALTH OF PENNSYLVANIA AND IN THE FEDERAL DISTRICT COURTS THAT ARE LOCATED IN THE COMMONWEALTH OF PENNSYLVANIA. EACH PARTY ASSERTS THAT IT HAS PURPOSEFULLY AVAILED ITSELF OF THE BENEFITS OF THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA AND WAIVES ANY OBJECTION TO IN PERSONAM JURISDICTION ON THE GROUNDS OF MINIMUM CONTACTS, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY PLEA OF FORUM NON CONVENIENS. THIS CONSENT TO AND SUBMISSION TO JURISDICTION IS WITH REGARD TO ANY ACTION RELATED TO THIS AGREEMENT. REGARDLESS OF WHETHER THE PARTY'S ACTIONS TOOK PLACE IN THE COMMONWEALTH OF PENNSYLVANIA OR ELSEWHERE IN THE UNITED STATES, THIS

SUBMISSION TO JURISDICTION IS NONEXCLUSIVE, AND DOES NOT PRECLUDE EITHER PARTY FROM OBTAINING JURISDICTION OVER THE OTHER IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) EACH PARTY HERETO WAIVES ITS RIGHT TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE INDEX RATE HOLDER TO ENTER INTO THIS AGREEMENT AND THAT THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE BORROWER AND THE INDEX RATE HOLDER IS MADE IN RELIANCE UPON SUCH WAIVER. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE FOLLOWING CONSULTATION WITH ITS RESPECTIVE LEGAL COUNSEL.

(d) The covenants and waivers made pursuant to this Section 8.09 shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

*Section 8.10. Duration.* All representations and warranties of the Borrower contained herein or made in connection herewith shall survive the making of and shall not be waived by the execution and delivery of this Agreement or the other Related Documents. All covenants and agreements of the Borrower contained herein shall continue in full force and effect from and after the date hereof until the Obligations have been fully discharged.

*Section 8.11. Counterparts.* This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

*Section 8.12. Successors and Assigns.* This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns. The Borrower may not assign its rights or obligations under this Agreement or the other Related Documents without the prior consent of the Index Rate Holder.

*Section 8.13. Assignability. Successors and Assigns Generally.* (a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the Borrower, its successors, transferees and assigns and shall inure to the benefit of the Holders and their respective successors and permitted transferees and assigns. The Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or under the Related Documents without the prior written consent of the Index Rate Holder. Each Holder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Bonds and the Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Holder may at any time pledge or assign a security interest subject to the restrictions of paragraph (d) of this Section. PNC Bank, National Association shall be the Index Rate Holder hereunder until such time as the Index Rate Holder designates an alternate Person to serve as the Index Rate Holder hereunder by delivery of written notice to the Borrower, the Issuer and the Bond Trustee and

such Person accepts and agrees to act as the Index Rate Holder hereunder and under the Related Documents. The Index Rate Holder may so designate an alternate Person to act as the Index Rate Holder from time to time. Upon acceptance by the successor Index Rate Holder and notification thereof to the Borrower, the Issuer and the Bond Trustee, the successor to the Index Rate Holder for such purposes shall thereupon succeed to and become vested with all of the rights, powers, privileges and responsibilities of the Index Rate Holder, and PNC Bank, National Association or any other Person being replaced as the Index Rate Holder shall be discharged from its duties and obligations as the Index Rate Holder hereunder.

(b) *Sales and Transfers by Holder to an Index Rate Holder Affiliate Transferee.* Without limitation of the foregoing generality, a Holder may at any time sell or otherwise transfer to one or more transferees all or a portion of the Bonds to a Person that is an Index Rate Holder Affiliate (each, a “*Index Rate Holder Affiliate Transferee*”). From and after the date of such sale or transfer, PNC Bank, National Association (and its successors) shall continue to have all of the rights of the Index Rate Holder hereunder and under the other Related Documents as if no such transfer or sale had occurred.

