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**LOAN AGREEMENT**

**between**

**PINELLAS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**  
(d/b/a Pinellas County Economic Development Authority)

**and**

**DRS. KIRAN & PALLAVI PATEL 2017 FOUNDATION FOR  
GLOBAL UNDERSTANDING, INC.**

**Dated as of July 1, 2019**

**Relating to**

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**PINELLAS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT REVENUE BONDS  
(DRS. KIRAN & PALLAVI PATEL 2017 FOUNDATION FOR GLOBAL  
UNDERSTANDING, INC., PROJECT),  
SERIES 2019**

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**CERTAIN RIGHTS OF THE ISSUER UNDER THIS AGREEMENT HAVE BEEN ASSIGNED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE UNDER AN INDENTURE OF TRUST, DATED AS OF THE DATE FIRST ABOVE WRITTEN, AS AMENDED OR SUPPLEMENTED FROM TIME TO TIME. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE TRUSTEE AT 10161 CENTURION PARKWAY NORTH, JACKSONVILLE, FLORIDA 32256, ATTENTION: CORPORATE TRUST DIVISION.**

## TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| ARTICLE I DEFINITIONS; RULES OF CONSTRUCTION; AND OTHER PROVISIONS OF<br>GENERAL APPLICATION .....                     | 1           |
| Section 1.01.    Definitions. ....   | 1           |
| Section 1.02.    Rules of Construction.....  | 1           |
| Section 1.03.    Table of Contents; Titles and Headings.....   | 2           |
| ARTICLE II REPRESENTATIONS AND UNDERTAKINGS.....   | 2           |
| Section 2.01.    Representations of the Issuer. ....   | 2           |
| Section 2.02.    Representations of the Borrower.....  | 4           |
| ARTICLE III LOAN TO THE BORROWER; SECURITY; TITLE.....   | 8           |
| Section 3.01.    The Loan and the Note.....  | 8           |
| Section 3.02.    Security for Payments Under this Loan Agreement; Recording<br>and Filing. ....                        | 9           |
| Section 3.03.    Security for Payments Under the Bonds. ....   | 9           |
| Section 3.04.    Warranty of Title.....  | 10          |
| Section 3.05.    Title Insurance.....  | 10          |
| Section 3.06.    Borrower's Covenants Regarding Title.....   | 10          |
| Section 3.07.    Environmental Condition of the Project and Indemnification.....                                       | 11          |
| ARTICLE IV ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PROJECT;<br>ISSUANCE OF THE BONDS; INVESTMENT OF FUNDS..... | 12          |
| Section 4.01.    Acquisition, Construction, and Equipping of the Series 2019<br>Project. ....                          | 12          |
| Section 4.02.    Agreement to Issue the Series 2019 Bonds; Application of<br>Proceeds. ....                            | 13          |
| Section 4.03.    Construction Fund.....  | 13          |
| Section 4.04.    Establishment of Completion Date. ....  | 13          |
| Section 4.05.    Borrower Required to Pay Costs of the Project if any Remaining<br>Costs Due. ....                     | 13          |
| Section 4.06.    Authorized Borrower and Issuer Representatives and<br>Successors. ....                                | 14          |
| Section 4.07.    Investment of Funds and Accounts. ....  | 14          |
| Section 4.08.    Special Investment Covenants.....   | 15          |
| ARTICLE V LOAN AGREEMENT TERM; LOAN PAYMENTS AND OTHER AMOUNTS<br>PAYABLE; NATURE OF OBLIGATIONS OF THE BORROWER.....  | 15          |
| Section 5.01.    Loan Agreement Term. ....   | 15          |
| Section 5.02.    Loan Payments and Other Amounts Payable. ....   | 16          |
| Section 5.03.    Agreement To Deposit Rent Under Lease; Depository Account   |             |

|  |  |    |
|--|--|----|
|  | General Obligation. ....   | 19 |
| Section 5.04.  | Nature of Obligations of the Borrower Hereunder. ....  | 19 |
| ARTICLE VI MAINTENANCE, TAXES, AND INSURANCE .....   |  | 20 |
| Section 6.01.  | Maintenance and Modification of Project by the Borrower.....   | 20 |
| Section 6.02.  | Removal of Equipment. ....   | 22 |
| Section 6.03.  | Taxes, Other Governmental Charges, and Utility Expenses. ....  | 23 |
| Section 6.04.  | Insurance Required. ....   | 24 |
| Section 6.05.  | Application of Net Proceeds of Insurance. ....   | 26 |
| Section 6.06.  | Additional Provisions Respecting Insurance.....  | 26 |
| Section 6.07.  | Insurance Certification; Review by Insurance Consultant. ....  | 27 |
| Section 6.08.  | Advances by the Issuer or the Trustee.....   | 27 |
| ARTICLE VII DESTRUCTION, DAMAGE, AND CONDEMNATION.....   |  | 28 |
| Section 7.01.  | Destruction and Damage.....  | 28 |
| Section 7.02.  | Condemnation.....  | 29 |
| Section 7.03.  | Conditions Precedent to Repair, Restoration, or Replacement of<br>the Project; Other Requirements..... | 30 |
| Section 7.04.  | Condemnation of Property Not Included in Project. ....   | 31 |
| Section 7.05.  | Investment of Net Proceeds. ....   | 31 |
| ARTICLE VIII ADDITIONAL COVENANTS .....  |  | 32 |
| Section 8.01.  | No Warranty of Condition or Suitability by the Issuer.....   | 32 |
| Section 8.02.  | Access to Project and Records.....   | 32 |
| Section 8.03.  | Borrower to Maintain Status; Conditions Under Which<br>Exceptions Permitted. ....                      | 32 |
| Section 8.04.  | Indemnity.....   | 34 |
| Section 8.05.  | Covenant Regarding Financial Statements. ....  | 36 |
| Section 8.06.  | Liquidity Covenant and Indebtedness Test.....  | 36 |
| Section 8.07.  | Deposit Account Control Agreement. ....  | 38 |
| Section 8.08.  | Continuing Disclosure Agreement.....   | 38 |
| Section 8.09.  | Operation of Project and Safety Code.....  | 38 |
| Section 8.10.  | Related Party Transactions.....  | 38 |
| Section 8.11.  | [Reserved.].....   | 38 |
| Section 8.12.  | Calculation and Payment of Rebate Amount. ....   | 38 |
| Section 8.13.  | Annual Compliance Certificate. ....  | 39 |
| ARTICLE IX ASSIGNMENT, SUBLEASING, ENCUMBERING, AND SELLING;<br>REDEMPTION; LOAN PAYMENTS; AND ABATEMENT ..... |  | 40 |
| Section 9.01.  | Assignment and Subleasing.....   | 40 |
| Section 9.02.  | Restrictions on Sale, Encumbrance, or Conveyance of the<br>Project by the Borrower. ....               | 41 |
| Section 9.03.  | Redemption of Bonds.....   | 42 |

|  |    |
|--|----|
| ARTICLE X EVENTS OF DEFAULT AND REMEDIES .....   | 42 |
| Section 10.01.    Events of Default Defined. ....  | 42 |
| Section 10.02.    Remedies on Event of Default.....  | 44 |
| Section 10.03.    No Remedy Exclusive. ....  | 45 |
| Section 10.04.    Agreement to Pay Attorneys' Fees, Costs and Expenses. ....                         | 45 |
| Section 10.05.    Waiver of Events of Default. ....  | 45 |
| Section 10.06.    [Reserved.] .....  | 45 |
| Section 10.07.    No Liability of the Borrower's Officers.....                                       | 45 |
| Section 10.08.    Restoration to Original Positions.....   | 46 |
| Section 10.09.    Delay or Omission Not a Waiver. ....   | 46 |
| Section 10.10.    Waiver of Extension, Stay, and Redemption Laws.....                                | 46 |
| Section 10.11.    Remedies Subject to Provisions of Laws. ....                                       | 47 |
| Section 10.12.    No Right to Conduct Affairs of the Borrower. ....                                  | 47 |
| ARTICLE XI OPTIONS IN FAVOR OF THE BORROWER .....  | 47 |
| Section 11.01.    General Option to Terminate Loan Agreement. ....                                   | 47 |
| Section 11.02.    Option to Prepay Loan Upon the Occurrence of Certain<br>Extraordinary Events. .... | 47 |
| Section 11.03.    Option to Prepay Loan in Connection with Optional<br>Redemption of the Bonds. .... | 49 |
| ARTICLE XII MISCELLANEOUS .....  | 50 |
| Section 12.01.    Notices.....   | 50 |
| Section 12.02.    Construction and Binding Effect. ....  | 52 |
| Section 12.03.    Severability. ....   | 52 |
| Section 12.04.    Amendment, Changes, and Modifications. ....  | 52 |
| Section 12.05.    Execution of Counterparts.....   | 52 |
| Section 12.06.    Law Governing Construction of this Loan Agreement.....                             | 52 |
| Section 12.07.    Payments Due on Saturdays, Sundays, and Holidays. ....                             | 52 |
| Section 12.08.    Subordination to Indenture.....  | 52 |
| Section 12.09.    Limitation on Interest.....  | 52 |
| Section 12.10.    Indenture.....   | 53 |
| Section 12.11.    Authority of Authorized Borrower Representative.....                               | 53 |
| Section 12.12.    Authority of Authorized Issuer Representative.....                                 | 53 |
| Section 12.13.    Notice of Change in Fact.....  | 53 |
| Section 12.14.    Electronic Signatures.....   | 53 |
| Section 12.15.    Patriot Act. ....  | 54 |
| Section 12.16.    No Pecuniary Liability of Issuer, the County, or the State. ....                   | 54 |
| Section 12.17.    No Personal Liability of Officials of the Issuer.....                              | 54 |
| Section 12.18.    Limited Obligation of Issuer. ....   | 55 |

|           |   |
|-----------|---|
| EXHIBIT A | DESCRIPTION OF THE EQUIPMENT                            |
| EXHIBIT B | DESCRIPTION OF THE PROPERTY                             |
| EXHIBIT C | FORM OF SERIES 2019 NOTE                                |
| EXHIBIT D | SCHEDULE OF PAYMENTS TO THE REPAIR AND REPLACEMENT FUND |

## LOAN AGREEMENT

This **LOAN AGREEMENT**, dated as of July 1, 2019 (the "Loan Agreement"), is by and between the **PINELLAS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** (d/b/a Pinellas County Economic Development Authority) (the "Issuer"), an industrial development authority and a public body corporate and politic of the State of Florida (the "State"), and the **DRS. KIRAN & PALLAVI PATEL 2017 FOUNDATION FOR GLOBAL UNDERSTANDING, INC.**, a Florida not for profit corporation (the "Borrower").

### W-I-T-N-E-S-S-E-T-H:

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, provided, that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not constitute a general obligation of the Issuer, but shall be payable solely out of the revenues, receipts, and other payments derived from this Loan Agreement, the Indenture (as hereinafter defined), and the sale of the Bonds (as hereinafter defined) and any insurance proceeds, foreclosure proceeds, proceeds from released property, and condemnation awards as herein provided, and the Bonds and the interest thereon shall not constitute, within the meaning of any statutory or constitutional provision, an indebtedness, a liability, an obligation, or a loan of credit of the Issuer, Pinellas County, Florida, the State of Florida, or any other municipality, county, or other municipal or political corporation, public agency, or subdivision of the State of Florida:

### ARTICLE I DEFINITIONS; RULES OF CONSTRUCTION; AND OTHER PROVISIONS OF GENERAL APPLICATION

**Section 1.01. Definitions.** Certain words and terms used in this Loan Agreement are defined herein. Unless the context otherwise requires or such terms are otherwise defined herein, all terms used herein shall have the meanings assigned to such terms in Section 101 of the Indenture.

**Section 1.02. Rules of Construction.** For all purposes of this Loan Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

(a) The use of the masculine, feminine, or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine, or neuter gender, as appropriate.

(b) The term "this Loan Agreement" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more agreements supplemental hereto entered into pursuant to the applicable provisions hereof.

(c) All references in this instrument to designated "Articles," "Sections," "subsections," "paragraphs," "clauses," and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses, and other subdivisions of this instrument.

(d) The terms defined in this Article shall have the meanings assigned to them in this Article and include the plural as well as the singular.

(e) The words "*herein*," "*hereby*," "*hereunder*," "*hereof*," "*hereinabove*," "*hereinafter*," and other equivalent words and phrases refer to this Loan Agreement and not solely to the particular portion hereof in which any such word is used.

(f) All references to times of the day shall, unless otherwise stated, be deemed to be references to Eastern Time (daylight or standard, as applicable).

**Section 1.03. Table of Contents; Titles and Headings.** The table of contents, the titles of the articles, and the headings of the sections of this Loan Agreement are solely for convenience of reference, are not a part of this Loan Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

## ARTICLE II REPRESENTATIONS AND UNDERTAKINGS

**Section 2.01. Representations of the Issuer.** The Issuer makes the following representations and findings as the basis for the undertakings on its part herein contained:

(a) Organization and Authority. The Issuer is an industrial development authority and a public body corporate and politic organized under the laws of the State (including the provisions of the Act). The Issuer has all requisite power and authority under the Act to (i) issue the Bonds, (ii) lend the proceeds of the Series 2019 Bonds to the Borrower, and (iii) enter into, perform its obligations under, and exercise its rights under the Issuer Documents. The Act authorizes the Issuer to issue its revenue bonds for the purpose of providing funds to finance "health care facilities," as defined and described in Section 159.27(16), Florida Statutes.

(b) Pending Litigation. To the best of its knowledge, there are no actions, suits, proceedings, inquiries, or investigations pending or threatened against or affecting the Issuer in any court or by or before any governmental authority or arbitration board or tribunal that involve the possibility of materially and adversely affecting the transactions contemplated by any of the Issuer Documents or that, in any way, would adversely affect the validity or enforceability of the Series 2019 Bonds, the Issuer Documents, or any agreement or instrument to which the Issuer is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby, nor is the Issuer aware of any facts or circumstances currently existing that would form the basis for any such action, suit, or proceeding.

(c) Issue, Sale, and Other Transactions Are Legal and Authorized. The issue and sale of the Series 2019 Bonds, the execution and delivery by the Issuer of the Issuer Documents, the endorsement of the Series 2019 Note to the order of the Trustee, and the compliance by the Issuer with all of the provisions of each thereof and of the Series 2019 Bonds (i) are within the purposes, powers, and authority of the Issuer, (ii) have been done in full compliance with the provisions of the Act, have been approved by the Issuer, are legal, and will not conflict with, or constitute on the part of the Issuer a violation of, or a breach of, or a default under, or result in the creation or imposition of any lien, charge, restriction, or encumbrance (other than Permitted Encumbrances) upon any property of the Issuer under, the provisions of any charter instrument; bylaw; indenture; mortgage; deed of trust; pledge, note, lease, loan, or installment sale agreement; contract; or other agreement or instrument to which the Issuer is a party or by which the Issuer or its properties are otherwise subject or bound, or any license, judgment, decree, law, statute, order, writ, injunction, demand, rule, or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties, and (iii) have been duly authorized by all necessary corporate action on the part of the Issuer.

(d) Governmental Consents. To the best of its knowledge, neither the nature of the Issuer nor any of its activities or properties, nor any relationship between the Issuer and any other Person, nor any circumstance in connection with the offer, issue, sale, or delivery of the Series 2019 Bonds is such as to require the consent, approval, permission, order, license, authorization of, or the filing, registration, or qualification with, any governmental authority on the part of the Issuer in connection with the execution, delivery, and performance of the Issuer Documents; the endorsement of the Series 2019 Note to the order of the Trustee; the consummation of any transaction therein contemplated; or the offer, issue, sale, or delivery of the Series 2019 Bonds, except as shall have been obtained or made and as are in full force and effect, other than the recording of the Mortgage and the filing of financing statements or instruments effective as financing statements perfecting the security interests created by the Mortgage; provided, however, that no representation is made with respect to any federal or state securities or Blue Sky laws.

(e) No Defaults. To the knowledge of the Issuer, after making due inquiry with respect thereto, no Event of Default or Default Condition has occurred and is continuing. To the knowledge of the Issuer, after making due inquiry with respect thereto, the Issuer is not in default or violation in any material respect under the Act or under any charter instrument, bylaw, or other agreement or instrument to which it is a party or by which it may be bound.

(f) No Prior Pledge. Neither the Series 2019 Project, any of the Issuer Documents, the Series 2019 Note, nor any of the payments to be received by the Issuer under this Loan Agreement or the Series 2019 Note have been, or will be, mortgaged, pledged, or hypothecated by the Issuer in any manner or for any purpose or have been, or will be, the subject of a pledge, assignment, or grant of a security interest by the Issuer other than as provided in the Indenture or the other Bond Documents as security for the payment of the Bonds.



(g) Disclosure. The representations of the Issuer contained in this Loan Agreement and any certificate, document, written statement, or other instrument furnished to the Trustee or the Underwriter by or on behalf of the Issuer in connection with the transactions contemplated hereby do not contain any untrue statement of a material fact relating to the Issuer and do not omit to state a material fact relating to the Issuer necessary in order to make the statements contained herein and therein relating to the Issuer not misleading. Nothing has come to the attention of the Issuer that would materially and adversely affect or in the future may (so far as the Issuer can now reasonably foresee) materially and adversely affect the ownership and operation of the Series 2019 Project or any other transactions contemplated by the Bond Documents that has not been set forth in the Preliminary Official Statement and the Official Statement or in the other certificates, documents, and instruments furnished to the Underwriter by or on behalf of the Issuer prior to the date of delivery of the Preliminary Official Statement in connection with the transactions contemplated hereby.

(h) Compliance with Conditions Precedent to the Issuance of the Series 2019 Bonds. All acts, conditions, and things required to exist, happen, and be performed by the Issuer precedent to and in the execution and delivery by the Issuer of the Series 2019 Bonds do exist, have happened, and have been performed in due time, form, and manner as required by law; and the issuance of the Series 2019 Bonds, together with all other obligations of the Issuer, do not exceed or violate any constitutional or statutory limitation.

(i) Tax Compliance. The Issuer hereby covenants and agrees to comply with all requirements of the Code and the Tax Certificate and Agreement compliance with which subsequent to the issuance of the Series 2019 Bonds is necessary for interest on the Series 2019 Bonds to be, and to remain, excluded from the gross income of the Owners thereof for federal income tax purposes and not to take any actions that would adversely affect such exclusion under the provisions of the Code.

**Section 2.02. Representations of the Borrower.** The Borrower makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Organization and Power. The Borrower is a not for profit corporation duly organized, validly existing, and in good standing under the laws of the State of Florida and has all requisite power and authority and all necessary licenses and permits to own and operate its properties, to enter into this Loan Agreement and the Lease, and to carry on its business as it is now being conducted and as it is currently proposed to be conducted.

