MINUTES OF THE MEETING
INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY

September 27, 2006

**MEMBERS PRESENT:** Ryan Kitchell; Lance Rhodes; Kelly Borror; Sue Scholer; Jerry Mann

**ALSO PRESENT:** Brenda Horn, Kristin McClellan, Kendra York, Ice Miller; Tom Bale, Rich Harcourt, National City; Scott Fesler, U.S. Bank; Terri Hawkins, JP Morgan Trust Co.; Curt Fritsch, CRT Group; Neal Steinbart, Barnes & Thornburg; Steve Gilmore, Ascension Health; Michael Brown, Citigroup; Lina Thornson, Orrick Herrington; Michael Marcus, Goldman, Sachs & Co.; Kem Prince, Darrell Gerig, Parkview Health System; Jennifer Alvey; Cindy Pierson; and Dan Kramer.

Mr. Kitchell welcomed those in attendance, recognized the presence of a quorum and called the meeting to order at 11:00 a.m. on September 27, 2006, in Suite 900, One North Capitol Avenue, Indianapolis, Indiana, pursuant to notice thereof.

Mr. Kitchell introduced Jerry Mann as the new member of the IHEFFA Board.

EXECUTIVE DIRECTOR'S REPORT

A copy of the Executive Director's Report is attached hereto as Exhibit A.

The Executive Director began with the first item on the agenda, the Preliminary Resolution for Ascension Health Credit Group in an amount not to exceed $757,000,000. The purpose of this financing is for various refundings, and the expansion, renovation and equipping of two facilities.

Thereupon, upon motion made by Mr. Rhodes and seconded by Ms. Scholer, it was unanimously:

> **RESOLVED,** the preliminary resolution authorizing the issuance of one or more series of the Indiana Health and Educational Facility Financing Authority Revenue Bonds (Ascension Health Credit Group), Series 2006 in a principal amount not to exceed seven hundred fifty-seven million dollars and approving and authorizing other actions in respect thereto be and is hereby approved.
>
> A copy of the resolution is attached hereto as Exhibit B.

The Executive Director then continued with the next item on the agenda, a Resolution for Community Hospital of LaGrange County, Inc. Project in an amount not to exceed

$26,750,000. The purpose of this financing is the construction and equipping of a replacement hospital in LaGrange.

Thereupon, Ms. Borror abstained from voting on this matter. Upon motion made by Mr. Rhodes and seconded by Ms. Scholer, it was unanimously:

> **RESOLVED,** the Resolution Authorizing the Issuance of the Indiana Health and Educational Facility Financing Authority Adjustable Rate Hospital Revenue Bonds (Community Hospital of LaGrange County, Inc. Project) in the principal amount not to exceed $26,750,000 and Approving and Authorizing other actions with respect thereto be and hereby is approved.
>
> A copy of the resolution is attached hereto as Exhibit C.

The Executive Director then continued with the next item on the agenda, a Resolution for Trinity Health Credit Group in an amount not to exceed $15,000,000. The purpose of this financing is the construction, renovation and expansion of the St. Joseph Regional Medical Center–South Bend Campus, St. Joseph Regional Medical Center-Plymouth Campus, St. Joseph Community Hospital of Mishawaka and St. Joseph Cancer Institute. Proceeds will also be used for information technology upgrades and to purchase new equipment.

Thereupon, upon motion made by Ms. Borror and seconded by Ms. Scholer, it was unanimously:

> **RESOLVED,** the Resolution Authorizing the Issuance of the Indiana Health and Educational Facility Financing Authority Hospital Revenue Bonds (Trinity Health Credit Group) in the principal amount not to exceed $15,000,000 and Approving and Authorizing other actions with respect thereto be and hereby is approved.
>
> A copy of the resolution is attached hereto as Exhibit D.

The Executive Director finished his report by directing members to the Indiana Health and Educational Facilities Financing Authority's August expense report and September cash & investment report.

The Executive Director concluded his report.

Mr. Kitchell asked for approval of the Minutes of the August 23, 2006, meeting of the Indiana Health and Educational Facility Financing Authority. Thereupon, upon motion made by Ms. Scholer and seconded by Ms. Borror, it was unanimously:

> **RESOLVED**, the Minutes of the August 23, 2006, meeting of the Indiana Health and Educational Facility Financing Authority are hereby approved and the Executive Director is instructed to execute same and to place same in the Minute Book as the Minutes of the August 23,

2006, Meeting of the Indiana Health and Educational Facility Financing Authority.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Executive Director