(c) *Sales and Transfers by Holder to a Non-Index Rate Holder Affiliate Transferee.* Without limitation of the foregoing generality, a Holder may at any time sell or otherwise transfer to one or more transferees which are not Index Rate Holder Affiliate Transferees but each of which constitutes (i) a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act or an “accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act or (ii) a trust or other custodial arrangement established by the Index Rate Holder or an Index Rate Holder Affiliate, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act, or “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act (each a “*Non-Index Rate Holder Affiliate Transferee*”) all or a portion of the Bonds if (A) written notice of such sale or transfer, including that such sale or transfer is to a Non-Index Rate Holder Affiliate Transferee, together with addresses and related information with respect to the Non-Index Rate Holder Affiliate Transferee, shall have been given to the Borrower, Issuer, the Bond Trustee and the Index Rate Holder (if different than the Holder) by such selling Holder and Non-Index Rate Holder Affiliate Transferee, and (B) the Non-Index Rate Holder Affiliate Transferee shall have delivered to the Borrower, the Issuer, the Bond Trustee and the selling Holder, an investment letter in substantially the form attached as Exhibit B to the Indenture (the “*Holder Letter*”).

From and after the date the Borrower, the Bond Trustee, the Issuer and the selling Holder have received written notice and an executed Holder Letter, (A) the Non-Index Rate Holder Affiliate Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Holder hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Index Rate Holder Affiliate Transferee, and any reference to the assigning Holder hereunder and under the other Related Documents shall thereafter refer to such transferring Holder and to the Non-Index Rate Holder Affiliate Transferee to the extent of their respective interests, and (B) if the transferring Holder no longer owns any Bonds, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents.

(d) *Certain Pledges.* Each Holder may at any time pledge or grant a security interest in all or any portion of its rights under the Bonds, this Agreement and the Related Documents to secure obligations of the Index Rate Holder, including any pledge or assignment to secure obligations to a Federal Reserve Bank or Federal Home Loan Bank; *provided* that no such pledge or assignment shall release the Index Rate Holder or such Holder from any of its obligations hereunder or substitute any such pledgee or assignee for the Index Rate Holder as a party hereto.

*Section 8.14. Headings.* Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

*Section 8.15. Electronic Signatures.* The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

**[SIGNATURES BEGIN ON THE FOLLOWING PAGE.]**

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

**PNC BANK, NATIONAL ASSOCIATION**



**CATHOLIC HEALTH INITIATIVES**

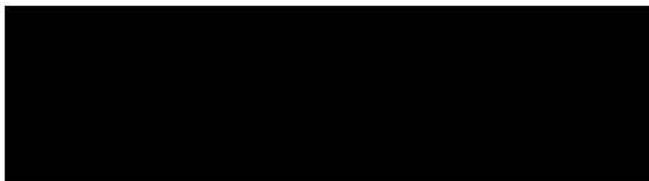
By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

**PNC BANK, NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CATHOLIC HEALTH INITIATIVES**



## EXHIBIT A

### FORM OF COMPLIANCE CERTIFICATE

This Compliance Certificate is furnished to PNC Bank, National Association (the “*Index Rate Holder*”) pursuant to that certain Continuing Covenant Agreement dated as of August 11, 2015 (the “*Agreement*”), between Catholic Health Initiatives (the “*Borrower*”) and the Index Rate Holder. Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the \_\_\_\_\_ of the Borrower;
2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower, the Borrower Participants and the CHI Reporting Group during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event that constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Compliance Certificate, except as set forth below;
4. To the best of my knowledge the financial statements required by Section 5.01[(a)][(b)] of the Agreement and being furnished to you concurrently with this certificate fairly represent the Borrower’s and the Borrower Participants’ financial condition in accordance with GAAP, as of the dates and for the periods covered thereby; and
- 5. The Attachment hereto sets forth financial data and computations evidencing the CHI Reporting Group’s current compliance with certain covenants of the Agreement all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections and definitions of the Agreement.]<sup>1</sup>**

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<sup>1</sup> To be included in the certificate delivered within 150 days after the close of each fiscal year of the Borrower.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during that it has existed and the action that the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

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The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Compliance Certificate in support hereof, are made and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CATHOLIC HEALTH INITIATIVES

By \_\_\_\_\_  
Its \_\_\_\_\_

\_\_\_\_\_  
(Type or Print Name)

\_\_\_\_\_  
(Title)

**ATTACHMENT TO COMPLIANCE CERTIFICATE**  
**COMPLIANCE CALCULATIONS FOR CONTINUING COVENANT AGREEMENT**

Dated as of \_\_\_\_\_, 20\_\_  
Calculations as of \_\_\_\_\_, 20\_\_

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**A. Liquidity Covenant (Section 5.15(a))**