(b) Pending Litigation and Taxes. To the best of its knowledge, there are no actions, suits, proceedings, inquiries, or investigations pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower in any court or by or before any governmental authority or arbitration board or tribunal that involve the likelihood of materially and adversely affecting the properties, business, prospects, profits, operations, or condition (financial or otherwise) of the Borrower, the ability of the Borrower to perform its obligations under any of the

Borrower Documents, or the transactions contemplated by any of the Bond Documents; or that, in any way, would adversely affect the validity or enforceability of the Borrower Documents or any agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby, nor is the Borrower aware of any facts or circumstances currently existing that would form the basis for any such action, suit, or proceeding. The Borrower is not in default with respect to any judgment, order, writ, injunction, decree, demand, rule, or regulation of any court, governmental authority, or arbitration board or tribunal. All tax returns (federal, state, and local) required to be filed by or on behalf of the Borrower have been duly filed, and all taxes, assessments, and other governmental charges shown thereon to be due, including interest and penalties, except such, if any, as are being actively contested by the Borrower in good faith, have been paid or adequate reserves have been made for the payment thereof.

(c) Agreements Are Legal and Authorized. The execution and delivery by the Borrower of the Borrower Documents, the consummation of the transactions herein and therein contemplated, and the fulfillment of or the compliance with all of the provisions hereof and thereof (i) will not conflict with or constitute on the part of the Borrower a violation of or a breach of or a default under, or result in the creation or imposition of any lien, charge, restriction, or encumbrance (other than Permitted Encumbrances) upon any property of the Borrower under the provisions of, any charter instrument; bylaw; indenture; mortgage; deed of trust; pledge, note, lease, loan, or installment sale agreement; contract; or other agreement or instrument to which the Borrower is a party or by which the Borrower or its properties are otherwise subject or bound, or, to its knowledge, any license, law, statute, rule, regulation, judgment, order, writ, injunction, decree, or demand of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities or properties, and (ii) have been duly authorized by all necessary and appropriate corporate action on the part of the Borrower. The officer or officers of the Borrower executing the Borrower Documents are duly and properly in office and are fully authorized and empowered to execute the same for and on behalf of the Borrower.

(d) Governmental Consents. Neither the Borrower nor any of its business or properties, nor any relationship between the Borrower and any other Person, nor any circumstance in connection with the execution, delivery, and performance by the Borrower of its obligations under any of the Borrower Documents, or the offer, issue, sale, or delivery by the Issuer of the Series 2019 Bonds, is such as to require the consent, approval, permission, order, license, or authorization of, or the filing, registration, or qualification with, any governmental authority on the part of the Borrower in connection with the execution, delivery, and performance of the Borrower Documents, the consummation of any transaction therein contemplated, or the offer, issue, sale, or delivery of the Series 2019 Bonds, except as shall have been obtained or made and as are in full force and effect, except as are not currently obtainable, other than the recording of the Mortgage and the filing of financing statements or instruments effective as financing statements perfecting the security interests created by the Mortgage, to be recorded and filed in connection therewith, and except as may be required under any federal or state securities or blue sky laws. To the knowledge of the Borrower, the Borrower will be able to obtain all such

additional consents, approvals, permissions, orders, licenses, or authorizations of governmental authorities as may be required on or prior to the date the Borrower is legally required to obtain the same.

(e) No Defaults. No Event of Default has occurred and is continuing. To the knowledge of the Borrower, the Borrower is not in default or violation in any material respect under any charter instrument, bylaw, or other agreement or instrument to which it is a party or by which it may be bound. For purposes of this subsection (e), a default or violation shall be deemed "material" if it would adversely affect the ability of the Borrower to perform its obligations hereunder.

(f) Compliance with Law. To the knowledge of the Borrower, the Borrower is not in violation of any laws, ordinances, or governmental rules or regulations to which it is subject and has not failed to obtain any licenses, permits, franchises, or other governmental authorizations (that are currently obtainable) necessary to the ownership of its properties or to the conduct of its business, which violation or failure to obtain might materially and adversely affect the properties, business, prospects, profits, or condition (financial or otherwise) of the Borrower.

(g) Restrictions on the Borrower. The Borrower is not a party to or bound by any contract, instrument, or agreement, or subject to any other restriction that materially and adversely affects its business, properties, assets, operations, or condition (financial or otherwise). The Borrower is not a party to any contract or agreement other than the Bond Documents that restricts the right or ability of the Borrower to incur indebtedness for borrowed money or to enter into long-term leases.

(h) No Prior Pledge. Except for Permitted Encumbrances, the property to be encumbered by the Mortgage is not and will not be, mortgaged, pledged, or hypothecated in any manner or for any purpose and has not been, and will not be, the subject of a grant of a security interest by the Borrower other than as provided in the Mortgage as security for its obligations under this Loan Agreement.

(i) Tax-Exempt Organization. As of the date of this Loan Agreement, (i) the Borrower is a Tax-Exempt Organization and has confirmed with the University that the University is a Tax-Exempt Organization, (ii) the Borrower received a determination letter from the IRS (the "Determination Letter") to the effect that it is a Tax-Exempt Organization, (iii) the Borrower is in full compliance with all terms, conditions, and limitations, if any, contained in the Determination Letter, (iv) such status as a Tax-Exempt Organization has not been adversely modified, limited, or revoked, and (v) the facts and circumstances that formed the basis for the status of the Borrower, as represented to the IRS in the Borrower's application for the Determination Letter, either substantially exist for the Borrower or differ in a manner consistent with the requirements of Section 501(c)(3) of the Code. The Borrower has conducted their operations and the Borrower has filed all required reports and documents with the IRS so as to maintain the Borrower's status as a Tax-Exempt Organization. The Borrower is organized and operated exclusively for religious,

educational, and charitable purposes, and not for pecuniary profit, and no part of its net earnings inures to the benefit of any person, private stockholder, or individual. The Borrower has received no notice or communication of any kind from the IRS directly or indirectly questioning its status under Section 501(c)(3) or indicating that the Borrower is being or will be audited with respect to such status other than the customary review at the end of its advance ruling period.

(j) No Pension Plans. The Borrower does not maintain; has not maintained; and is not a party to, and has not been a party to, any employee pension or benefit plan.

(k) Disclosure. The representations of the Borrower contained in the Borrower Documents and any certificate, document, written statement, or other instrument furnished by or on behalf of the Borrower to the Issuer, the Trustee, or the Underwriter in connection with the transactions contemplated hereby do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein or therein not misleading. To the best of the knowledge of the Borrower, there is no fact that the Borrower has not disclosed to the Issuer, to the Trustee, or to the Underwriter in writing that materially and adversely affects or in the future may (so far as the Borrower can now reasonably foresee) materially and adversely affect the lease of the Property, the ownership or operation of the Series 2019 Project, or the properties, business, operations, prospects, profits, or condition (financial or otherwise) of the Borrower, or the ability of the Borrower to perform its obligations under the Borrower Documents, or any of the documents or transactions contemplated hereby or thereby or any other transactions contemplated by the Bond Documents that has not been set forth in the Official Statement or in the other certificates, documents, and instruments furnished to the Underwriter by or on behalf of the Borrower prior to the date of delivery of the Official Statement in connection with the transactions contemplated hereby.

(l) Statutory Liens. To the knowledge of the Borrower, there are no mechanics' or materialmen's liens or other statutory liens on the Series 2019 Project, and no excavation or work of any character, kind, or description has been, or will be, commenced nor any material of any description for work on the Series 2019 Project delivered on or near the Property prior to the recording of the Mortgage and the perfection of the security interest created thereby, except as the Trustee shall be advised in writing, and in the event the Trustee is so advised in writing of any work or deliveries, the Borrower will provide the Trustee with waivers of all liens with respect to such work or deliveries in such form as may be satisfactory to the Underwriter.

(m) Compliance. To the knowledge of the Borrower, the Series 2019 Project complies or will comply in all material respects with all currently applicable building and zoning, health, environmental, and safety ordinances and laws and all other applicable laws, rules, and regulations of any and all governmental and quasi-governmental authorities having jurisdiction over any portion of the Series 2019 Project.

(n) Utilities. To the knowledge of the Borrower, all utility services and facilities necessary for the operation of the Series 2019 Project for its intended purposes are available at the Property.

(o) Condemnation. To the knowledge of the Borrower, no condemnation or eminent domain proceeding has been commenced, is currently pending, or is threatened against the Series 2019 Project.

(p) Indenture. The Borrower has reviewed the terms of the Indenture and agrees to perform the duties and obligations imposed upon it thereby.

(q) Management Agreement. The Borrower has not, and will use its best efforts to prevent the University from, entering into any management contract or other service contract relating to the Series 2019 Bonds or the Series 2019 Project that is not a Qualified Management or Service Agreement.

(r) Nature of the Project. The Series 2019 Project is located wholly within the County, consists of a medical education and health sciences complex, operated in the private sector by a non-profit entity, is property which is operated and used for or useful in connection with: (i) the diagnosis, treatment, therapy, rehabilitation, housing, or care of or for aged, sick, ill, injured, infirm, impaired, disabled, or handicapped persons, without discrimination among such persons due to race, religion, or national origin; or (ii) for the prevention, detection, and control of disease. The Series 2019 Project constitutes a "health care facility" as defined in Section 159.27(16), Florida Statutes. The proceeds from the sale of the Series 2019 Bonds shall only be expended upon a "cost" as defined in Sections 159.27(2) and 159.44(5), Florida Statutes.

### ARTICLE III LOAN TO THE BORROWER; SECURITY; TITLE

**Section 3.01. The Loan and the Note.** (a) The Issuer hereby agrees to lend to the Borrower, and the Borrower hereby agrees to borrow from the Issuer, the proceeds of the sale of the Series 2019 Bonds for the purposes of financing and refinancing the Costs of the Project, and paying the Issuance Costs in accordance with the terms and conditions of this Loan Agreement and the Indenture. The deposit of the proceeds of the sale of the Series 2019 Bonds as provided in Article VI of the Indenture shall constitute the loan of such proceeds from the Issuer to the Borrower. Such proceeds shall be applied as provided in Article VI of the Indenture. The Borrower shall repay the Series 2019 Loan as provided in Section 5.02 hereof.

(b) The Borrower's obligation to repay the Loan, together with premium, if any, and interest thereon, which is more fully described in Section 5.02 hereof under the caption "Basic Loan Payments," shall be evidenced by the Notes, which the Borrower hereby agrees to execute and deliver to the Issuer. The Borrower will duly and punctually pay the principal of, premium, if any, and interest on the Notes at the dates and the places and in the manner mentioned therein

and herein, according to the true intent and meaning thereof and hereof. Notwithstanding any schedule of payments on the Notes set forth therein or herein, the Borrower shall make payments on the Notes and to be liable therefor at times and in amounts sufficient to pay when due all Debt Service Payments on all Bonds from time to time Outstanding under the Indenture.

**Section 3.02. Security for Payments Under this Loan Agreement; Recording and Filing.** (a) As security for the payments required to be made to the Issuer under this Loan Agreement and the Note, the Borrower shall, prior to or contemporaneously with the execution and delivery of this Loan Agreement, execute and deliver the other Security Documents.

(b) The Mortgage shall be recorded by the Borrower in all offices as may at the time be provided by law as the proper place for recordation thereof. The security interest of the Trustee created by the other Security Agreements shall be perfected by the filing by the Borrower of financing statements or instruments effective as financing statements that fully comply with the State's Uniform Commercial Code or by the taking of possession of appropriate collateral. The Borrower further agrees that it will file, or cause to be filed, all necessary continuation statements within the time prescribed by the State's Uniform Commercial Code and the appropriate parties shall maintain possession of appropriate collateral in order to continue the security interests identified in this Section 3.02 to the end that the rights of the owners of the Bonds and the Trustee in the Project and the other collateral shall be fully preserved as against third party creditors of, or purchasers for value in good faith from, the Issuer or the Borrower and that it will provide the Trustee with written notice of such filings at least ninety (90) days prior to any expiration thereof.

**Section 3.03. Security for Payments Under the Bonds.** As security for the payment of the Bonds, the Issuer shall execute and deliver the Indenture, under the terms of which all of the right, title, interest, and remedies of the Issuer in this Loan Agreement (except the Unassigned Rights) and the Notes, together with all revenues and amounts to be received and all property to be held by the Issuer thereunder, shall be assigned, shall be the subject of a grant of a security interest to the Trustee and pledged as security for, among other things, the payment of the Bonds. The Borrower hereby consents to such assignment and pledge and grant of a security interest and hereby agrees that its obligations to make all payments under this Loan Agreement shall be absolute and shall not be subject to any defense, except payment, or to any right of setoff, counterclaim, or recoupment arising out of any breach by the Issuer of any obligation to the Borrower, whether hereunder or otherwise, or arising out of any indebtedness or liability at any time owing to the Borrower by the Issuer. The Borrower further agrees that all Basic Loan Payments required to be made under this Loan Agreement and all payments from the University under the Lease shall be paid directly to the Trustee for the account of the Issuer. The Trustee shall have all rights and remedies herein accorded to the Issuer (except for Unassigned Rights), and any reference herein to the Issuer shall be deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the Bondholders are deemed to be and are third party beneficiaries of the representations, covenants, and agreements of the Borrower herein contained.

**Section 3.04. Warranty of Title.** The Borrower warrants that (a) it is the owner of the Property, (b) the Borrower is or will be the legal owner of all Equipment and the Building, and (c) the Project and the Property is and will be free from all adverse claims, security interests, and encumbrances, other than Permitted Encumbrances.

**Section 3.05. Title Insurance.** The Borrower shall, prior to or simultaneously with the issuance of the Series 2019 Bonds, deliver to the Trustee a marked up ALTA Mortgagee's title binder or policy or a pro-forma policy of Mortgage insurance issued by a title insurance company acceptable to the Underwriter in the face amount of at least \$\_\_\_\_\_ and naming the Trustee as an insured, as its interests may appear. The Borrower shall furnish, within thirty (30) days after the Closing Date, an original of a mortgagee's title policy of Mortgage insurance issued by such title insurance company. The mortgagee's title policy shall insure that the Trustee has a valid first lien on the Borrower's interest in the real property described in Exhibit B to this Loan Agreement subject only to Permitted Encumbrances. Such policy shall contain the standard zoning endorsement or in lieu of the standard zoning endorsement, the Borrower may provide an opinion of Independent Counsel or a PZA report as to the matters contained in the standard zoning endorsement (ALTA Form 3.0). Any Net Proceeds payable either to the Issuer or the Borrower under such policy shall be subject to the lien of the Indenture, shall be paid to the Trustee and held by the Trustee in the Insurance Fund, and shall, at the Borrower's written direction, be either (a) used to acquire or construct replacement or substitute property, or (b) deposited into the Redemption Fund and used to redeem Series 2019 Bonds in accordance with the provisions of Section 305(a) of the Indenture or, if the Series 2019 Bonds shall no longer be Outstanding, to redeem such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture. Any such replacement or substitute property must be approved in writing by the Issuer.

**Section 3.06. Borrower's Covenants Regarding Title.** The Borrower shall protect, preserve, and defend its interest in the Project; appear and defend such interest in any action or proceeding affecting or purporting to affect the Project, the Lease, the liens of the Mortgage thereon, or any of the rights of the Trustee thereunder; and pay on demand all costs and expenses incurred by the Trustee in or in connection with any such action or proceeding, including reasonable attorneys' fees, costs, and expenses, as described in Section 10.04 hereof, whether any such action or proceeding progresses to judgment and whether brought by or against the Trustee. The Trustee shall be reimbursed for any such costs and expenses in accordance with the provisions of Section 6.08 hereof. If the Borrower shall not take the action contemplated herein, the Trustee or the Issuer may, but shall not be under any obligation to, appear or intervene in any such action or proceeding and retain counsel therein and defend the same or otherwise take such action therein as it may be advised and may settle or compromise the same and, in that behalf and for any of such purposes, may expend and advance such sums of money as it may deem necessary, and such sums shall be an advance payable in accordance with Section 6.08 hereof.

**Section 3.07. Environmental Condition of the Project and Indemnification.** (a) The Borrower warrants and represents to the Issuer and the Trustee that, to the best of its knowledge:

(i) the Series 2019 Project is and at all times hereafter, will continue to be in full compliance with all Environmental Laws, as hereinafter defined, and

(ii) (A) as of the date hereof there are no Hazardous Materials, as defined in subsection (d) of this Section, substances, wastes, or other environmentally regulated substances (including without limitation, any materials containing asbestos) located on, in, or under the Series 2019 Project or used in connection therewith, or (B) the Borrower has fully disclosed to the Issuer, the Tenant, the Underwriter, and the Trustee in writing the existence, extent, and nature of any such Hazardous Materials, substances, wastes, or other environmentally regulated substances that the Borrower is legally authorized and empowered to maintain on, in, or under the Series 2019 Project or used in connection therewith, and the Borrower has obtained and will maintain in full force and effect all licenses, permits, and approvals required with respect thereto, and is in full compliance with all of the terms, conditions, and requirements of such licenses, permits, and approvals. The Borrower further warrants and represents that it will promptly notify the Issuer, the Tenant, and the Trustee in writing of any change in the nature or extent of any Hazardous Materials, substances, or wastes maintained on, in, or under the Series 2019 Project or used in connection therewith, and will transmit to the Issuer, the Tenant, and the Trustee copies of any citations, orders, notices, or other material governmental or other communication received with respect to any other Hazardous Materials, substances, wastes, or other environmentally regulated substances affecting the Series 2019 Project. The Borrower warrants and represents that all work on the Series 2019 Project and activities of contractors, sub-contractors, consultants, or any other agent of the Borrower will also be in full compliance with all federal, state, and local environmental laws, regulations, and ordinances as cited above, and further warrants and represents that neither the Borrower nor its agents will engage in any management of solid or hazardous wastes at the Series 2019 Project other than in the ordinary course of the development, construction, use, management, or operation of the Series 2019 Project for its intended purpose and in compliance with Environmental Laws.

(b) The Borrower shall indemnify and hold the Issuer and the Trustee harmless from and against any and all damages (including natural resource damages), penalties, fines, claims, liens, suits, liabilities (including strict liabilities), costs (including clean-up, investigation, and monitoring costs), judgments, and expenses (including attorneys,' consultants,' or experts' fees and expenses of every kind and nature) suffered by or asserted against the Issuer or the Trustee as a direct or indirect result of any warranty or representation made by the Borrower in the preceding subsection being false or untrue in any respect or any requirement or liability under any Environmental Law, including any law, regulation, or ordinance, local, state, or federal, that requires the investigation, monitoring, elimination, or removal of any Hazardous Materials,



substances, wastes, molds, fungi, bacteria, infectious material, or other environmentally regulated substances.

(c) The Borrower's obligations hereunder to the Issuer and the Trustee shall not be limited to any extent by the term of the Bonds, and, as to any act or occurrence prior to payment in full and satisfaction of the Bonds that gives rise to liability hereunder, shall continue, survive, and remain in full force and effect notwithstanding payment in full and satisfaction of the Bonds and this Loan Agreement or foreclosure under the Mortgage, or delivery of a deed-in-lieu of foreclosure.