**EXHIBIT A**

INDIANA HEALTH AND EDUCATIONAL FACILITY
FINANCING AUTHORITY

ONE NORTH CAPITOL AVE., SUITE 900
INDIANAPOLIS, INDIANA 46204
(317) 233-4335 FAX: (317) 232-6786

**REPORT BY**

**DANIEL KRAMER, EXECUTIVE DIRECTOR**

**September 27, 2006**

**Activities for the period August 24, 2006, through September 27, 2006, are as follows:**

**I. Discussions have been held with possible clients as follows:**

None

**II. Special Projects in Various Stages of Development:**

| | |
|---|---|
| 1. **Clarian Health Partners –CLOSED** | **$375,485,000** |
| 2. Community Village Inc.–Hartsfield Village Project | $13,000,000 |
| 3. Ascension Health Credit Group | $800,000,000 |
| 4. Community Hospital of LaGrange County, Inc. | $26,750,000 |
| 5. Trinity Health Credit Group | $15,000,000 |

**III. 1985 A Variable Rate Pool Activity**

1. New Applications: None
2. Pending Applications: None
3. Approvals:
    a. L.O.C. Required: Imaging Center of North Central, IN, Inc. $3,500,000

EXHIBIT B

**PRELIMINARY RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF THE INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY REVENUE BONDS (ASCENSION HEALTH CREDIT GROUP), SERIES 2006 IN A PRINCIPAL AMOUNT NOT TO EXCEED SEVEN HUNDRED FIFTY-SEVEN MILLION DOLLARS AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO**

WHEREAS, the Indiana General Assembly enacted Indiana Code 5-1-16, as amended (the "Act"), which created the Indiana Health and Educational Facility Financing Authority (the "Authority") which is empowered to issue bonds for the purpose of making loans to Participating Providers (as defined in the Act) for the financing, reimbursing or refinancing of all or any part of the cost of Health Facility Property (as defined in the Act); and

WHEREAS, Ascension Health, a Missouri not-for-profit corporation, is the sole corporate member of each of St. Vincent Health, Inc. ("St. Vincent") and St. Mary's Health System of America, Inc. ("St. Mary's Indiana"), each an Indiana nonprofit corporation; Daughters of Charity Health Services of Austin, a Texas nonprofit corporation; St. Vincent's Health System, Inc., a Florida nonprofit corporation; Saint Thomas Health Services, a Tennessee nonprofit corporation; and Seton Health Corporation of South Alabama and Providence Hospital, each an Alabama nonprofit corporation;

WHEREAS, St. Vincent or an affiliate thereof is the sole corporate member of each of St. Joseph Hospital & Health Center, Inc., St. Vincent Hospital and Health Care Center, Inc., St. Vincent Madison County Health System, Inc. (which owns and operates St. Vincent Mercy Hospital and Saint John's Health System), St. Vincent Carmel Hospital, Inc., St. Vincent Williamsport Hospital, Inc., Seton Specialty Hospital, Inc. and St. Vincent Clay Hospital, Inc., (collectively, the "St. Vincent Hospitals"), each an Indiana nonprofit corporation;

WHEREAS, St. Mary's Indiana is the sole corporate member of each of St. Mary's Medical Center of Evansville, Inc., St. Mary's Warrick Hospital, Inc. and Seton Health Corporation of Southern Indiana (the "St. Mary's-Indiana Hospitals"), each an Indiana nonprofit corporation;

WHEREAS, Daughters of Charity Health Services of Austin operates the following facilities, using the following assumed business names: Seton Medical Center, Seton Northwest Hospital, Dell Children's Medical Center of Central Texas and Brackenridge Hospital (the "Daughters of Charity Health Services of Austin Hospitals");

WHEREAS, St. Vincent's Health System, Inc. is the sole corporate member of St. Vincent's Medical Center, Inc. (the "Jacksonville Hospital"), a Florida nonprofit corporation;

WHEREAS, Saint Thomas Health Services is the sole corporate member of each of St. Thomas Hospital and Seton Corporation (d/b/a Baptist Hospital) (collectively, the "St. Thomas Hospitals"), each a Tennessee nonprofit corporation;

WHEREAS, Ascension Health, St. Vincent, St. Mary's Indiana, the St. Joseph Hospital & Health Center, Inc., St. Vincent Hospital and Health Care Center, Inc., St. Vincent Madison County Health System, Inc., St. Vincent Clay Hospital, Inc., St. Mary's Medical Center of Evansville, Inc., Seton Health Corporation of Southern Indiana, St. Mary's Warrick Hospital, Inc., St. Vincent Williamsport Hospital Inc., St. Vincent Carmel Hospital, Inc., Seton Specialty Hospital, Inc., Daughters of Charity Health Services of Austin, St. Thomas Hospital, Seton Corporation, Saint Thomas Health Services, St. Vincent's Medical Center, Inc. and St. Vincent's Health System, Inc. (collectively, the "Hospitals"), together with certain other nonprofit corporations, are members of a senior obligated group (the "Senior Obligated Group") established pursuant to a master trust indenture, dated as of November 1, 1999, as supplemented and amended (the "Senior Master Indenture"), among Ascension Health, the Hospitals, such other nonprofit corporations and U.S. Bank National Association, as master trustee (the "Senior Master Trustee") and, are also members of a subordinate obligated group (the "Subordinate Obligated Group") established pursuant to a subordinate master trust indenture, dated as of February 1, 2005, as supplemented and amended (the "Subordinate Master Indenture") among Ascension Health, the Hospitals, such other nonprofit corporations and U.S. Bank National Association, as master trustee (the "Subordinate Master Trustee");