- |    |  |          |
|----|--|----------|
| 1. | Unrestricted Cash and Investments                              | \$ _____ |
| 2. | Days of Operating Expenses                                     | _____    |
| 3. | Quotient of Line A1 divided by Line A2                         | _____    |
| 4. | Line A3 ratio must be greater than or equal to                 | 75       |
| 5. | The CHI Reporting Group is in compliance<br>(circle yes or no) | yes/no   |

**B. Historical Debt Service Coverage Ratio (Section 5.15(b))**

- |    |  |          |
|----|--|----------|
| 1. | Income Available of Debt Service                               | \$ _____ |
| 2. | Debt Service Requirements on Long-Term Indebtedness            | \$ _____ |
| 3. | Ratio of Line B1 to Line B2                                    | ____:1.0 |
| 4. | Line B3 ratio must not be less than                            | 1.1:1.0  |
| 5. | The CHI Reporting Group is in compliance<br>(circle yes or no) | yes/no   |

**C. Debt to Capitalization Ratio (Section 5.15(c))**

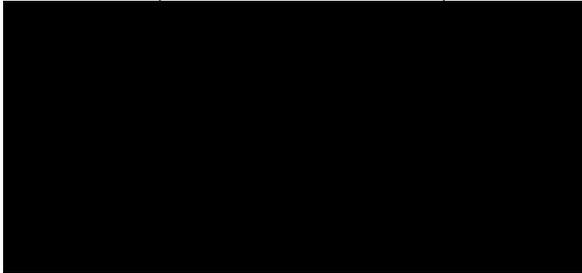
- |    |   |              |
|----|---|--------------|
| 1. | Aggregate principal amount of the outstanding<br>Long-Term Indebtedness of the CHI Reporting<br>Group   | \$ _____     |
| 2. | Total Unrestricted Net Assets (or, in the case of<br>for-profit members, shareholders' equity) of the<br>members of the CHI Reporting Group as reflected<br>in or derived for the most recent financial<br>statement of the CHI Reporting Group | \$ _____     |
| 3. | Sum of Lines C1 and C2  | \$ _____     |
| 4. | Ratio of Line C1 to C3  | ____ to ____ |
| 5. | Line C4 ratio must not be greater than  | 0.65 to 1.0  |
| 6. | The CHI Reporting Group is in compliance<br>(circle one)  | yes/no       |

[EXHIBIT B]

FORM OF  
REQUEST FOR DIRECT PURCHASE PERIOD CONVERSION

[Date]

PNC Bank, National Association, as Index Rate Holder



WASHINGTON HEALTH CARE FACILITIES AUTHORITY  
REVENUE BONDS, SERIES 2015A  
(Catholic Health Initiatives)

Ladies and Gentlemen:

Reference is hereby made to that certain Bond Trust Indenture dated as of August 11, 2015 (the “*Indenture*”), between the Washington Health Care Facilities Authority (the “*Issuer*”) and Wells Fargo Bank, National Association, as Trustee and the Continuing Covenant Agreement dated August 11, 2015 (the “*Continuing Covenant Agreement*”) between Catholic Health Initiatives (the “*Borrower*”) and PNC Bank, National Association, as Index Rate Holder (the “*Index Rate Holder*”). All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Indenture.

The Borrower hereby requests, pursuant to Section 2.06 of the Continuing Covenant Agreement, a conversion of the Bonds to a new Index Rate Period on **[Insert Date of Proposed Conversion]** (the “*Conversion Date*”). The Borrower further requests that the Index Rate Purchase Date for the Bonds for the new Index Rate Period be **[Insert Proposed Index Rate Purchase Date]** (the “*Extended Index Rate Purchase Date*”). The Bonds shall bear interest at the Index Rate from the Conversion Date to the Extended Index Rate Purchase Date and the Bonds shall be subject to mandatory purchase at the Purchase Price thereof on such date as provided in the Indenture.

In connection with such request, the Borrower hereby represents and warrants that:

(a) no Default or Event of Default has occurred and is continuing under the Continuing Covenant Agreement;

(b) no event has occurred and is continuing that could reasonably be expected to result in a Material Adverse Change; and

(c) all representations and warranties of the Borrower in the Continuing Covenant Agreement are true and correct and are deemed to be made on the date hereof.

We have enclosed along with this request the following information:

1. The outstanding principal amount of the Bonds;
2. The nature of any and all Defaults and Events of Default; and
3. Any other pertinent information previously requested by the Index Rate Holder.

Please advise if the foregoing terms are acceptable.

Very truly yours,

CATHOLIC HEALTH INITIATIVES

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_