(d) For purposes of this section, the term "Hazardous Materials" means petroleum, petroleum byproducts (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, and/or any hazardous substance or material, waste, pollutant, or contaminant, defined as such in (or for the purposes of) the Environmental Laws. "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Public Law No. 96-510, 94 Stat. 1613, the Resource Conservation and Recovery Act ("RCRA"), the Clean Air Act, as amended (42 U.S.C. §§7401 et seq.), the Clean Water Act, as amended (33 U.S.C. §§1251 et seq.), including all amendments to such Acts, or any federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree, regulating, or other legal requirement relating to the protection of human health or the environment, including, but not limited to, any requirement pertaining to or imposing liability or standards of conduct concerning any petroleum, petroleum byproduct (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity) natural or synthetic gas, products, and/or hazardous substance or material, toxic or dangerous waste, substance or material, pollutant, or contaminant, as may now or at any time hereafter be in effect.

#### ARTICLE IV

#### ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE PROJECT; ISSUANCE OF THE BONDS; INVESTMENT OF FUNDS

**Section 4.01. Acquisition, Construction, and Equipping of the Series 2019 Project.** Promptly following the issuance and sale of the Series 2019 Bonds, the Borrower shall complete the construction, if not previously completed, and acquire and install the Equipment therein, if any. The Issuer hereby authorizes the Borrower to use the proceeds of the Series 2019 Bonds, together with the funds the Borrower has already provided towards the 2019 Project, and other amounts deposited into the Construction Fund, if any, from time to time to repay the Construction Loan and continue to acquire, construct, furnish, and equip the Series 2019 Project, if necessary. The Borrower agrees (i) that it will exercise the foregoing authorizations given to it by the Issuer, (ii) that it will cause the Equipment to be acquired, if any, and (iii) that the Series 2019

Project will be completed, if not already fully constructed, and the proceeds of the Series 2019 Bonds will be expended within three (3) years from the Closing Date.

**Section 4.02. Agreement to Issue the Series 2019 Bonds; Application of Proceeds.** In order to provide funds to pay or reimburse a portion of the Costs of the Project, fund the Debt Service Reserve Fund for the Series 2019 Bonds, and pay the Issuance Costs, the Issuer shall sell and cause to be delivered to the Underwriter the Series 2019 Bonds in the aggregate principal amount of \$\_\_\_\_\_ and shall thereupon deposit the proceeds of the sale of the Series 2019 Bonds in accordance with the provisions of Article VI of the Indenture.

**Section 4.03. Construction Fund.** The Issuer shall, in the Indenture, authorize and direct the Trustee to use the moneys in the Construction Fund to repay the Construction Loan.

**Section 4.04. Establishment of Completion Date.** Upon or prior to the issuance of the Series 2019 Bonds the Trustee shall be provided with the herein described completion certification. The Series 2019 Completion Date shall thereafter be evidenced to the Trustee by a certificate of substantial completion listing the items to be completed or corrected, if any, and the amounts to be withheld therefor, signed by the Authorized Borrower Representative stating that, except for amounts retained by the Trustee for Costs of the Project not then due and payable construction of the Series 2019 Project has been completed and all labor, services, materials, and supplies used in such construction have been paid or provided for, (b) all other facilities necessary in connection with the construction of the Series 2019 Project have been constructed, acquired, and installed, and all costs and expenses incurred in connection therewith have been paid or provided for, (c) according to the "as built" survey of the Premises or a certificate of the surveyor, the Series 2019 Project does not encroach on any other property or violate any setback or sideline requirements applicable to the Property, and (d) a certificate of occupancy for the Series 2019 Project has been issued by appropriate local governmental authorities. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. It shall be the duty of the Borrower to cause the certificate contemplated by this Section to be furnished as soon as the construction of the Series 2019 Project shall have been substantially completed.

**Section 4.05. Borrower Required to Pay Costs of the Project if any Remaining Costs Due.** In the event Costs of the Project remain due, the Borrower shall complete the acquisition and construction of the Project and pay all that portion of the Costs of the Project as may be due. The Issuer does not make any warranty, either express or implied, that under the provisions of this Loan Agreement, Borrower funds will be available for payment of the Costs of the Project, or will be sufficient to pay all the costs that will be incurred in that connection. The Borrower shall pay any portion of the said Costs of the Project pursuant to the provisions of this Section, it shall not be entitled to any reimbursement therefor from the Issuer or from the Trustee or from the owners of any of the Bonds, nor shall it be entitled to any diminution of the Loan Payments. The

obligation of the Borrower to complete the construction of the Project shall survive any termination of this Loan Agreement.

**Section 4.06. Authorized Borrower and Issuer Representatives and Successors.** The Borrower and the Issuer, respectively, shall designate, in the manner prescribed in Section 1.01 hereof, the Authorized Borrower Representative and the Authorized Issuer Representative. In the event that any person so designated and such person's alternate or alternates, if any, should become unavailable or unable to take any action or make any certificate provided for or required in this Loan Agreement, a successor shall be appointed in the same manner.

**Section 4.07. Investment of Funds and Accounts.** (a) Subject to Article VII of the Indenture and Section 4.08 hereof, any moneys held as a part of the Revenue Fund, the Bond Fund, the Redemption Fund, the Issuance Cost Fund, the Construction Fund, the Debt Service Reserve Fund, the Insurance Fund, the Condemnation Fund or the Rebate Fund or as reserves in connection with contested liens or any other special trust funds shall be (i) invested or reinvested by the Trustee at the written direction of the Authorized Borrower Representative in such Permitted Investments as may be designated by the Borrower, which designation shall not contain directions contrary to State law, the Tax Certificate and Agreement, or Section 701 of the Indenture or (ii) transferred to other Funds or Accounts as provided in Article VII of the Indenture.

(b) The Trustee shall not be liable for any depreciation in the Value of any obligations in which moneys of funds or accounts held under the Indenture shall be invested, as aforesaid, or for any loss arising from any investment or for any investment that does not comply with State law.

(c) The investments so purchased shall be held by the Trustee and shall be deemed at all times a part of the Revenue Fund, the Redemption Fund, the Bond Fund, the Issuance Cost Fund, the Construction Fund, the Debt Service Reserve Fund, the Insurance Fund, the Condemnation Fund or the Rebate Fund, or the trust account described in the preceding subsection, as the case may be, and the interest accruing thereon and any profit realized therefrom shall be credited as provided in Section 702 of the Indenture, and any losses resulting from such investments shall be charged to such Fund.

(d) The Trustee shall conclusively rely upon the Authorized Borrower Representative's written instructions as to both the suitability and legality of all directed investments.

(e) The Issuer and the Borrower acknowledge that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer or the Borrower the right to receive brokerage confirmations of security transactions, the Issuer and the Borrower waive receipt of such confirmations. The Trustee shall furnish to the Issuer and

Borrower periodic statements that include detail of all investment transactions made by the Trustee.

(f) The Borrower acknowledges that regulations of the Comptroller of the Currency grant the Borrower the right to receive brokerage confirmations of security transactions as they occur. The Borrower specifically waives such notification to the extent permitted by law and acknowledges that the Borrower will receive periodic cash transaction statements that detail all investment transactions. Unless contrary to written investment directions previously submitted to the Trustee, an account statement delivered by the Trustee to the Borrower shall be deemed written confirmation by the Borrower that the investment transactions identified therein accurately reflect the investment directions given to the Trustee by the Borrower, unless the Borrower shall notify the Trustee in writing to the contrary within thirty (30) days after the date of such statement.

(g) The Trustee may transfer investments from any Fund or Account to any other Fund or Account in lieu of cash when a transfer shall be required or permitted by the provisions of the Indenture.

**Section 4.08. Special Investment Covenants.** The Issuer and the Borrower each covenant that it shall not directly or indirectly use or permit the use of any proceeds (as defined in the Regulations) of any issue or any other funds of the Issuer or the Borrower, or take or omit to take any action, or direct the Trustee to invest any funds held by it, in such manner as will cause any Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and any Regulations proposed or promulgated in connection therewith or to be "federally guaranteed," as such term is used and defined in Section 149(b) of the Code and any Regulations proposed or promulgated in connection therewith. To that end, the Issuer and the Borrower shall comply with all requirements of Section 148 of the Code to the extent applicable to any Tax-Exempt Bonds. In the event that at any time the Issuer or the Borrower shall be of the opinion that for purposes of this Section 4.08 it is necessary to dispose of any investment or to restrict or limit the yield on any investment held under the Bond Documents or otherwise, the Issuer or the Borrower, as the case may be, shall so instruct the Trustee in writing.

## ARTICLE V

### LOAN AGREEMENT TERM; LOAN PAYMENTS AND OTHER AMOUNTS PAYABLE; NATURE OF OBLIGATIONS OF THE BORROWER

**Section 5.01. Loan Agreement Term.** This Loan Agreement shall become effective upon its execution and delivery and shall be in full force and effect until all obligations under the Indenture shall have been paid in full (or provision for such payment shall have been made as provided in Article IX of the Indenture); provided, however, that the covenants and obligations expressed herein to so survive shall survive the Loan Agreement Term.

**Section 5.02. Loan Payments and Other Amounts Payable.** (a) *Basic Loan Payments:* (i) Until the Debt Service Payments on the Bonds shall have been paid in full or provision for the payment thereof shall have been made in accordance with the Indenture, the Borrower shall pay to the Trustee for the account of the Issuer as Basic Loan Payments, in each case for deposit into the Bond Fund, amounts sufficient to pay the Debt Service Payments on the Bonds as and when the same shall become due and all other sums payable under the terms of the Bonds. The Borrower shall pay to the Trustee for the account of the Issuer:

(A) on or before \_\_\_\_\_, 2019, and on or before \_\_\_\_\_, 2019, a sum equal to [one-half (1/2)] of the amount payable on \_\_\_\_\_, 2019, as interest on the Series 2019 Bonds, or such lesser amount that, together with amounts already on deposit in the Bond Fund and available therefor, will be sufficient to pay interest on the Series 2019 Bonds to become due on \_\_\_\_\_, 2019, as provided in the Indenture;

(B) on or before \_\_\_\_\_, 2019, and on or before the twentieth (20<sup>th</sup>) day of each month thereafter, a sum equal to [one-sixth (1/6<sup>th</sup>)] of the amount payable on the immediately succeeding Interest Payment Date as interest on the Series 2019 Bonds, or such lesser amount that, together with amounts already on deposit in the Bond Fund and available therefor, will be sufficient to pay interest on the Series 2019 Bonds to become due on the immediately succeeding Interest Payment Date, as provided in the Indenture;

(C) on the dates set forth in any amendment or amendments hereto executed in connection with the issuance of Additional Bonds, the amount(s) set forth therein to be paid by the Borrower in respect of interest on such Additional Bonds;

(D) on or before \_\_\_\_\_, 2019 and on or before the twentieth (20<sup>th</sup>) day of each month thereafter, to and including \_\_\_\_\_, 2019, a sum equal to the sum of (1) [one-ninth (1/9<sup>th</sup>)] of the principal due on \_\_\_\_\_, 2019 and (2) [one-ninth (1/9<sup>th</sup>)] of the Mandatory Sinking Fund Redemption Requirement;

(E) on or before \_\_\_\_\_, 2019, and on or before the twentieth (20<sup>th</sup>) day of each month thereafter, a sum equal to the sum of (1) one-twelfth (1/12<sup>th</sup>) of the principal due on the immediately succeeding \_\_\_\_\_ 1 that is a maturity date of the Series 2019 Bonds and (2) one-twelfth (1/12<sup>th</sup>) of the Mandatory Sinking Fund Redemption Requirement;

(F) on the dates set forth in any amendment or amendments hereto executed in connection with the issuance of Additional Bonds, the amount(s) set forth therein to be paid by the Borrower in respect of the principal of such Additional Bonds (whether at maturity or under any mandatory sinking fund or

other similar redemption requirements of any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds);

(G) on the Business Day prior to any date on which the Series 2019 Bonds are to be redeemed pursuant to the mandatory redemption provisions of the Indenture (other than mandatory sinking fund redemption pursuant to Section 303 of the Indenture), an amount equal to the Redemption Price of the Series 2019 Bonds to be redeemed (taking into account amounts then on deposit in the Bond Fund and the Redemption Fund to be used for the payment of such Series 2019 Bonds to be redeemed); and

(H) on the Business Day prior to any date on which any Additional Bonds are to be redeemed pursuant to any mandatory redemption provisions of any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds (other than mandatory sinking fund or other similar redemption pursuant to such supplemental indenture or indentures) an amount equal to the Redemption Price of such Additional Bonds to be redeemed (taking into account amounts then on deposit in the Bond Fund and the Redemption Fund to be used for the payment of such Additional Bonds to be redeemed).

(ii) Each payment of Basic Loan Payments under clauses (i)(A), (B), and (C) of this Section shall in all events be sufficient, after giving credit for funds held in the Bond Fund (including amounts held in the Capitalized Interest Account, if any, for Additional Bonds) and the Revenue Fund available for such purpose, to pay the total amount of interest payable on the Bonds on the immediately succeeding Interest Payment Date, each payment of Basic Loan Payments under clauses (i)(D), (E), and (F) of this Section shall in all events be sufficient, after giving credit for funds held in the Bond Fund available for such purpose, to pay the total amount of principal payable in respect of the Bonds on the immediately succeeding [June 1], and each payment of Basic Loan Payments under clauses (i)(G) and (H) of this Section shall in all events be sufficient, after giving credit for funds held in the Redemption Fund available for such purpose, to pay the total Redemption Price of the Bonds on the applicable date of redemption. Any Basic Loan Payments shall be reduced or need not be made to the extent that there are moneys on deposit in the Bond Fund and/or the Redemption Fund in excess of scheduled payments of Basic Loan Payments plus the amount required for the payment of Bonds theretofore matured or called for redemption, the amount required for the payment of interest for which checks or drafts have been mailed by the Trustee, and past due interest in all cases where Bonds have not been presented for payment. Further, if the amount held by the Trustee in the Bond Fund and the Redemption Fund shall be sufficient to pay at the times required the Debt Service Payments on the Bonds then remaining unpaid, the Borrower shall not be obligated to make any further payments of Basic Loan Payments under the provisions of this Section. There shall also be a credit against remaining Basic Loan Payments for Bonds purchased, redeemed, or canceled, as provided in Article III of the

Indenture or in any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds as provided therein.

(b) *Additional Loan Payments:* (i) The Borrower shall pay (A) to the Trustee until the Debt Service Payments on the Bonds shall have been paid in full (1) for deposit into any Fund or Funds created under the Indenture or any supplemental indenture or indentures executed in connection with the issuance of Additional Bonds, any and all additional amounts required to be deposited into such Fund or Funds by any amendment or amendments hereto executed in connection with the issuance of Additional Bonds on the dates set forth therein, (2) for deposit into the Rebate Fund any amount required to be deposited therein pursuant to Section 8.12 hereof, (3) promptly upon request, an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered, and the Ordinary Expenses of the Trustee incurred, under the Indenture, as and when the same shall become due, (4) promptly upon request, the reasonable fees and charges of the Trustee, as bond registrar and paying agent, and of any other paying agents on the Bonds for acting as paying agents as provided in the Indenture, as and when the same shall become due, and (5) promptly upon request, the reasonable fees and charges of the Trustee for the Extraordinary Services of the Trustee rendered by it, and the Extraordinary Expenses of the Trustee incurred by it, under the Indenture, as and when the same shall become due, and (B) to the Issuer, an amount sufficient to reimburse the Issuer for all expenses incurred by it hereunder in connection with the Bonds and the Project, or the later audit, inquiry, compliance requirements, investigation, modification, amendment or interpretation of the Bonds or the Project, if any, including, but not limited to, the fees and expenses of counsel for the Issuer and Bond Counsel, fees and expenses for any rebate consultant or analyst retained by the Issuer as a result of the Borrower's failure to comply with the provisions of Section 8.12 hereof, any expenses incurred as a result of any audit relating to the Bonds.

(ii) Such Additional Loan Payments shall be billed to the Borrower by the Issuer or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by such party for one or more of the above items. Amounts so billed shall be paid by the Borrower within thirty (30) days after receipt of the bill by the Borrower.

(iii) In the event the Borrower shall fail to make any of the payments required in this Section, the item or installment so in default shall continue as an obligation of the Borrower until the amount in default shall have been paid in full and shall bear interest at the highest rate of interest on the Bonds.

(iv) All amounts deposited in the Funds and Accounts created in the Indenture and available to be used to pay the amounts, fees, charges, and expenses described in item (i) of this subsection (b) in accordance with the terms of the Indenture shall be credited against the Borrower's obligation to make Additional Loan Payments to the extent such amounts are so used.

(c) Reserve Loan Payments: The Debt Service Reserve Fund shall be funded in an amount equal to the Debt Service Reserve Requirement for the purpose of paying Debt Service Payments on the Series 2019 Bonds and on any Additional Bonds that are Tax-Exempt Bonds as the same shall become due in the event there shall be insufficient funds for said purpose in the Bond Fund and the Redemption Fund, unless provision for their payment in full shall have been duly made, and for payment of the fees, charges, and expenses of the Trustee upon the occurrence of an Event of Default under the Indenture. In the event any funds from the Debt Service Reserve Fund shall be withdrawn or if there shall be a diminution in Value of the cash and investments held in the Debt Service Reserve Fund as of any Valuation Date or if any net losses result from the investment of amounts held in the Debt Service Reserve Fund that shall reduce the Value of the cash and investments held in the Debt Service Reserve Fund to less than the Debt Service Reserve Requirement as of any Valuation Date, the Borrower shall, beginning on the twentieth (20<sup>th</sup>) day of the month following notice from the Trustee of such withdrawal, diminution in Value, or losses, and on the twentieth (20<sup>th</sup>) day of each month thereafter, in addition to any other Loan Payments that may be due, make twelve (12) consecutive monthly payments as Reserve Loan Payments to the Trustee for deposit into the Debt Service Reserve Fund, each equal to one-twelfth (1/12<sup>th</sup>) of the amount of such withdrawal, diminution in Value, or losses.

(d) Credit for Transfers and Deposits Under the Indenture: The Borrower shall receive a credit against its obligation to make the Loan Payments under this Section 5.02 to the extent of all sums that are transferred to any Person or deposited to any Fund or Account in accordance with the provisions of Section 501 or 509(c) of the Indenture.

**Section 5.03. Agreement To Deposit Rent Under Lease; Depository Account; General Obligation.** Pursuant to Section 5.1 of the Lease, the Borrower and the Tenant have agreed that the Tenant shall submit all payments of Rent (as defined in the Lease) directly to [the Trustee][the Depository Account Bank] via Automatic Clearing House (ACH) transfer, or via such other means acceptable to the [the Trustee][the Depository Account Bank]. As further security for its obligation to make the Loan Payments, the Borrower hereby agrees that its obligation to make the Loan Payments is a general obligation of the Borrower, as further described in Section 5.04 hereof.

**Section 5.04. Nature of Obligations of the Borrower Hereunder.** The obligations of the Borrower to make the payments required in Section 5.02 hereof and other Sections hereof and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be a general obligation of the Borrower and shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim it may otherwise have against the Issuer or the Trustee. The Borrower agrees that it will not (i) suspend, abate, reduce, abrogate, diminish, postpone, modify, or discontinue any payments provided for in Section 5.02 hereof, (ii) fail to observe any of its other agreements contained in the Borrower Documents, or (iii) except as provided in Sections 11.01, 11.02, and 11.03 hereof or in any amendment or amendments hereto executed in connection with the issuance of Additional Bonds, terminate its obligations under any of the Borrower Documents for any contingency, act of God,



event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of the Borrower or the University to occupy or to use the Project as contemplated in this Loan Agreement and by the Lease or otherwise, any change or delay in the time of availability of the Project, any acts or circumstances that may impair or preclude the use or possession of the Project, any defect in the title, design, operation, merchantability, fitness, or condition of the Project or in the suitability of the Project for the Borrower's or University's purposes or needs, failure of consideration, any declaration or finding that any of the Bonds are unenforceable or invalid, the invalidity of any provision of this Loan Agreement, the Lease, or any of the other Bond Documents, any acts or circumstances that may constitute an eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or the use of all or any part of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision or agency of either or in the rules or regulations of any governmental authority, or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Loan Agreement.

## **ARTICLE VI MAINTENANCE, TAXES, AND INSURANCE**

**Section 6.01. Maintenance and Modification of Project by the Borrower.** (a) The Borrower agrees that during the Loan Agreement Term it shall at its own expense (i) keep the Project in as reasonably safe condition as its operations shall permit, (ii) keep the Building and all other improvements forming a part of the Project in good repair and in good operating condition, making from time to time, subject to the provisions of Section 6.02 hereof, all necessary and proper repairs thereto and renewals and replacements thereof, including external and structural repairs, renewals, and replacements, and (iii) use the Equipment in the regular course of its business or in the business of the University only, within the normal capacity of the Equipment, without abuse, and in a manner contemplated by the manufacturer thereof, and cause the Equipment to be maintained in accordance with the manufacturer's then currently published standard maintenance contract and recommendations. The Borrower may, also at its own expense, from time to time make any Additions or Alterations to the Project that it may deem desirable for its business purposes and that do not, in the opinion of an Independent Engineer filed with the Trustee, adversely affect the operation or value of the Project, provided, that the opinion of an Independent Engineer shall only be required in the case of material Additions or Alterations, as hereinafter defined. Additions or Alterations to the Project so made by the Borrower shall be on the Property, shall become a part of the Project, and shall become subject to the lien and security interest of the Mortgage. Such Additions or Alterations that cost in excess of Five Hundred Thousand Dollars (\$500,000) shall be made only by contractors that furnish performance and labor and material payment bonds in the full amount of such contracts, made by the contractor thereunder as the principal and a surety company or companies not unacceptable to the Trustee as surety, and such bonds shall be in substantially the same forms delivered in connection with the issuance of the Series 2019 Bonds. Such bonds shall name the Borrower, the Issuer, and the Trustee as obligees, and all Net Proceeds received under such bonds shall be paid

over to the Trustee and deposited into the Insurance Fund to be applied to the completion of the Additions or Alterations to the Project. Such money held by the Trustee in the Insurance Fund shall be invested from time to time, as provided in Section 4.07 hereof.

(b) The Borrower shall execute a conditional assignment directing the architect who has prepared any plans and specifications for any "material" Additions or Alterations to make available to the Trustee a complete set of the plans and specifications, which assignment shall be effective only upon the occurrence of an Event of Default. All construction contracts executed by the Borrower for construction of any "material" Additions or Alterations shall contain a provision that, or by separate agreement such contractors shall agree that, upon the occurrence of an Event of Default, said contracts with the contractors and/or sub-contractors shall be deemed assigned to the Trustee should the Trustee so direct. The Borrower covenants to include such conditional assignments in all material contracts and subcontracts executed for work to be performed on the Property. For purposes of this Section 6.01, the term "*material*" means any Addition or Alteration or contract having a cost of more than Five Hundred Thousand Dollars (\$500,000).

(c) The Borrower further agrees that at all times during the construction of Additions or Alterations that cost in excess of Five Hundred Thousand Dollars (\$500,000), it shall maintain or cause to be maintained in full force and effect builder's risk - completed value form insurance to the full insurable value of such Additions or Alterations. The Borrower shall not permit any mechanics' or materialmen's or other statutory liens to be perfected or remain against the Project for labor or materials furnished in connection with any Additions or Alterations so made by it, provided that it shall not constitute an Event of Default upon such lien's being filed if the Borrower shall promptly notify the Trustee of any such liens and the Borrower shall in good faith promptly contest such liens; in such event, the Borrower may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom provided the Borrower shall furnish the Trustee with a bond or cash deposit equal to at least the amount so contested, which, in the case of cash, shall be placed into an account with the Trustee and held and invested as provided in Section 4.07 hereof for the purposes stated in this subsection (c), or with an Opinion of Counsel stating that by nonpayment of any such items, the lien and security interest of the Mortgage will not be materially endangered and neither the Project nor any material part thereof will be subject to imminent loss or forfeiture. The proceeds of the bond or cash deposit may be used by the Trustee to satisfy the lien if action is taken to enforce the lien and such action is not stayed. The bond or cash deposit shall be returned to the Borrower if the lien shall be successfully contested. If the Borrower shall be unable or shall otherwise fail to obtain such a bond or provide such a cash deposit or such an Opinion of Counsel, the Borrower shall promptly cause to be satisfied and discharged all such items by payment thereof. If the Borrower shall be unable or shall otherwise fail to obtain such a bond or provide such a cash deposit or such an Opinion of Counsel, or to satisfy and discharge the lien, the Issuer or the Trustee may, but shall be under no obligation to, satisfy and discharge the lien by payment thereof or provide security that shall cause the claimant to release the lien against the Project, and all amounts so paid by the Issuer or the Trustee shall be treated as an advance to the Borrower repayable in accordance with Section 6.08 hereof.

(d) The Borrower shall not do or permit others under its control to do any work in or about the Project or related to any repair, rebuilding, restoration, replacement, alteration of, or addition to the Project, or any part thereof, unless the Borrower shall have first procured and paid for all requisite municipal and other governmental permits and authorizations. All such work shall be done in a good and workmanlike manner and in compliance with all applicable building, zoning, and other laws, ordinances, governmental regulations, and requirements and in accordance with the requirements, rules, and regulations of all insurers under the policies required to be carried under the provisions of this Article VI.

**Section 6.02. Removal of Equipment.** (a) If no Event of Default under this Loan Agreement shall have occurred and be continuing, in any instance where the Borrower in its discretion shall determine that any items of Equipment or any portion thereof shall have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary, the Borrower may remove such items of Equipment or portion thereof from the Property and sell, trade-in, exchange, or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Issuer or the Trustee therefor, provided that the Borrower shall either:

(i) substitute and install anywhere in the Building or on the Property items of replacement equipment or related property having equal or greater value or utility (but not necessarily having the same function) in the operation of the Project for the purpose for which it is intended, provided such removal and substitution shall not impair the nature of the Project, all of which replacement equipment or related property shall be free of all liens, security interests, and encumbrances (other than Permitted Encumbrances), shall become subject to the lien and security interest of the Mortgage, and shall be held by the Borrower on the same terms and conditions as the items originally constituting Equipment, or

(ii) not make any such substitution and installation, unless in the case of: (A) the sale of any such Equipment, (B) the trade-in of such Equipment for other machinery, furnishings, equipment, or related property not to become part of the Equipment or to become subject to the lien and security interest of the Mortgage, or (C) any other disposition thereof, the Borrower shall pay to the Trustee the proceeds of such sale or disposition or an amount equal to the credit received upon such trade-in for deposit into the Redemption Fund. In the case of the sale, trade-in, or other disposition of any such Equipment to an Affiliate of the Borrower, the Borrower shall pay to the Trustee an amount equal to the greater of the amounts and credits received therefor or the fair market value thereof at the time of such sale, trade-in, or other disposition for deposit into the Redemption Fund.

All amounts deposited into the Redemption Fund pursuant to the provisions of this Section shall be used to redeem all or a portion of the Bonds issued to finance or refinance the acquisition of such inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary Equipment or, if

such Bonds shall no longer be Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture. With respect to the Series 2019 Bonds, such amounts shall be used to redeem Series 2019 Bonds in accordance with the provisions of Section 305(b) of the Indenture. Except to the extent that amounts are deposited into the Redemption Fund, the removal from the Project of any portion of the Equipment pursuant to the provisions of this Section shall not entitle the Borrower to any postponement, abatement, or diminution of the Basic Loan Payments payable under Section 5.02 hereof.

(b) In the event that prior to such removal and disposition of items of Equipment from the Building and the Property, the Borrower shall have acquired and installed machinery, furnishings, equipment, or related property with its own funds that become part of the Equipment and subject to the lien and security interest of the Mortgage and that have equal or greater utility (but not necessarily the same function) as the Equipment to be removed, the Borrower may take credit to the extent of the amount so spent by it against the requirement that it either substitute and install other machinery and equipment having equal or greater value (but not necessarily the same function) or that it make payment to the Trustee for deposit into the Redemption Fund.

(c) The Borrower shall report promptly in writing to the Trustee each such removal, substitution, sale, or other disposition and shall pay to the Trustee such amounts as are required by the provisions of the preceding subsection (a) of this Section to be deposited into the Redemption Fund promptly after the sale, trade-in, or other disposition requiring such payment; provided, that no such report and payment need be made until the amount to be deposited into the Redemption Fund on account of all such sales, trade-ins, or other dispositions not previously reported shall equal, in the aggregate, at least One Hundred Thousand Dollars (\$100,000) in any Annual Period. All amounts deposited into the Redemption Fund pursuant to this Section 6.02 as a result of the sale, trade-in, exchange, or other disposition of Equipment shall be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such Equipment or, if such Bonds are no longer Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture. With respect to the Series 2019 Bonds, such amounts shall be used to redeem Series 2019 Bonds in accordance with the provisions of Section 305(b) of the Indenture. The Borrower shall not remove, or permit the removal of, any of the Equipment from the Building or the Property except in accordance with the provisions of this Section 6.02.

**Section 6.03. Taxes, Other Governmental Charges, and Utility Expenses.** (a) The Borrower shall pay, or cause to be paid, as the same become due, (i) all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project that, if not paid, will become a lien on the Project prior to or on a parity with the lien and security interest of the Mortgage or a charge on the payments under the Lease prior to or on a parity with the charge and security interest thereon and the pledge or assignment thereof created and including all *ad valorem* taxes or payments in lieu of such taxes lawfully assessed upon the Project, (ii) all utility and other charges incurred in the ownership, operation,

maintenance, use, occupancy, and upkeep of the Project, and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Project; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Borrower shall be obligated to pay only such installments as are required to be paid during the Loan Agreement Term.

(b) If the Borrower shall first notify the Trustee in writing of its intention so to do, the Borrower may, at its own expense and in good faith, contest any such taxes, assessments, or other charges and, in the event of any such contest, may permit the taxes, assessments, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided the Borrower shall furnish the Trustee with a bond or a cash deposit equal to at least the amount so contested plus any interest or penalties that might be payable as a result of any late payment, which, in the case of cash, shall be placed into an account with the Trustee and held for the purposes stated in this subsection (b), or an Opinion of Counsel stating that by nonpayment of any such items, the lien and security interest of the Mortgage will not be materially endangered and neither the Project nor any material part thereof will be subject to imminent loss or forfeiture. The proceeds of such bond or cash deposit may be used by the Trustee to satisfy the lien if action shall be taken to enforce the lien and such action shall not be stayed. Such bond or cash deposit shall be returned to the Borrower if the taxes, assessments, or other charges shall be successfully contested. If the Borrower shall be unable or shall otherwise fail to obtain such a bond or provide such a cash deposit or such Opinion of Counsel, such taxes, assessments, or charges shall be promptly satisfied and discharged by payment thereof.

**Section 6.04. Insurance Required.** In addition to the insurance required by Section 4.01 hereof, throughout the Loan Agreement Term, the Borrower shall keep the Project or cause the same to be kept continuously insured against such risks as are customarily insured against with respect to facilities of like size and type, if available at commercially reasonable rates or as recommended by an Insurance Consultant, including, but not limited to:

(a) commencing on the date on which the Series 2019 Project is occupied, insurance upon the repair or replacement basis in an amount of not less than one hundred percent (100%) of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions not to exceed Twenty-Five Thousand Dollars (\$25,000) per occurrence) against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke and such other risks as are now or hereafter included in the uniform standard extended coverage endorsement in common use for similar structures (including vandalism and malicious mischief);

(b) commencing on the date on which the Borrower begins leasing the Series 2019 Project to proposed residents thereof, business interruption insurance (also referred to as "business income" or "loss of rents" insurance) covering loss of revenues and other income by the Borrower by reason of total or partial suspension of, or interruption in, the operation of the

Project caused by covered damage to or destruction of the Project in an amount not less than the Maximum Annual Debt Service on the Bonds plus twelve (12) months' budgeted operating expenses minus those operating expenses avoided as a result of and during the period of interruption; I will need to know what the Loan/Bond amount will be for. I am currently looking to cover the building only not garage for \$75 Million;

(c) comprehensive general liability insurance providing insurance (with deductible provisions not to exceed [Twenty-Five Thousand Dollars (\$25,000)] per occurrence) covering all claims for bodily injury and property damage, including not less than [One Million Dollars (\$1,000,000)] per occurrence and Two Million Dollars (\$2,000,000)] in the aggregate, to include personal and advertising injury, general aggregate, products and completed operations aggregate insurance beginning at the completion of each Project component;

(d) commencing on the date any vehicle is acquired or hired by the Borrower for use with respect to the Project, automobile liability insurance providing insurance (with deductible provisions not to exceed [Twenty-Five Thousand Dollars (\$25,000)] per occurrence) to the extent of not less than a combined single limit of [One Million Dollars (\$1,000,000)] per accident covering liability arising out of the use of any Borrower vehicle or such vehicles used in conjunction with the Project, whether owned, non-owned, or hired, and including personal injury protection and uninsured motorist protection in the minimum statutory limits where required by law;

(e) at all times, insurance under the Federal Flood Insurance Program within the minimum requirements and amounts required for federally financed or assisted loans under the Flood Disaster Protection Act of 1973, as amended, if the Project is eligible under such program;

(f) commencing on the date the first employee of the Borrower is hired, workers' compensation coverage or other similar coverage covering all of the Borrower's employees on the Premises, as required by the laws of the State, including, with respect to workers' compensation insurance, Coverage B-Employer's liability limits of: bodily injury by accident Five Hundred Thousand Dollars (\$500,000) each accident; and bodily injury by disease - Five Hundred Thousand Dollars (\$500,000) each employee (and, in this regard, the Borrower shall require all subcontractors performing work on the Project to provide an insurance certificate showing proof of workers' compensation insurance);

(g) to the extent that the Project contains a steam boiler, pressure vessels, or pressure piping, and commencing on the date on which the same are installed in the Project, boiler explosion insurance on steam boilers, if any, pressure vessels, and pressure piping in an amount not less than one hundred percent (100%) of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions not to exceed Twenty-Five Thousand Dollars (\$25,000) per occurrence);

(h) [reserved];

(i) additional umbrella or excess liability coverage in the amount of Ten Million Dollars (\$10,000,000) in the aggregate, which shall include all coverages required by (c), (d), and (f) hereof; and

(j) such additional insurance as required by the Lease.

**Section 6.05. Application of Net Proceeds of Insurance.** The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.04(a), (e), and (g) hereof shall be paid and applied as provided in Section 7.01 hereof, and the Net Proceeds of insurance carried pursuant to the provisions of Sections 6.04(c), (d), and (i) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds have been paid. The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.04(b) hereof, up to an amount equal to the Debt Service Reserve Requirement on the Bonds (including any Mandatory Sinking Fund Redemption Requirement) for the succeeding twelve (12) month period, shall be deposited into the Bond Fund and used as provided in Section 502 of the Indenture and the balance shall be paid to the Borrower.

**Section 6.06. Additional Provisions Respecting Insurance.** All insurance required by Section 6.04 hereof shall be taken out and maintained in generally recognized responsible insurance companies qualified to do business in the State, that may include "captive" insurance companies or governmental insurance pools, and that have a rating of "A-VII" or better by the latest Best Insurance Report. All policies evidencing such insurance shall provide for payment to the Issuer, the Borrower and the Trustee as their respective interests may appear, the policies required by Section 6.04(c) and (d) shall name the Issuer, the Borrower, the Trustee and the Tenant as additional insureds, and the policies required by Section 6.04(a), (e), and (g) hereof shall name the Trustee as mortgagee and loss payee under the Standard New York Mortgagee Endorsement or an equivalent endorsement or loss payee provision providing that no act or omission by the Borrower shall in any way prejudice the rights of the Trustee under such policies and shall require that all Net Proceeds of insurance if in excess of Two Hundred Fifty Thousand Dollars (\$250,000) for loss or damage covered thereby be paid to the Trustee and applied pursuant to Section 7.01 hereof; provided, however, that prior to the occurrence of an Event of Default, all claims regardless of amount may be adjusted by the Borrower with the insurers, subject to prior written approval of the Trustee as to any settlement of any claim in excess of Two Hundred Fifty Thousand Dollars (\$250,000), which approval shall not be unreasonably withheld. A certificate or certificates of the insurers that such insurance is in force and effect shall be deposited with the Trustee, and prior to the expiration of any such policy the Borrower shall furnish the Trustee with a certificate or certificates that the policy has been renewed or replaced or is no longer required by this Loan Agreement. In lieu of separate policies, the Borrower may maintain one or more blanket policies of insurance having the coverage required by Section 6.04 hereof. All such policies shall provide that such insurance may not be modified adversely to the interests of the Issuer or the Trustee or canceled by the issuer thereof before the Bonds have been

paid in full without at least thirty (30) days' written notice to the Borrower, the Issuer, and the Trustee.

**Section 6.07. Insurance Certification; Review by Insurance Consultant.** (a) The Borrower shall deliver to the Trustee within ninety (90) days after the end of each Annual Period, beginning with the Annual Period ending June 30, 20\_\_\_, a certificate of an Authorized Borrower Representative setting forth the particulars as to all insurance policies maintained by the Borrower pursuant to Sections 6.04 and 6.06 hereof and certifying that such insurance policies are in full force and effect, that such policies comply with the provisions of such Sections, and that all premiums then due thereon have been paid. The Trustee shall be entitled to conclusively rely upon said certification of the Borrower as to the Borrower's compliance with the insurance requirements of Sections 6.04 and 6.06 hereof. The Trustee shall not be responsible for the sufficiency of coverage or the amounts of any such policies.

(b) At all times during the Loan Agreement Term, an Insurance Consultant shall be designated by the Borrower. The Borrower shall procure from the Insurance Consultant a review of its insurance requirements not less than every two (2) years along with a written recommendation, if necessary, for increasing or decreasing any of the insurance or coverages hereinabove required, and shall furnish a copy of such review to the Trustee, the University, and the Underwriter. If any such review by the Insurance Consultant contains recommendations for increasing any of such insurance or coverages, the Borrower shall promptly increase such insurance or coverages in accordance with such recommendations, and if any such review by the Insurance Consultant contains recommendations for decreasing any of such insurance or coverages, the Borrower may decrease such insurance or coverages in accordance with such recommendations. In addition, on or before the execution and delivery of this Loan Agreement and, on or before January 31 of each succeeding year, the Borrower shall furnish to the Trustee a certificate of the Insurance Consultant to the effect that the insurance procured by the Borrower satisfies in all respects the requirements of Sections 6.04 and 6.06 hereof.

**Section 6.08. Advances by the Issuer or the Trustee.** If the Borrower shall fail to make any payment or perform any act required of it under this Loan Agreement, the Issuer or the Trustee may (but shall be under no obligation), after notifying the Borrower of its intention to do so and at the expiration of any applicable cure period, make such payment or perform such act. All amounts so paid by the Issuer or the Trustee and all costs, fees, and expenses so incurred shall be payable as an additional obligation hereunder and under the Notes, together with interest thereon from the date of payment by the Issuer or the Trustee, as applicable, at the Default Rate, payment of which shall be secured by the Mortgage. Any remedy herein vested in the Issuer or the Trustee for the collection of the Loan Payments shall also be available to the Issuer and the Trustee for the collection of all such amounts so advanced. The Trustee shall be under no obligation to make any such payment unless it shall be requested to do so in writing by the Requisite Number of Bondholders and shall be provided with adequate funds paid in cash to the Trustee (from a source or sources approved by the Trustee) for the purpose of such payment.



**ARTICLE VII  
DESTRUCTION, DAMAGE, AND CONDEMNATION**

**Section 7.01. Destruction and Damage.** (a) In the event that the Project shall be destroyed or damaged (in whole or in part) by fire or other casualty, the Borrower shall promptly notify the Issuer and the Trustee, and, unless the Bonds shall be paid in full from the Net Proceeds of insurance resulting from such destruction or damage, shall be obligated to continue to make the Loan Payments and shall not be entitled to any postponement, abatement, or diminution thereof.

(b) If such Net Proceeds of insurance shall be less than **One Million Dollars (\$1,000,000)** (which amount shall be increased as of each June 1 by a percentage equal to the past year's increase, if any, in the Consumer Price Index for the County (the "CPI Adjustment") as provided by the Borrower to the Trustee), all such insurance proceeds shall be paid to the Borrower, and the Borrower shall repair, replace, rebuild, restore, and/or re-equip the Project promptly to substantially the same condition thereof as existed prior to the event causing such destruction or damage with such changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Borrower and as will not impair the value or the function of the Project. In the event the Net Proceeds shall not be sufficient to pay in full the costs of any such repair, replacement, rebuilding, restoration, and/or re-equipping, the Borrower shall nonetheless complete said work and shall pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(c) If such Net Proceeds of insurance shall be in excess of One Million Dollars (\$1,000,000) (plus the applicable CPI Adjustment, if any), all such insurance proceeds shall be paid to the Trustee and deposited and held in the Insurance Fund to be applied, as fully as practicable, in one or more of the following ways as shall be directed in writing by the Borrower within sixty (60) days from the date of such deposit:

(i) subject to the requirements of Section 7.03 hereof, such Net Proceeds may be applied to the restoration of the Project; or

(ii) subject to the requirements of Section 7.03 hereof, such Net Proceeds may be applied to the acquisition of other suitable land and the acquisition, by construction or otherwise, to the extent permitted by applicable law, of improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such destruction or damage (which improvements shall be deemed a part of the Project and available for use and occupancy by the Borrower without the payment of any Loan Payments other than as herein provided to the same extent as if such improvements were specifically described herein and shall be acquired by the Borrower subject to no liens, security interests, or encumbrances prior to or on a parity with the lien and security interest of the Mortgage, other than Permitted Encumbrances); or

(iii) such Net Proceeds may be transferred to the Redemption Fund to be applied to the redemption of Bonds; or

(iv) such Net Proceeds may be applied in some combination permitted by the foregoing clauses (i), (ii), and (iii) of this subsection (c).

(d) All Net Proceeds deposited into the Redemption Fund pursuant to this Section 7.01 as a result of the destruction of or damage to the Project shall be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such portion of the Project or, if such Bonds shall no longer be Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture.

(e) All Net Proceeds so deposited into the Redemption Fund to be applied to the redemption of the Series 2019 Bonds shall be used to redeem Series 2019 Bonds in accordance with the provisions of Section 304(a) or (b) of the Indenture; provided, that no part of such Net Proceeds may be applied to a redemption of the Bonds in whole pursuant to Section 304(a) of the Indenture unless the requirements of Section 11.02 hereof shall have been met.

(f) Any balance of such Net Proceeds of insurance remaining after application pursuant to Section 7.01(b) or (c) hereof or remaining because of the failure of the Authorized Borrower Representative to furnish to the Issuer and the Trustee the items required by Section 7.03 hereof shall be transferred to the Redemption Fund and used to redeem Bonds as provided in Section 7.01(d) and (e) hereof.

**Section 7.02. Condemnation.** (a) In the event that title to or the temporary use of the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, the Borrower shall promptly notify the Issuer and the Trustee and, unless the Bonds shall be paid in full from the award made in such eminent domain proceedings, shall be obligated to continue to make the Loan Payments and shall not be entitled any postponement, abatement, or diminution thereof.

(b) Except for Net Proceeds received by the Borrower pursuant to Section 7.04 hereof, the Issuer, the Borrower, and the Trustee shall cause the Net Proceeds received by them or any of them from any award made in such eminent domain proceedings to be paid to the Trustee and deposited and held in the Condemnation Fund to be applied, as fully as practicable, in one or more of the following ways as shall be directed in writing by the Borrower within sixty (60) days from the date of such deposit:

(i) subject to the requirements of Section 7.03 hereof, such Net Proceeds may be applied to the restoration of the Project; or

(ii) subject to the requirements of Section 7.03 hereof, such Net Proceeds may be applied to the acquisition of other suitable land and the acquisition, by construction or otherwise, to the extent permitted by applicable law, of improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such taking (which improvements shall be deemed a part of the Project and available for use and occupancy by the Borrower without the payment of any Loan Payments other than as herein provided to the same extent as if such improvements were specifically described herein and shall be acquired by the Borrower subject to no liens, security interests, or encumbrances prior to or on a parity with the lien and security interest of the Mortgage, other than Permitted Encumbrances); **or**

(iii) such Net Proceeds may be transferred to the Redemption Fund to be applied to the redemption of Bonds; **or**

(iv) such Net Proceeds may be applied in some combination permitted by the foregoing clauses (i), (ii), and (iii) of this subsection (b).

(c) All Net Proceeds deposited into the Redemption Fund pursuant to this Section 7.02 as a result of the condemnation of a portion of the Project shall be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such portion of the Project or, if such Bonds shall no longer be Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture.

(d) All Net Proceeds so deposited into the Redemption Fund to be applied to the redemption of the Series 2019 Bonds shall be used to redeem Series 2019 Bonds in accordance with the provisions of Section 304(a) or (b) of the Indenture; provided, that no part of such Net Proceeds may be applied to a redemption of the Bonds in whole pursuant to Section 304(a) of the Indenture unless the requirements of Section 11.02 hereof shall have been met.

(e) Any balance of such Net Proceeds remaining after application pursuant to Section 7.02(b) hereof or remaining because of the failure of the Authorized Borrower Representative to furnish to the Issuer and the Trustee the items required by Section 7.03 hereof shall be transferred to the Redemption Fund and used to redeem Bonds as provided in Section 7.02(c) and (d) hereof.

**Section 7.03. Conditions Precedent to Repair, Restoration, or Replacement of the Project; Other Requirements.** (a) Before the Trustee may apply any Net Proceeds pursuant to Section 7.01(c)(i), (ii), or (iv) hereof or Section 7.02(b)(i), (ii), or (iv) hereof to pay the costs of repairing, restoring, or and replacing the Project, the Borrower shall furnish to the Issuer and the Trustee, (i) a construction contract and any architect's agreement relating to such repair, restoration, or replacement, (ii) complete plans and specifications relating to such repair, restoration, or replacement (the "*Restoration Plans and Specifications*"), (iii) a certificate of an Independent Engineer that states that such repair, restoration, or replacement, if completed in

accordance with the Restoration Plans and Specifications, will (A) restore the Project to substantially the condition thereof immediately preceding the damage, destruction, or condemnation and (B) comply with all applicable statutes, codes, and regulations; (iv) a certificate of an Authorized Borrower Representative stating that sufficient moneys are available to (A) pay for such repair, restoration, or replacement and, (B) together with available business interruption insurance proceeds and other available Pledged Revenues, pay Debt Service Payments on the Bonds and Expenses during the period of repair, restoration, or replacement; (v) applicable lien waivers or conditional lien waivers; (vi) evidence of the existence of performance and payment bonds for the applicable general contractor; and (vii) evidence that the Borrower has acquired all permits and licenses necessary for such construction; and, if such net proceeds are in excess of Two Hundred Fifty Thousand Dollars (\$250,000) (plus the applicable CPI Adjustment, if any), in addition to those requirements listed in (i) through (vii) above, the Borrower shall also deliver to the Trustee: (viii) an endorsement to the applicable title insurance policy insuring the continued priority of the lien of the Mortgage and (ix) an opinion of Bond Counsel to the effect that neither such repair, replacement, nor restoration nor such use of such casualty or condemnation proceeds will adversely affect the excludability from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

(b) The Trustee shall retain ten percent (10%) of the requested disbursements to be disbursed upon final completion of the repair, replacement, or restoration as certified by an Independent Architect and receipt of certificates of occupancy, waivers of liens and, if such Net Proceeds shall be in excess of Two Hundred Fifty Thousand Dollars (\$250,000) (plus the applicable CPI Adjustment, if any), an endorsement to the title insurance policy or policies required by Section 3.05 hereof insuring the continued priority of the Mortgage. If at any time during the period of repair, restoration, or replacement, the insurance or casualty proceeds shall be less than the estimated remaining costs to restore, repair, or replace the Project, the Borrower shall provide the Trustee with cash or cash equivalents in an amount equal to the shortfall.

**Section 7.04. Condemnation of Property Not Included in Project.** The Borrower shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for damages to or for taking of its property not included in the Project and not subject to the lien and security interest of the Mortgage.

**Section 7.05. Investment of Net Proceeds.** Subject to Article VIII of the Indenture, any moneys held by the Trustee in the Insurance Fund or the Condemnation Fund under the provisions of Section 7.01 or 7.02 hereof, respectively, shall, at the written request of the Borrower, be invested or reinvested by the Trustee, as specified by the Authorized Borrower Representative in such request, in Permitted Investments at a yield that is not greater than the yield on the Tax-Exempt Bonds. Neither the Issuer nor the Trustee shall be liable or responsible for the determination of the yield on any such investments or any loss resulting from any such investment. Such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Insurance Fund or the Condemnation Fund, as the case may be, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund,

and any loss resulting therefrom shall be charged against such fund. The Trustee is directed to sell and convert to cash a sufficient amount of such investments whenever the cash held in the Insurance Fund or the Condemnation Fund is insufficient to pay a requisition for payment from such fund when presented. Neither the Trustee nor the Issuer shall be made liable or responsible for any loss resulting from any such investment or resulting from the redemption or sale of any such investment as herein authorized.

## ARTICLE VIII ADDITIONAL COVENANTS

**Section 8.01. No Warranty of Condition or Suitability by the Issuer.** THE ISSUER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE HABITABILITY, MERCHANTABILITY, CONDITION, OR WORKMANSHIP OF ANY PART OF THE PROJECT OR THAT IT WILL BE SUITABLE FOR THE BORROWER'S OR THE UNIVERSITY'S PURPOSES OR NEEDS.

**Section 8.02. Access to Project and Records.** The Issuer, the Trustee, and their duly authorized representatives and agents, reserve the right, upon reasonable prior notice, to enter the Project at all reasonable times during the Loan Agreement Term for the purpose of (i) examining and inspecting the same, including any reconstruction thereof, (ii) performing such work in and about the Project made necessary by reason of the occurrence of an Event of Default, and (iii) upon the occurrence of an Event of Default, exhibiting the Project to prospective purchasers, lessees, or mortgagees. The Issuer and the Trustee shall also have the right at all reasonable times to examine the books and records of the Borrower and make copies thereof insofar as such books and records relate to the repair and maintenance of the Project or insofar as necessary to ascertain compliance with this Loan Agreement subject to, with respect to information concerning students of the University, any applicable privacy or other laws restricting dissemination of such information.

**Section 8.03. Borrower to Maintain Status; Conditions Under Which Exceptions Permitted.** (a) The Borrower (i) shall maintain its legal existence as not for profit corporation organized under the laws of the State of Florida who is a Tax-Exempt Organization, (ii) shall, to the extent possible, cause the Tenant to maintain its legal existence as a Tax-Exempt Organization and a non-profit corporation organized under the laws of the State of Florida, (iii) shall not, except as permitted by this Section 8.03, consolidate with or merge into another entity or permit another entity to consolidate with or merge into it, (iv) shall not dissolve or otherwise dispose of all or substantially all of its assets, (v) shall file all required reports and documents with the IRS so as to maintain its status as a Tax-Exempt Organization, (vi) shall not operate the Project in any manner nor engage in any activities or take any action that might reasonably be expected to result in the Borrower's ceasing to be a Tax-Exempt Organization, and (vii) shall promptly notify the Issuer and the Trustee of any loss of the Borrower's status as a Tax-Exempt Organization or of any investigation, proceeding, or ruling that might result in such loss of status and (viii) shall use good faith efforts not to operate the Project or engage in activities or take action that might

reasonably be expected to impair the Project's exemption from *ad valorem* taxation. The Borrower shall preserve and keep in full force and effect all licenses and permits necessary to the proper conduct of its business.

(b) The Borrower covenants that none of its revenues, income, or profits, whether realized or unrealized, will be distributed to any of its directors or inure to the benefit of any private Person, other than for the lawful corporate purposes of the Borrower; provided, however, that the Borrower may pay to any Person the value of any service or product performed for, or supplied to, the Borrower by such Person. The Borrower further covenants that it will take such actions as are necessary or appropriate and within their respective control to take to comply with the provisions of the Code and the Regulations in order to preserve the exclusion of the interest paid on the Tax-Exempt Bonds from the gross income of the Owners thereof for federal income tax purposes and will not act or fail to act in any other manner that would adversely affect such exclusion. In connection with the foregoing, the Borrower acknowledges and agrees to comply with the provisions of the Tax Certificate and Agreement.

(c) The Borrower may, without violating the covenants contained in this Section, consolidate, merge, sell, or otherwise transfer to another Person all or substantially all of its assets as an entirety (and thereafter dissolve), provided (i) such consolidation, merger, sale, or other transfer shall not otherwise cause an Event of Default and (ii) the surviving, resulting, or transferee Person (A) shall be authorized to do business in the State, (B) shall be a domestic corporation, partnership, or other entity, or, if a natural person, a resident of the United States of America, (C) shall have the power to assume and shall assume in writing all of the obligations of the Borrower under this Loan Agreement, the Notes, and the other Borrower Documents and shall deliver to the Trustee any documents necessary to ensure that after such consolidation, merger, sale, or other transfer, the Trustee shall have a security interest in all assets that constitute, or would have constituted, collateral prior to such consolidation, merger, sale, or transfer, together with an Opinion of Counsel that all action has been taken to perfect such security interest to the extent perfection can be made by the filing of financing statements, (D) shall obtain all licenses and permits required by law to operate the Project, (E) shall deliver to the Trustee a title insurance policy or endorsement insuring that the surviving, resulting, or transferee Person has a valid leasehold interest in the Property and insuring the Mortgage as a first lien subject only to the Permitted Encumbrances, (F) shall deliver to the Trustee an Opinion of Counsel to the effect that this Loan Agreement, the Notes, and the other Borrower Documents, as assumed by the surviving, resulting, or transferee Person, are valid and enforceable obligations of such Person, subject only to exceptions related to bankruptcy and other customary exceptions, (G) shall deliver a Favorable Opinion of Bond Counsel, (H) shall have a fund balance or net worth, as the case may be, as reflected in the *pro forma* financial statements required to be furnished pursuant to this Section, not less than the fund balance or net worth, as the case may be, of the Borrower, as reflected in the most recent audited balance sheet of the Borrower furnished to the Trustee pursuant to this Loan Agreement, and (I) shall have met the provisions of Section 8.06(a) and Section 8.14 hereof for the two (2) consecutive years prior to such consolidation, merger, sale, or transfer, as determined from the surviving, resultant, or transferee Person's

financial statements on a *pro forma* basis that gives effect to such consolidation, merger, sale, or transfer, which *pro forma* basis financial statements shall be accompanied by a report of the Accountant with respect to compliance for the periods reported on.

(d) The Borrower may also, without violating any covenants contained in this Loan Agreement, sell, or otherwise transfer the Project to another Person that is controlled solely by the Borrower and that, prior to such sale or transfer, has no assets or liabilities, upon completion or satisfaction of the conditions set forth in items (i) and (ii)(A) through (G) of (c) above, and upon such completion or satisfaction shall be released from all liabilities and obligations under this Loan Agreement, the Notes, and the other Borrower Documents.

(e) The Borrower warrants that it is and while this Loan Agreement is in effect it (or the surviving, resulting, or transferee entity permitted by this Section) will continue to be duly qualified to do business in the State.

**Section 8.04. Indemnity.** (a) The Borrower shall and agrees to indemnify and hold the Issuer, the Trustee, and their respective directors, officers, members, and employees harmless against and from all claims by or on behalf of any Person and all costs, liabilities, losses, damages, fines, penalties, and expenses arising from the conduct or management of or from any work or thing done or originating on the Project and against and from all claims, costs, liabilities, losses, damages, fines, penalties, and expenses arising from (i) the leasing, condition, or operation of the Project, including, without limitation, any environmental condition of the Project, (ii) any breach or default on the part of the Borrower in the performance of any of its obligations under any of the Borrower Documents, (iii) any act or negligence of the Borrower or of any of its agents, contractors, servants, employees, or licensees, (iv) any act or negligence of any assignee or lessee of the Borrower or of any agents, contractors, servants, employees, or licensees of any assignee or lessee of the Borrower, or (v) the issuance or sale of the Bonds. The Borrower shall indemnify and hold the Issuer and the Trustee harmless from and against all fees, costs, and expenses incurred in or in connection with any such claim, cost, liability, loss, damage, fine, penalty, or expense arising as described in the preceding sentence, or in connection with any action or proceeding brought thereon, including reasonable attorneys' fees, costs and expenses as provided in Section 10.04 hereof, and upon notice from the Issuer or the Trustee, the Borrower shall defend them or either of them in any such action or proceeding.

(b) The Borrower agrees that it will indemnify and hold the Trustee harmless from any and all claim, cost, liability, loss, damage, fine, penalty, or expense, including reasonable attorneys' fees, costs and expenses as provided in Section 10.04 hereof, incurred without negligence or willful misconduct in the course of its duties, including any act, omission, delay, or refusal of the Trustee in reliance upon any signature, certificate, order, demand, instruction, request, notice, or other instrument or document believed by it to be valid, genuine, and sufficient and to have been prepared and furnished by the proper Person or to have been prepared or furnished pursuant to any of the provisions of any of the Bond Documents.

(c) It is the intention of the parties that the Issuer, the Trustee, and their directors, officers, members, and employees shall not incur pecuniary liability by reason of the terms of the Bond Documents or the undertakings required thereunder or by reason of (i) the issuance of the Bonds, (ii) the execution of the Bond Documents, (iii) the performance of any act required by the Bond Documents, (iv) the performance of any act requested by the Borrower, or (v) any other costs, fees, or expenses incurred by the Issuer or the Trustee with respect to the Project or the financing thereof, including all claims, costs, liabilities, losses, damages, fines, penalties, or expenses arising in connection with the violation of any statutes or regulations pertaining to the foregoing. Nevertheless, if the Issuer or the Trustee should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold harmless the Issuer and the Trustee against all claims by or on behalf of any Person arising out of the same and all costs, liabilities, losses, damages, fines, penalties, and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, including reasonable attorneys' fees, costs and expenses as provided in Section 10.04 hereof, and upon notice from the Issuer or the Trustee, the Borrower shall defend the Issuer and the Trustee in any such action or proceeding, it being understood and agreed that no settlement of any claim against the Issuer or the Trustee resulting in any liability of any such party may be effected without the consent of such party.

(d) Notwithstanding anything herein to the contrary, if, in their sole discretion, the Issuer or the Trustee determine that the circumstances warrant, the Issuer and the Trustee may retain counsel, at the expense of the Borrower, to defend against any action described in this Section 8.04.

(e) The indemnity contained in this Section 8.04 shall not apply to any (i) acts of gross negligence, willful misconduct, or intentional misconduct of the party seeking indemnification; (ii) any intentional breach by the party seeking indemnification of its obligations under the Bond Documents; or (iii) with respect to the Issuer, any liability or claim arising out of or relating to any information furnished by the Issuer and included in the [Official Statement] not being true and correct in all material respects or any failure by the Issuer to disclose information required to make the statements in the [Official Statement] relating to the Issuer not misleading.

(f) Nothing contained in this Section 8.04 shall require the Borrower to indemnify the Issuer, the Trustee, or their directors, officers, members, or employees for any claim or liability that the Borrower was not given any opportunity to contest or for any settlement of any such action effected without the Borrower's consent (assuming such opportunity to contest or consent was available to the party seeking indemnification and was not waived in writing by the Borrower).

(g) The agreement of the Borrower to indemnify the Issuer, the Trustee, and their respective directors, officers, members, and employees provided in this Loan Agreement shall survive the payment of the Bonds and the termination of this Loan Agreement or the sooner resignation or removal of the Trustee and shall inure to the benefit of the Trustee's and the Issuer's successors and assigns.



**Section 8.05. Covenant Regarding Financial Statements.**(a) The Borrower shall provide the Trustee, the Dissemination Agent, and the Underwriter annually, within one hundred eighty (180) days after the end of each Annual Period, beginning with the Annual Period ending June 30, 20\_\_\_, the financial statements of the Borrower, including its balance sheet, statement of revenue, expenses, and changes in fund balance (deficit), and statement of cash flow, for the year then ended in comparative form for the preceding Annual Period, which financial statements shall be accompanied by an Audit Report.

(a) The financial statements to be furnished to the Trustee, the Dissemination Agent, and the Underwriter, annually pursuant to this Section 8.05 shall be accompanied by a [calculation of the amount available on the Liquidity Testing Date required by Section 8.06 hereof,] and such financial statements shall be accompanied by a certificate of the Borrower to the effect that the Borrower is not then in default under any provisions of the Borrower Documents and has fully complied with all of the provisions thereof, or if the Borrower shall then be in default or shall have failed to so comply, setting forth the nature of the default or failure to comply.

(b) Other than with respect to the certificate of Borrower described in subsection (a) above, the Trustee shall have no duty to review or analyze any financial statements delivered to it or to verify the accuracy thereof and shall hold such financial statements solely as a repository for the benefit of the Bondholders; the Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed therein in any manner.

**Section 8.06. Liquidity Covenant and Indebtedness Test.**

(a) Liquidity Covenant.

(i) Commencing on \_\_\_\_\_, 20\_\_\_, the Borrower shall conduct its affairs so that, on each [June 30 and December 31] (based upon the Borrower's Financial Statements or its unaudited financials as the timing of the testing date dictates) (each a "Liquidity Testing Date"), the Borrower has not less than \$10,000,000 in its funds and accounts. If the Borrower does not have at least \$10,000,000 in its funds and accounts, the Borrower shall promptly notify the Trustee in writing. If less than \$10,000,000 is on hand for two consecutive Liquidity Testing Dates, the Borrower shall, not later than 30 days after receipt of the financial statements disclosing such deficiency for such second Liquidity Testing Date, obtain a Consultant's report setting forth in detail the reasons for such deficiency and specific plan setting forth the steps designed to achieve having \$10,000,000 on deposit by the next Liquidity Testing Date. Such report and plan shall be prepared and implemented as described under Subsection (d) below. Upon the failure to have \$10,000,000 on hand for a second time after two consecutive Liquidity Testing Dates, the Borrower shall be required to retain the services of a Management Consultant.

(ii) Notwithstanding any other provision herein, failure to achieve the \$10,000,000 on hand requirement on a Liquidity Testing Date which results in less than \$7,000,000 being on hand will constitute an Event of Default.

(iii) The Borrower shall take no action within its control to comply with the procedures set forth as described herein, and under subsection (iv) for preparing and implementing a report and plan for correcting any deficiency in this liquidity covenant.

(iv) Whenever the Borrower is required pursuant to this Section to complete a report and plan for correcting a deficiency, the Borrower shall cause such report and plan to be prepared and shall adopt such plan within the applicable time limit prescribed. Each report and plan must be in writing and contain sufficient detail to support the conclusions made concerning the reasons for deficiency and the steps to be taken for its correction by the required compliance date. Each such report and plan shall be implemented immediately upon its adoption, except to the extent limited by law or existing contracts. Any Consultant's report pursuant to this Section hereof may recommend (with respect to the improvements or changes in the operations or management of the Borrower) that the Borrower either make no change, or make some change, even though such recommendation is not calculated to result in full compliance with the requirements of this Section if, in the opinion of such Consultant, compliance with such recommendation should result in compliance with such requirements to the maximum extent feasible. Each report shall take into account and state to the extent which prior recommendations (if any) of any Consultant or management may not have been complied with by the Borrower. Copies of each report and plan shall, as soon as possible, be sent to the Trustee and the Dissemination Agent. The Trustee may, but shall not be obligated to, reasonably request management or any Consultant, as applicable, to update its reports and to file such additional reports as may be reasonably requested by it and to send copies thereof to the Trustee and the Dissemination Agent.

(b) Indebtedness Test.

The Borrower covenants and agrees that it will not incur, assume or guaranty any Indebtedness other than Indebtedness of the types and meeting the applicable tests described below (which shall constitute "Permitted Debt"):

- (i) Debt incurred under the Bond Documents;
- (ii) Additional Bonds;
- (iii) Purchase money obligations incurred to finance discrete items of equipment that extend to, and are secured by, only the equipment being financed and shall not require payments by the Borrower in any calendar year in excess of \$1,000,000, such amount to be adjusted annually from 2019 by the increase as the CPI Adjustment.

(iv) Indebtedness in a cumulative outstanding amount that does not exceed the [describe assets] as shown on the most recent financial statements of the Borrower provided pursuant to Section 8.05 hereof.

(v) Debt fully subordinated to the Bonds.

(c) The Borrower represents, warrants and covenants that all of its Indebtedness and liabilities incurred as of the date of this Loan Agreement and that will be incurred after the date of this Loan Agreement are and will be Permitted Debt.

**Section 8.07. Deposit Account Control Agreement.** The Borrower covenants to cause the Lease payments to be deposited in to the Deposit Account Control Account held by the Depository Account Bank as security for the Loan Payments.

**Section 8.08. Continuing Disclosure Agreement.** The Borrower shall at all times remain party to the Continuing Disclosure Agreement, or if the Continuing Disclosure Agreement shall terminate, it shall enter into a similar agreement to provide for the dissemination of the financial statements and notices required by Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended. The Borrower shall perform its obligations under the Continuing Disclosure Agreement.

**Section 8.09. Operation of Project and Safety Code.** The Borrower shall operate, or cause to be operated, the Project as a "health care facility" under the Act and shall continue to maintain the Project in compliance with all applicable life and safety codes and all applicable building and zoning, health, environmental, and safety ordinances and laws and all other applicable laws, rules, and regulations of the United States of America, the State, and any political subdivision or agency thereof having jurisdiction over the Project.

**Section 8.10. Related Party Transactions.** The Borrower shall not enter into any transaction relating to the Project, including, without limitation, the purchase, sale, lease, or exchange of property or the rendering of any service, with any Affiliate of the Borrower except in the ordinary course of business and pursuant to the reasonable requirements of the Borrower's business and upon terms found by the Board of Directors of the Borrower to be fair and reasonable and no less favorable to the Borrower than would be obtained in a comparable arm's length transaction with a Person not an Affiliate of the Borrower provided, however, the foregoing shall not apply to any transaction undertaken by the Borrower in support of the University.

**Section 8.11. [Reserved.]**

**Section 8.12. Calculation and Payment of Rebate Amount.** (a) The Borrower covenants to comply with the covenants and procedures set forth in Section 511 of the Indenture

and to deposit in the Account(s) of the Rebate Fund such amount(s) as shall be necessary to maintain the deposit(s) in the Account(s) of the Rebate Fund at the Rebate Amount.

(b) The Borrower shall provide to the Trustee at least every Rebate Year for each Series of Tax-Exempt Bonds, a certificate of the Borrower to the effect that (i) all requirements of this Loan Agreement, the Indenture, and the Tax Certificate and Agreement with respect to the Rebate Fund have been met on a continuing basis, (ii) the proper amounts have been and are on deposit in the Rebate Fund, and (iii) timely payment of all amounts due and owing to the United States Treasury have been made, which certificate may be based in part on the computations of the Rebate Analyst. If the certifications required by either (ii) or (iii) above cannot be made, the certificate shall so state and shall be accompanied by either money of the Borrower together with a direction from the Borrower to the Trustee to either deposit such money to the Rebate Fund or to pay such money over to the United States Treasury, as appropriate, or directions from the Borrower to the Trustee to transfer investment income available in any Fund to the Rebate Fund or to the United States Treasury, as appropriate. The Borrower acknowledges the provisions of Section 702(b) of the Indenture that limit the amount of money to be so transferred from the Funds at its direction.

(c) If the certificate described in the preceding subsection shall not be delivered to the Trustee within forty-five (45) days after the end of each Rebate Year, during the term of this Loan Agreement, the Issuer shall (or shall cause an expert satisfactory to the Issuer to) do all things necessary and appropriate to enable the Borrower (or such expert) to make such certification as soon as possible. The Trustee shall transfer moneys from other Funds or Accounts as provided in Section 511 of the Indenture to the Rebate Fund or the United States Treasury, as appropriate, if required.

(d) Notwithstanding any provision of this Section 8.12, if the Borrower shall provide, at the Borrower's expense, to the Trustee and to the Issuer an opinion of Bond Counsel to the effect that any action required under this Section or Section 511 of the Indenture shall no longer be required, or to the effect that some further action shall be required, to maintain the excludability from gross income of interest on the Tax-Exempt Bonds pursuant to Section 103(a) of the Code, the Borrower, the Issuer, and the Trustee may rely conclusively on such opinion in complying with the provisions hereof and Section-511 of the Indenture, and the covenants hereunder shall be deemed to be modified to that extent.

**Section 8.13. Annual Compliance Certificate.** For each year that this Loan Agreement shall remain in effect, the Borrower shall furnish to the Issuer and the Trustee on or before [January 31] of each succeeding year, a certificate of the Borrower, signed by an authorized officer, (a) stating that the Borrower has made a review of its activities during the preceding calendar year for the purpose of determining whether or not the Borrower has complied with all the terms, covenants, provisions, and conditions of the Borrower Documents on its part to be kept, observed, performed, or fulfilled and (b) either (i) stating that the Borrower has kept, observed, performed, and fulfilled each and every such term covenant, provision, and condition,

or (ii) providing a description of any failure on its part to keep, observe, perform, or fulfill any such term, covenant, provision, or condition. The Borrower shall also promptly provide the Trustee with such information as it shall reasonably request, including, without limitation, information as to the Lease. The Borrower shall report to the Issuer the outstanding principal balance of the Bonds as of September 30 of each year.

**ARTICLE IX**  
**ASSIGNMENT, SUBLEASING, ENCUMBERING, AND SELLING; REDEMPTION; LOAN**  
**PAYMENTS; AND ABATEMENT**

**Section 9.01. Assignment and Subleasing.** (a) The rights and obligations of the Borrower under this Loan Agreement may be assigned and delegated, and the Project may be subleased, as a whole or in part, by the Borrower without the necessity of obtaining the consent of either the Issuer or the Trustee, subject, however, to each of the following conditions:

(i) No assignment (other than pursuant to Section 8.03 hereof) or sublease shall relieve the Borrower from primary liability for any of its obligations hereunder, and in the event of any such assignment or sublease, the Borrower shall continue to remain primarily liable for payment of the Loan Payments and for the payment, performance, and observance of the other obligations and agreements on its part herein provided to be performed and observed by it.

(ii) The assignee shall assume in writing the obligations of the Borrower hereunder to the extent of the interest assigned.

(iii) The Borrower shall furnish or cause to be furnished to the Issuer and the Trustee assurances reasonably satisfactory to the Issuer that the Project will continue to be operated as a health care education and training facility and related facilities.

(iv) No assignment or sublease with any Person shall be entered into by the Borrower without the Borrower's first furnishing to the Trustee a Favorable Opinion of Bond Counsel or a ruling from the IRS to the effect that such assignment or sublease will not bring about an Event of Taxability.

(v) No such assignment or sublease shall give rise to a novation.

(vi) The Borrower shall, within thirty (30) days after the execution thereof, furnish or cause to be furnished to the Issuer and the Trustee a true and complete copy of each such assignment or sublease, as the case may be. The Issuer and the Trustee shall have the right, at any time and from time to time, to notify any assignee or sublessee of the rights of the Issuer and the Trustee, as provided by this paragraph. From time to time, upon the request of the Issuer or the Trustee, the Borrower shall specifically execute proper documentation in order to assign and grant a security interest to the Trustee, as additional

security for the Loan Payments, all the right, title, and interest of the Borrower in and to any and all subleases hereafter on or affecting the Premises (other than any sublease to which the University is a party as the sublessee), together with all security therefor and all moneys payable thereunder, subject to the conditional right of the Borrower to collect the rentals under any such subleases. The Borrower and the Issuer shall also execute and deliver to the Trustee any notification, financing statement, or other document reasonably required to perfect the foregoing assignment and security interest created as to any such subleases and other properties.

(vii) All subleases shall, to the extent required by the laws of the State, contain an attornment clause providing in effect that if at any time during the term of the sublease, the Trustee, the designee of the Trustee, or a subsequent purchaser at a foreclosure sale from the Trustee, shall become the owner of the Project, such sublessee agrees, at the election and upon demand of any owner of the Project, to attorn, from time to time, to any such owner upon the terms and conditions set forth in the sublease. To the extent required by the laws of the State, such sublessee shall be required to agree that at the request of the party to whom it has attorned, it will execute, acknowledge, and deliver, without charge, from time to time, instruments acknowledging such attornment. The attornment clause shall also provide that upon such attornment, the sublease shall continue in full force and effect as, or as if it were, a direct sublease between the successor and the sublessee, except that the successor landlord shall not (A) have any liability for any previous act or omission of a predecessor landlord under the sublease, (B) be bound by any previous modification of the sublease, unless such modification or prepayment shall have been expressly approved in writing by the Issuer and the Trustee, or (C) have any liability for refusal or failure to perform or complete the landlord's work or otherwise prepare the demised premises for occupancy in accordance with the provisions of the sublease.

(b) The Issuer confirms and recognizes that the right of possession of sublessees of the Borrower to the Premises and their other rights arising out of the subleases shall not be affected or disturbed in any way by the Issuer or the Trustee or by the exercise of any rights or remedies by the Issuer or the Trustee for any reason other than one that would entitle the Borrower under the subleases to dispossess the sublessees from the Premises or that would constitute an event of default under the subleases. Further, in the event of a foreclosure or such other exercise of the Issuer's or the Trustee's rights under this Loan Agreement and the Indenture, the Issuer agrees that so long as any sublessee is not in default under the terms of its sublease, it shall recognize such sublessee as the sublessee under such sublease.

**Section 9.02. Restrictions on Sale, Encumbrance, or Conveyance of the Project by the Borrower.** The Borrower shall not, except as set forth in Sections 6.02, 8.03, and 9.01 hereof and [Section \_\_] of the Mortgage, (a) directly, indirectly, or beneficially sell, convey, or otherwise dispose of any part of its interest in the Project during the Loan Agreement Term, (b) permit any part of the Premises to become subject to any mortgage, lien, claim of title, encumbrance, security

interest, conditional sale contract, title retention arrangement, finance lease, or other charge of any kind, except for Permitted Encumbrances or except as otherwise permitted under this Loan Agreement, or (c) assign, transfer, or hypothecate (other than to the Trustee) any rent (or analogous payment) then due or to accrue in the future under any sublease of the Premises, except for Permitted Encumbrances or except as otherwise permitted in Sections 8.03 and 9.01 hereof.

**Section 9.03. Redemption of Bonds.** The Issuer, at the written request and expense of the Borrower at any time and if the Bonds are then callable or available for purchase, and if there are funds available therefor, shall forthwith take all steps that may be necessary under the applicable redemption or purchase provisions of the Indenture to effect redemption or purchase of all or part of the then outstanding Bonds, as may be specified by the Borrower, on the earliest date on which such redemption or purchase may be made under such applicable provisions. In the circumstances set forth in Sections 6.02, 7.01, 7.02 and 8.11 of this Loan Agreement and [Section \_\_\_] of the Mortgage, Bonds **will be** redeemed by the Issuer automatically without the request of the Borrower, however, in certain circumstances, the Borrower shall have the right to select the date of redemption pursuant to Section 306 of the Indenture.

## ARTICLE X EVENTS OF DEFAULT AND REMEDIES

**Section 10.01. Events of Default Defined.** The following shall be "*Events of Default*" under this Loan Agreement, and the term "*Event of Default*" shall mean, whenever it is used in this Loan Agreement, any one or more of the following events:

(a) The Borrower shall fail to pay the Basic Loan Payments required to be paid under Section 5.02(a)(i)(A), (B), (D), (E) or (G) of this Loan Agreement at the times specified therein and such failure shall continue for a period of five (5) days after notice by mail, facsimile transmission, or personal delivery in the manner provided in Section 12.01 of this Loan Agreement, given to the Borrower by either the Trustee or the Issuer, that the payment referred to in such notice has not been received, or, without regard to notice, for a period of ten (10) days (eight (8) days in the case of Basic Loan Payments due in February) after any such amount shall become due, whichever shall occur first.

(b) The Borrower shall fail to pay the Basic Loan Payments required to be paid under Section 5.02(a)(i)(C), (F) or (H) of this Loan Agreement at the times specified therein and such failure shall continue for a period set forth in the amendment or amendments hereto executed in connection with the issuance of Additional Bonds.

(c) Any representation or warranty made by the Borrower in any statement or certificate furnished to the Issuer or the Trustee or the purchaser of any Bonds, in connection with the sale of any Bonds or furnished by the Borrower pursuant hereto, shall prove to have been inaccurate in any material respect as of the date of the issuance or making thereof and shall not

have been corrected within thirty (30) days after written notice specifying such inaccuracy shall have been given to the Borrower by the Issuer, the Trustee, or such purchaser. In the case of any such inaccuracy that cannot with due diligence be corrected within such thirty (30) day period, but that can be wholly corrected within a period of time not materially detrimental to the rights of the Trustee, it shall not constitute an Event of Default if corrective action shall be instituted by the Borrower within the applicable period and diligently pursued until the inaccuracy shall have been corrected in accordance with and subject to any directions or limitations of time established in writing by the Trustee.

(d) The Borrower shall fail to perform or cause to be performed any other covenant, condition, or provision hereof, other than as referred to in (a), (b), or (c) above or any covenant contained in Section 8.06(a) hereof, and to correct such failure within thirty (30) days after written notice specifying such failure shall have been given to the Borrower by the Issuer or the Trustee. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period, but that can be wholly corrected within a period of time not materially detrimental to the rights of the Trustee, it shall not constitute an Event of Default if corrective action shall be instituted by the Borrower within the applicable period and diligently pursued until the failure shall have been corrected in accordance with and subject to any directions or limitations of time established in writing by the Trustee.

(e) The Borrower shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of it or of all or a substantial part of its property or of the Project, (ii) fail to lift or bond promptly (if legally permissible) any execution, garnishment, or attachment of such consequence as will impair the ability of the Borrower to carry on its operations at the Project, (iii) enter into an agreement of composition with its creditors, (iv) admit in writing its inability to pay its debts as such debts shall become due, (v) make a general assignment for the benefit of its creditors, (vi) commence a voluntary case under the federal bankruptcy law or any similar law in effect in a foreign jurisdiction (as now or hereafter in effect), (vii) file a petition or answer seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (viii) fail to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against it in an involuntary case under such federal bankruptcy law or any similar law in effect in a foreign jurisdiction (as now or hereafter in effect), or (ix) take any action for the purpose of effecting any of the foregoing.

(f) A proceeding or case shall be commenced, without the application of the Borrower, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts of the Borrower, (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of the Borrower or of all or any substantial part of its assets, or (iii) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition and adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment, or



decree approving or ordering any of the foregoing shall be entered and shall continue unvacated and unstayed and in effect, for a period of ninety (90) days, whether consecutive or not.

(g) Reserved.

(h) The occurrence of an event of default under any of the Bond Documents other than the Continuing Disclosure Agreement.

**Section 10.02. Remedies on Event of Default.** (a) Whenever any Event of Default referred to in Section 10.01 hereof shall have happened and be subsisting, the Issuer, or the Trustee as the assignee of the Issuer, to the extent permitted by law, may:

(i) at its option, which may be exercised separately and independently from any similar option under the Indenture, declare all unpaid installments of Basic Loan Payments and other amounts payable under Section 5.02 hereof for the remainder of the Loan Agreement Term to be immediately due and payable whereupon the same shall become immediately due and payable, it being understood that upon a declaration of acceleration by the Trustee under Section 1002 of the Indenture, all unpaid Basic Loan Payments payable hereunder shall become immediately due and payable; provided, however, that if acceleration of the Bonds shall have been rescinded and annulled pursuant to Section 1002 of the Indenture, acceleration of the Basic Loan Payments and other amounts payable under Section 5.02 hereof required by this Section 10.02(a) shall similarly be rescinded and annulled and the Event of Default occasioning such acceleration shall be waived, but no such waiver, rescission, and annulment shall extend to or affect any subsequent Event of Default or impair or exhaust any right, power, or remedy consequent thereon; or

(ii) have access to and inspect, examine, and make copies of the books and records and any and all accounts, similar data, and income tax and other tax returns of the Borrower; or

(iii) from time to time take whatever action at law or in equity or under the terms of the Bond Documents may appear necessary or desirable to collect the Loan Payments and other amounts payable by the Borrower hereunder then due and/or thereafter to become due, or to enforce performance and observance of any obligation, agreement, or covenant of the Borrower under this Loan Agreement.

(b) Amounts collected pursuant to action taken under this Section shall be applied in accordance with the provisions of the Indenture, or, if the Bonds shall have been paid in full (or provision for payment thereof shall have been made in accordance with the provisions of the Indenture) and the Borrower shall have paid all amounts due under Sections 5.02, 6.08, 8.04, and 10.04 hereof, then any amounts remaining shall be paid to the Borrower in such amounts as shall be approved in writing by the Borrower.

**Section 10.03. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Trustee, as assignee of the Issuer, is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the Issuer hereunder shall also extend to the Trustee, and the Trustee and the owners of the Bonds shall be deemed third party beneficiaries of all covenants and agreements herein contained.

**Section 10.04. Agreement to Pay Attorneys' Fees, Costs and Expenses.** In the event the Borrower should default under any of the provisions of the Borrower Documents and the Issuer or the Trustee should employ attorneys or incur other reasonable costs or expenses for the collection of Basic Loan Payments hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it shall, on demand therefor, pay to the Issuer or the Trustee the reasonable fees, costs and expenses of such attorneys and such other costs and expenses so incurred by the Issuer and/or the Trustee. Any attorneys' fees, costs and expenses required to be paid by the Borrower under this Loan Agreement shall include attorneys' fees, costs and expenses through all proceedings, including, but not limited to, negotiations, administrative hearings, trials, and appeals.

**Section 10.05. Waiver of Events of Default.** The Trustee, on behalf of the Issuer, may waive any Event of Default hereunder and its consequences or rescind any declaration of acceleration of payments of the Basic Loan Payments due hereunder. In case of any such waiver or rescission, or in case any proceeding taken by the Issuer or the Trustee on account of any such Event of Default shall be discontinued or abandoned or determined adversely to the Issuer or the Trustee, then and in every such case the Issuer and the Borrower shall be restored to their former position and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

**Section 10.06. [Reserved.]**

**Section 10.07. No Liability of the Borrower's Officers.** No recourse under or upon any obligation, covenant, or agreement contained in this Loan Agreement, in any of the Bond Documents, or in any other documents delivered in connection with the issuance of the Series 2019 Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or

under any other circumstances, under or independent hereof, shall be had against any incorporator, director, member, or officer, as such, past, present, or future of the Borrower, or any incorporator, director, member, or officer of any successor entity, as such, either directly or through the Borrower or any successor entity, or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under this Loan Agreement, any of the Bond Documents, or any other documents delivered in connection with the issuance of the Series 2019 Bonds.

**Section 10.08. Restoration to Original Positions.** In case the Issuer or the Trustee shall have proceeded to enforce any right under this Loan Agreement, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Borrower, and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Issuer and the Trustee shall continue as if no such proceedings had been taken. To the extent that the Issuer or the Trustee shall waive or rescind any Event of Default hereunder, or in case any proceeding taken by the Issuer or the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, and the Borrower shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

**Section 10.09. Delay or Omission Not a Waiver.** No delay or omission of the Issuer or the Trustee to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Loan Agreement to the Issuer or the Trustee may be exercised from time to time and as often as may be deemed expedient by the Issuer or the Trustee.

**Section 10.10. Waiver of Extension, Stay, and Redemption Laws.** To the extent permitted by law, the Borrower shall not, during the continuance of any Event of Default hereunder, insist upon, or plead, or in any manner whatever, claim or take any benefit or advantage of, any extension or stay law wherever enacted, now or at any time hereafter in force, that may affect the covenants and terms of performance of this Loan Agreement; nor after any sale or sales of the Project that may be made pursuant to any provision herein contained, or pursuant to the decree, judgment, or order of any court of competent jurisdiction, claim or exercise any right under any statute heretofore or hereafter enacted by the United States of America or by any state or territory, or otherwise, to redeem the property so sold or any part thereof, and the Borrower hereby expressly waives all benefits or advantages of any such law or laws and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Issuer, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted.

**Section 10.11. Remedies Subject to Provisions of Laws.** All rights, remedies, and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law that may be controlling in the premises and to be limited to the extent necessary so that they will not render this Loan Agreement invalid or unenforceable under the provisions of any applicable law.

**Section 10.12. No Right to Conduct Affairs of the Borrower.** Nothing contained in this Loan Agreement shall be construed to grant to the Issuer or the Trustee the right to conduct the business and affairs of the Borrower, whether or not an Event of Default shall have occurred.

## ARTICLE XI OPTIONS IN FAVOR OF THE BORROWER

**Section 11.01. General Option to Terminate Loan Agreement.** The Borrower shall have, and is hereby granted, the following options to terminate this Loan Agreement at any time prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture). The Borrower may terminate the Loan Agreement Term by (a) paying to the Trustee an amount that, when added to the amount on deposit in the Bond Fund and the Redemption Fund, will be sufficient to pay, retire, and redeem all of the Outstanding Bonds in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, principal, redemption premium, interest to maturity or earliest applicable redemption date, as the case may be, premium, if any, expenses of redemption, and Trustee's and paying agents' fees, costs and expenses, including reasonable attorneys' fees, costs and expenses), (b) in the case of redemption, making arrangements satisfactory to the Trustee for the giving of the required, irrevocable notice of redemption, (c) paying to the Issuer any and all sums then due to the Issuer under this Loan Agreement, and (d) otherwise complying with the provisions of Article IX of the Indenture.

**Section 11.02. Option to Prepay Loan Upon the Occurrence of Certain Extraordinary Events.** (a) The Borrower shall have, and is hereby granted, the option to prepay the Series 2019 Loan in full or in part prior to the full payment of all of the Series 2019 Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), (i) in full if the Series 2019 Project shall have been destroyed or damaged to such an extent that, in the opinion of an Independent Engineer expressed in a certificate filed with the Trustee and the Issuer, (A) the Series 2019 Project cannot reasonably be restored within a period of twelve (12) months to the condition thereof immediately preceding such destruction or damage, or (B) the Borrower will thereby be prevented from carrying on its normal operations thereat for a period of not less than twelve (12) consecutive months, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of insurance payable in respect of such destruction or damage, (ii) in full if title to, or the temporary use of, a substantial portion of the Series 2019 Project shall have been taken under the exercise of the power of eminent domain by any governmental

authority or Person acting under governmental authority to such an extent that, in the opinion of an Independent Engineer expressed in a certificate filed with the Trustee and the Issuer, (A) the Series 2019 Project cannot be reasonably restored or replaced within a period of twelve (12) months to substantially the condition thereof immediately preceding such taking, or (B) the Borrower will thereby be prevented from carrying on its normal operations thereat for a period of not less than twelve (12) consecutive months, or (C) the cost of restoration or replacement thereof would exceed the total amount of compensation for such taking, or (iii) in part in the event of partial condemnation or destruction of, or partial damage to, the Series 2019 Project, from the Net Proceeds received by the Borrower as a result of such taking, destruction, or damage to the extent such Net Proceeds are not used for the restoration of the Series 2019 Project or for the acquisition of substitute property suitable for the Borrower's operations at the Series 2019 Project as such operations were conducted prior to such taking, destruction, or damage if the Borrower furnishes to the Trustee and the Issuer a certificate of an Independent Engineer stating (1) that the property forming a part of the Series 2019 Project that was taken, destroyed, or damaged is not essential to the Borrower's use or occupancy of the Series 2019 Project at substantially the same revenue-producing level as prior to such taking, destruction, or damage, or (2) that the Series 2019 Project has been restored to a condition substantially equivalent to its condition prior to such taking, destruction, or damage, or (3) that the Borrower has acquired suitable land and improvements that are substantially equivalent to the property forming a part of the Series 2019 Project that was taken, destroyed, or damaged.

(b) In the case of the occurrence of any of the events described in the preceding subsection (a), the Borrower, if it shall exercise its option to prepay the Series 2019 Loan, must prepay the Series 2019 Loan within one hundred eighty (180) days after such event.

(c) To exercise such option, the Borrower shall, within sixty (60) days following the event authorizing the exercise of such option, give written notice of the exercise of such option to the Issuer and to the Trustee and shall specify therein the date of tender of such prepayment, which date shall not be less than forty-five (45), nor more than one hundred twenty (120), days from the date such notice is mailed, and shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

(d) The amount payable by the Borrower in the event of its exercise of the option to prepay the Series 2019 Loan in full granted in the circumstances described in clauses (i) and (ii) of subsection (a) of this Section shall be the sum of the following:

(i) an amount of money that, when added to the amount then on deposit in the Bond Fund, the Redemption Fund, and the Debt Service Reserve Fund (taking into account the restrictions of Section 506(g) of the Indenture) will be sufficient to retire and redeem all the then Outstanding Series 2019 Bonds on the applicable redemption date provided by the Indenture, including without limitation, principal, all interest to accrue to said redemption date, and redemption expense, but without premium, plus

(ii) an amount of money equal to the Trustee's and paying agents' fees, costs and expenses, including reasonable attorneys' fees, costs and expenses, under the Indenture accrued and to accrue until such final payment and redemption of the Series 2019 Bonds, plus

(iii) an amount of money equal to the Issuer's reimbursable expenses under this Loan Agreement accrued and to accrue until such final payment and redemption of the Series 2019 Bonds.

(e) The amount payable by the Borrower in the event of its exercise of the option to prepay the Series 2019 Loan in part granted in the circumstances described in clause (iii) of subsection (a) of this Section shall be the sum of the following:

(i) an amount of money that, when added to the amount then on deposit in the Bond Fund and the Redemption Fund, will be sufficient to retire and redeem the Series 2019 Bonds that are to be redeemed on the applicable redemption date provided by the Indenture, including without limitation, principal, all interest to accrue to said redemption date, and redemption expense, but without premium, plus

(ii) an amount of money equal to the Trustee's and paying agents' fees, costs and expenses, including reasonable attorneys' fees, costs and expenses relating to such redemption, plus

(iii) an amount of money equal to the Issuer's reimbursable expenses under this Loan Agreement relating to such redemption.

**Section 11.03. Option to Prepay Loan in Connection with Optional Redemption of the Bonds.** (a) The Borrower shall have the option to prepay the Series 2019 Loan by prepaying Basic Loan Payments due under this Loan Agreement in such manner and amounts as will enable the Issuer to redeem the Series 2019 Bonds prior to maturity in whole or in part on any date, as provided in Section 302 of the Indenture. The Basic Loan Payments payable by the Borrower in the event of its exercise of the option granted under this Section shall be, (i) in the case of partial redemption, the amount necessary to pay principal, all interest to accrue to the redemption date, the applicable redemption premium, as provided in Section 302 of the Indenture, and any redemption expense, and (ii) in the case of a total redemption, the amounts set forth in Article IX of the Indenture and the applicable redemption premium, as provided in Section 302 of the Indenture.

(b) To exercise such option, the Borrower shall give the Issuer and the Trustee not less than forty-five (45) days' prior written notice of the exercise of such option and shall specify therein the date of tender of such prepayment and the amount thereof, shall direct the redemption of the corresponding amount of Series 2019 Bonds, and shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

**ARTICLE XII  
MISCELLANEOUS**

**Section 12.01. Notices.** All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by certified mail, postage prepaid, return receipt requested, or given when dispatched by electronic or facsimile transmission, or by personal delivery addressed as follows:

If to the Issuer:

Pinellas County Industrial Development  
Authority  
d/b/a Pinellas County Economic Development  
Authority  
13805 58<sup>th</sup> Street North, Suite 1-200  
Clearwater, Florida 33760  
Attention: Executive Director  
Telephone: (727) 464-8114  
Facsimile: (727) 464-7037  
E-Mail: [mmeidel@pinellascounty.org](mailto:mmeidel@pinellascounty.org)

With a copy to:

Pinellas County Attorney's Office  
315 Court Street, 6th Floor  
Clearwater, Florida 33756  
Telephone: (727) 464-3354  
Attention: Donald S. Crowell,  
Chief Assistant County Attorney  
E-Mail: [dcrowell@pinellascounty.org](mailto:dcrowell@pinellascounty.org)

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway North  
Jacksonville, FL 32256  
Attention: Corporate Trust Department  
Telephone: (904) 998-4718  
Facsimile: (904) 645-1972  
E-Mail: David.clendenin@bnymellon.com

If to the Borrower:

Drs. Kiran & Pallavi Patel 2017 Foundation For  
Global Understanding, Inc.  
5600 Mariner Street, Suite 200  
Tampa, Florida 33609  
Attention: President  
Telephone: (813) 340-5001  
Facsimile: (\_\_\_\_) \_\_\_\_-\_\_\_\_  
E-Mail: [drkirancpatel@yahoo.com](mailto:drkirancpatel@yahoo.com)

With a copy to:

Karren A. Wilson P.A.  
5600 Mariner Street, Suite 205  
Tampa, FL 33609-3417  
Attention: Karren A. Wilson, Esq.  
Telephone: (813) 629-8950  
Facsimile: (888) 503-3299  
E-Mail: [kw@kwilsonlaw.com](mailto:kw@kwilsonlaw.com)

If to the Underwriter:

Citigroup Global Markets, Inc.  
388 Greenwich Street, 8<sup>th</sup> Floor  
New York, New York 10013  
Attention: Archie Chandrasekhar, Director  
Telephone: (212) 723-4102  
Facsimile: (646) 491-1703  
E-Mail: [archie.chandrasekhar@citi.com](mailto:archie.chandrasekhar@citi.com)

If to the Dissemination Agent:

**[To come.]**

Receipt of notices, certificates, or other communications hereunder shall occur upon actual delivery (whether by mail, electronic or facsimile transmission, messenger, courier service, or otherwise) to any person who is an officer of the Borrower at any location where such person may be found, or to an officer, agent, or employee of the Borrower or other party, at the address of such party set forth above, subject to change as provided hereinabove. An attempted delivery in accordance with the foregoing, acceptance of which is refused or rejected, shall be deemed to be and shall constitute receipt; and an attempted delivery in accordance with the foregoing by mail, messenger, or courier service (whichever is chosen by the sender) that is not completed because of changed address of which no notice was received by the sender in accordance with this provision prior to the sending of the notice, certificate, or other communication shall also be deemed to be and constitute receipt. A duplicate copy of each notice, certificate, or other communication given hereunder shall also be given to the Trustee and to the Underwriter. Any party named in this Section 12.01 may, by notice given to each of the others, designate any additional or different addresses to which subsequent notices, certificates, or other communications shall be sent.



**Section 12.02. Construction and Binding Effect.** This Loan Agreement constitutes the entire agreement of the parties and supersedes any prior agreements. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower, and their respective successors and assigns subject, however, to the limitations contained in Sections 8.03, 9.01, and 9.02 hereof.

**Section 12.03. Severability.** In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 12.04. Amendment, Changes, and Modifications.** Neither this Loan Agreement nor the Indenture may be amended, changed, modified, or altered, except as provided in the Indenture.

**Section 12.05. Execution of Counterparts.** This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 12.06. Law Governing Construction of this Loan Agreement.** This Loan Agreement is prepared and entered into with the intention that the law of the State, exclusive of such state's rules governing choice of law, shall govern its construction.

**Section 12.07. Payments Due on Saturdays, Sundays, and Holidays.** In any case where the date for any payment due under this Loan Agreement shall be, in the location of the Office of the Trustee, a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized by law to close, then such payment need not be made on such date but may be made on the immediately succeeding business day not a Saturday, Sunday, legal holiday, or day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date due.

**Section 12.08. Subordination to Indenture.** This Loan Agreement and the rights and privileges hereunder of the Borrower are specifically made subject and subordinate to the rights and privileges of the Trustee and the owners of the Bonds appertaining thereto set forth in the Indenture.

**Section 12.09. Limitation on Interest.** No provisions of this Loan Agreement or of the Notes shall require the payment or permit the collection of interest in excess of the maximum permitted by law. If any excess interest in such respect is herein or on the Notes provided for, or shall be adjudicated to be so provided for herein or in the Notes, the Borrower shall not be obligated to pay such interest in excess of the amount permitted by law, and the right to demand the payment of any such excess shall be and hereby is waived, and this provision shall control any provisions of this Loan Agreement and the Notes inconsistent with this provision.

**Section 12.10. Indenture.** The Borrower has reviewed the terms of the Indenture and agrees to perform the duties and obligations imposed upon it thereby.

**Section 12.11. Authority of Authorized Borrower Representative.** Whenever under the provisions of this Loan Agreement or the Indenture the approval of the Borrower shall be required, or the Issuer or the Trustee shall be required to take some action at the request of the Borrower, such approval or such request shall be made by an Authorized Borrower Representative unless otherwise specified herein or in the Indenture. The Issuer or the Trustee shall be authorized to act on any such approval or request and the Borrower shall have no complaint against the Issuer or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Indenture by an Authorized Borrower Representative shall be on behalf of the Borrower and shall not result in any personal liability of such Authorized Borrower Representative.

**Section 12.12. Authority of Authorized Issuer Representative.** Whenever under the provisions of this Loan Agreement or the Indenture the approval of the Issuer shall be required, or the Borrower or the Trustee shall be required to take some action at the request of the Issuer, such approval or such request may be made by an Authorized Issuer Representative unless otherwise specified herein or in the Indenture. The Borrower or the Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint against the Borrower or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Indenture by an Authorized Issuer Representative shall be on behalf of the Issuer and shall not result in any personal liability of such Authorized Issuer Representative.

**Section 12.13. Notice of Change in Fact.** The Borrower shall notify the Issuer and the Trustee in writing promptly after the Borrower shall become aware of (a) any change in any material fact or circumstance represented or warranted by the Borrower in this Loan Agreement or in connection with the issuance of a Series of Bonds that would make any such representation or warranty false when made, (b) any Event of Default or Default Condition, specifying in each case the nature thereof and what action the Borrower has taken, is taking, and/or proposes to take with respect thereto, (c) any IRS audit of the Borrower or the Bonds, and/or (d) any material litigation affecting the Bonds, the Borrower, the Lease, or the Project.

**Section 12.14. Electronic Signatures.** The parties agree that the electronic signature of a party hereto shall be as valid as an original signature of such party and shall be effective to bind such party hereto. The parties further agree that any electronically signed document (including this Loan Agreement) shall be deemed (a) 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, shall 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.

**Section 12.15. Patriot Act.** Federal law requires all financial institutions to obtain, verify, and record information that identifies each Person who opens an account. Accordingly, the parties hereto acknowledge that the Trustee may require documentation from each non-individual Person such as a business entity, a charity, a trust, or other legal entity verifying its formation as a legal entity and that the Trustee may also request identifying information to sufficiently verify the identities of individuals claiming authority to represent the entity.

**Section 12.16. No Pecuniary Liability of Issuer, the County, or the State.** No provision, covenant, or agreement contained in this Loan Agreement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute a debt, liability or indebtedness of the Issuer (except to the extent provided herein and in the Bonds), the County, or of the State or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer, the County, or of the State or of any political subdivision of the State,-within the meaning of any State constitutional or statutory limitation. In making the agreements, provisions and covenants set forth in this Loan Agreement, the Issuer has not obligated itself, except with respect to the application of the Loan Payments, revenues, income and all other property pledged and assigned as security for the Bonds as hereinabove provided. NONE OF THE BONDS OR THE LOAN OR ANY OTHER FINANCIAL AGREEMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS OR THE LOAN ARE DEBTS, LIABILITIES OR OBLIGATIONS OF THE ISSUER, THE COUNTY, OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE FAITH AND CREDIT NOR TAXING POWER OF THE COUNTY OR OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS AND NO DEBTS ARISING HEREUNDER SHALL BE PAYABLE OUT OF ANY MONEYS EXCEPT THE TRUST ESTATE. THE ISSUER HAS NO TAXING POWER AND RECEIVES NO APPROPRIATIONS FROM THE COUNTY, THE STATE, OR ANY OTHER GOVERNMENTAL BODY.

**Section 12.17 No Personal Liability of Officials of the Issuer.** None of the covenants, stipulations, promises, agreements and obligations of the Issuer contained herein shall be deemed to be covenants, stipulations, promises, agreements or obligations of any member, official, officer, agent or employee of the Issuer in his or her individual capacity, and no recourse shall be had for the payment of the principal of or premium, if any, or interest on the Bonds or for any claim

based thereon or any claim hereunder against any member, official, officer, agent or employee of the Issuer or any natural person executing any Bond.

**Section 12.18. Limited Obligation of Issuer.** (a) This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer and the Borrower for the benefit of the owners of the Series 2019 Bonds, and their respective successors and assigns, subject to the limitation that any obligations of the Issuer created by or arising out of this Loan Agreement shall be limited obligations of the Issuer, payable solely out of the revenues arising from the pledge and assignment of the Loan and the other funds held or set aside in trust under the Indenture and shall never constitute the debt or indebtedness of the Issuer, the State, or any political subdivision of the State within the meaning of any provision or limitation of the constitution or statutes of the State and shall not constitute nor (except for its fraud or intentional misrepresentation) give rise to a pecuniary liability of the Issuer, the State or any political subdivision of the State or a charge against the general credit or taxing powers, if any, of such entities. The Issuer has no taxing power and receives no appropriations from the County, the State, or any other governmental body.

(b) Anything in this Loan Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(c) No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Issuer contained in this Loan Agreement, any other Issuer Documents, or in any Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise, or agreement of the Issuer contained in any agreement, instrument, or certificate executed in connection with the Series 2019 Project or the issuance and sale of the Series 2019 Bonds, against the Issuer or any of its directors, officers, members, and employees (as described in Section 8.04 hereof) (each, an "Issuer Indemnified Party") whether by virtue of any Constitutional provision, statute, or rule of the law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that no personal liability whatsoever shall attach to, or be incurred by, any Issuer Indemnified Party, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into by the Issuer with the Borrower or the Trustee to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against each and every Issuer Indemnified Party is, by the execution of the Issuer Documents, and as a condition of, and as part of the consideration for, the execution of the Issuer Documents, is expressly waived and released.

(d) No agreements or provisions contained herein, nor any agreement, covenant, or undertaking by the Issuer in connection with the Series 2019 Project or the issuance, sale, and/or delivery of the Series 2019 Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way, except as may be

payable from the revenues pledged hereby for the payment of the Series 2019 Bonds and their application as provided in the Indenture. No failure of the Issuer to comply with any term, covenant, or agreement contained in the Series 2019 Bonds, this Loan Agreement, or the Indenture, or in any document executed by the Issuer in connection with the Series 2019 Project or the issuance and sale of the Series 2019 Bonds, shall subject the Issuer to liability for any claim for damages, costs, or other financial or pecuniary charge, except to the extent that the same can be paid or recovered from the Trust Estate. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant, or agreement herein; provided that no costs, expenses, or other monetary relief shall be recoverable from the Issuer, except as may be payable from the Trust Estate. No provision, covenant, or agreement contained herein, or any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against its general credit. In making the agreements, provisions, and covenants set forth in this Loan Agreement, the Issuer has not obligated itself, except with respect to the application of the Trust Estate for the payment of the Series 2019 Bonds.

(e) The Issuer shall have no liability or obligation with respect to the payment of the purchase price of the Series 2019 Bonds. None of the provisions of this Loan Agreement shall require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Trust Estate, or the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability that may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any record keeping or to provide any legal services, it being understood that such services shall be performed or provided as arranged by the Trustee or the Borrower. The Issuer covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations, and provisions expressly contained in this Loan Agreement, the Indenture and any and every Bond executed, authenticated, and delivered under the Indenture; provided, however, that (i) the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Borrower or the Trustee, (ii) the Issuer shall have received the instrument to be executed, and (iii) any action or execution of any instrument requested of the Issuer shall be at the Borrower's sole expense.

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IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed in their respective names and on their respective behalves by their respective duly authorized officers as of the day and year first above written.

**PINELLAS COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY d/b/a  
PINELLAS COUNTY ECONOMIC  
DEVELOPMENT AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Name: Karen Williams Seel  
Title: Chairman

Attest:

By: \_\_\_\_\_  
Name: Mike Meidel  
Title: Executive Director

**DRS. KIRAN & PALLAVI PATEL 2017  
FOUNDATION FOR GLOBAL  
UNDERSTANDING, INC.**

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

[Signature Page | Loan Agreement]

## **EXHIBIT A OF LOAN AGREEMENT**

### **DESCRIPTION OF THE EQUIPMENT**

All machinery, equipment, furniture, furnishings, appliances, signs, and other articles of tangible personal property of every kind and nature whatsoever owned by the Borrower now or hereafter attached to, used in connection with, or located at, in, upon, or under the Property described in Exhibit B hereto, excluding, however, machinery, equipment, furniture, furnishings, and other articles of tangible personal property located at, in, upon, or under the Property described in Exhibit B hereto that is owned by the University (or other tenant) or authorized users of the Project located on the Property.

**EXHIBIT B OF LOAN AGREEMENT**

**DESCRIPTION OF THE PROPERTY**

[To Come.]



**EXHIBIT C OF LOAN AGREEMENT**

**FORM OF SERIES 2019 NOTE**

**THIS PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE TRANSFERABILITY HEREOF IS RESTRICTED BY THE INDENTURE IDENTIFIED IN THE ASSIGNMENT ENDORSED HEREON.**

**THIS SERIES 2019 NOTE IS SUBJECT TO ALL THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT (THE "LOAN AGREEMENT") DATED AS OF \_\_\_\_\_ 1, 2019, BY AND BETWEEN THE ISSUER (AS DEFINED HEREIN) AND THE BORROWER (AS DEFINED HEREIN), INCLUDING THE PROVISIONS OF SECTION 10.06 THEREOF.**

**DRS. KIRAN & PALLAVI PATEL 2017 FOUNDATION  
FOR GLOBAL UNDERSTANDING, INC.  
PROMISSORY NOTE, SERIES 2019  
(LIMITED RECOURSE)**

\$ \_\_\_\_\_, 2019

**FOR VALUE RECEIVED**, the undersigned, **DRS. KIRAN & PALLAVI PATEL 2017 FOUNDATION FOR GLOBAL UNDERSTANDING, INC.** (together with its successors and assigns, the "Borrower"), a Florida not for profit corporation, hereby promises to pay to the order of the **PINELLAS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** (the "Issuer"), a public body corporate and politic organized under the laws of the State of Florida (the "State"), the principal sum of \$ \_\_\_\_\_ and to pay interest from the date of issuance and delivery of this Series 2019 Note on the unpaid principal amount of this Series 2019 Note, such principal and interest to be paid at the times, in the amounts and at the interest rates hereinafter provided.

This Series 2019 Note evidences the Borrower's indebtedness to the Issuer under the Loan Agreement, pursuant to which the Issuer has issued its Industrial Development Revenue Bonds (Drs. Kiran & Pallavi Patel 2017 Foundation For Global Understanding, Inc. Project), Series 2019 in the aggregate principal amount of \$ \_\_\_\_\_ (the "Series 2019 Bonds") and loaned the proceeds thereof to the Borrower to pay or reimburse a portion of the costs and expenses incurred in connection with the acquisition, construction, and equipping of an approximately 27-acre, approximately 325,000 square-foot medical education complex that will be part of the Tampa Bay Regional Campus of Nova Southeastern University, Inc., a Florida not for profit corporation (the "University"), located in Clearwater, Florida, which campus will house the University's College of Osteopathic Medicine, which facility will be owned by the

Drs. Kiran & Pallavi Patel 2017 Foundation For Global Understanding, Inc., a Florida not for profit corporation (the "Borrower"), and operated by the University (the "Series 2019 Project"), as described in the Loan Agreement. In order to provide a source of payment for and to secure the Series 2019 Bonds, the Issuer has pledged and assigned to The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee") under a Trust Indenture (the "Indenture") dated as of \_\_\_\_\_ 1, 2019, by and between the Issuer and the Trustee its rights in and to this Series 2019 Note and the Loan Agreement (except for certain Unassigned Rights, as such term is defined in the Loan Agreement) and accordingly, all interest and principal payments due hereunder shall be paid in lawful money of the United States of America to the Trustee at 10161 Centurion Parkway North, Jacksonville, Florida 32256, Attention: Corporate Trust Department as the assignee and holder of this Series 2019 Note or at such other place as the Trustee or other holder of this Series 2019 Note may designate in writing to the Issuer and the Borrower.

The Borrower shall pay or cause to be paid the principal of, and premium, if any, and interest on, this Series 2019 Note at such times and in such amounts that will permit the Issuer to make timely payments of the principal of, and premium, if any, and interest on, the Series 2019 Bonds.

Interest on this Series 2019 Note shall be computed and shall be payable on the same terms and conditions as the interest on the Series 2019 Bonds, and all of the terms and provisions of the Series 2019 Bonds pertaining thereto are incorporated by reference herein.

In any case where the date of maturity of interest on or principal of this Series 2019 Note or the date fixed for prepayment or redemption of this Series 2019 Note shall be on a day that is not a Business Day (as defined in the Loan Agreement), then payment of principal, premium, if any, or interest need not be made on such date but may be made on the immediately succeeding Business Day (as defined in the Loan Agreement) with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

The Borrower shall also pay to the Trustee any and all other sums that the Issuer is obligated to pay to the Trustee under the terms and provisions of the Indenture or the Loan Agreement.

This Series 2019 Note is subject to prepayment or redemption in the same manner as the Series 2019 Bonds, and all of the terms and provisions of the Series 2019 Bonds pertaining thereto are incorporated by reference herein.

Upon the occurrence of any Event of Default (as defined in the Loan Agreement) the entire unpaid balance of the principal of, and accrued interest on, this Series 2019 Note may, at the option of the Trustee, as provided in the Indenture, become immediately due and payable in the manner, with the effect and subject to the conditions provided in the Indenture.

This Series 2019 Note is subject to all of the terms and conditions of the Loan Agreement, which are hereby incorporated herein, with the same effect as if the Loan Agreement were fully set forth herein. Reference is hereby made to the Loan Agreement and the Indenture, executed counterparts of which are on file with the Issuer, the Borrower, and the Trustee, for a description of the security for this Series 2019 Note, the rights and obligations of the Borrower and the Issuer in connection with the Series 2019 Project and the loan made to finance the acquisition, construction, and equipping of the Series 2019 Project, and other matters affecting the indebtedness evidenced by this Series 2019 Note.

The Borrower and any endorsers hereof severally waive presentment, demand, protest, and notice (other than notices provided for in the Loan Agreement or as required by law).

This Series 2019 Note is issued with the intent that the laws of the State shall govern its construction.

**IN WITNESS WHEREOF**, the Borrower has caused this Series 2019 Note to be duly executed on its behalf as of the date above.

**DRS. KIRAN & PALLAVI PATEL 2017  
FOUNDATION FOR GLOBAL  
UNDERSTANDING, INC.**

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

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**ENDORSEMENT**

**FOR VALUE RECEIVED**, the Pinellas County Industrial Development Authority (the "Issuer"), hereby irrevocably assigns and transfers the foregoing Series 2019 Note to the order of The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), as Trustee under a Trust Indenture (the "Indenture") dated as of \_\_\_\_\_ 1, 2019, by and between the Issuer and the Trustee, without recourse or warranty, except warranty that the Issuer has not assigned the foregoing Series 2019 Note to a person other than the Trustee. The Issuer hereby directs the maker of the Series 2019 Note, Drs. Kiran & Pallavi Patel 2017 Foundation For Global Understanding, Inc., to make all payments with respect to principal of, and interest on, the Series 2019 Note and all other payments required thereby directly to the order of the Trustee for the account of the Issuer at the Trustee's designated corporate trust office in Jacksonville, Florida, or such other place as the Trustee, or its successor in trust, may designate in writing.

**IN WITNESS WHEREOF**, the Issuer has caused this Endorsement to be executed in its name and on its behalf by its duly authorized officers as of the day and year first above written.

**PINELLAS COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY d/b/a  
PINELLAS COUNTY ECONOMIC  
DEVELOPMENT AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Name: Karen Williams Seel  
Title: Chairman

Attest:

By: \_\_\_\_\_  
Name: Mike Meidel  
Title: Executive Director

**ACKNOWLEDGMENT OF ASSIGNMENT**

The undersigned hereby acknowledges and agrees to the aforesaid assignment of the Series 2019 Note by the Pinellas County Industrial Development Authority to The Bank of New York Mellon Trust Company, N.A., as Trustee.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

**DRS. KIRAN & PALLAVI PATEL 2017  
FOUNDATION FOR GLOBAL  
UNDERSTANDING, INC.**

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