WHEREAS, Ascension Health has requested the assistance of the Authority in financing, reimbursing or refinancing the acquisition, construction, renovation and equipping of capital improvements to the Health Facility Property of the following entities and their affiliates: the St. Vincent Hospitals and the St. Mary's-Indiana Hospitals located in the State of Indiana, the Daughters of Charity Health Services of Austin Hospitals located in the State of Texas, the Jacksonville Hospital located in the State of Florida and St. Thomas Hospitals located in the State of Tennessee; and Seton Health Corporation of South Alabama and Providence Hospital located in the State of Alabama (the "Projects") through the issuance of its revenue bonds, in one or more series, in the aggregate principal amount of not to exceed $757,000,000 (the "Bonds") and the loan of the proceeds of the Bonds to Ascension Health or one or more other members of the Senior Obligated Group or Subordinate Obligated Group (the "Borrower"); and

WHEREAS, the Authority desires to issue the Bonds and loan the proceeds to the Borrower for purpose of financing, reimbursing or refinancing the Projects and all costs related thereto; and

WHEREAS, the Authority desires to authorize its Chair, Vice Chair or Executive Director to take certain actions in preparation for marketing of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUTHORITY THAT:

**Section 1.** Based solely on the application of Ascension Health, the Authority hereby finds and determines that: (a) the Projects are necessary or helpful to provide, directly or indirectly, healthcare; medical research; training or teaching of health care personnel; habilitation, rehabilitation or therapeutic services; or any related supporting services; and thus constitute Health Facility Property within the meaning of the Act; (b) the Borrower that operates any of the Projects located outside Indiana, or an affiliate of the Borrower, also operates a substantial health facility or facilities in Indiana, and, therefore, the Projects constitute a Health Facility within the meaning of the Act; and (c) the financing or refinancing of any of the Projects located outside Indiana also includes a substantial component for the benefit of a health facility or facilities located in Indiana, and, therefore, the Borrower constitutes a Participating Provider within the meaning of the Act.

**Section 2.** Bonds in an aggregate principal amount not to exceed $757,000,000 are hereby authorized to be issued under and pursuant to the Act and the proceeds thereof loaned to the Borrower for the purpose of financing, reimbursing or refinancing the Projects, as well as the other purposes described above, provided, that the appropriate actions are taken pursuant to the Act, the Internal Revenue Code of 1986, as amended, and applicable securities laws as may be required to implement the aforesaid financing, reimbursing or refinancing and that all of the foregoing shall be mutually acceptable to the Authority and the Borrower.

**Section 3.** The underwriters selected by Ascension Health are hereby authorized at the appropriate time to distribute one or more preliminary or final official statements to potential purchasers of the Bonds.

**Section 4.** The Chair, Vice Chair or the Executive Director is hereby authorized and empowered to approve (by manual or facsimile signature affixed in accordance with Section 6 below) the preliminary official statements and deem the preliminary official statements final as of their respective dates, except for the omission of information permitted to be omitted by Rule 15c2-12 adopted by the Securities and Exchange Commission, including the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

**Section 5.** The Chair, Vice Chair and the Executive Director are hereby authorized to take such actions which may be necessary and advisable to prepare for the marketing, sale and issuance of the Bonds, subject to the final approval of the terms and conditions thereof by the Authority.

**Section 6.** The Authority hereby authorizes the use of a signature stamp of the Chair, Vice Chair or the Executive Director of the Authority (the "Authorized Signatories") on all documents (excluding the IRS Form 8038) necessary or desirable in connection with the issuance of the Bonds. Each Authorized Signatory may authorize, in a writing executed with a manual signature, Authority Counsel or any other person to affix a stamp of such Authorized Signatory's signature to any documents, such delegation and authorization shows the approval of such Authorized Signatory and the Authority agrees to be bound by any document executed in such manner.

This resolution shall take effect immediately upon its adoption.

Dated this 27th day of September, 2006.

INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY

Attest:

Daniel R. Kramer, Executive Director

EXHIBIT C

# RESOLUTION AUTHORIZING THE ISSUANCE OF THE INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY ADJUSTABLE RATE HOSPITAL REVENUE BONDS (COMMUNITY HOSPITAL OF LAGRANGE COUNTY, INC. PROJECT) IN A PRINCIPAL AMOUNT NOT TO EXCEED TWENTY-SIX MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS, AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

**WHEREAS**, the Indiana General Assembly enacted Indiana Code 5-1-16, as amended (the "Act"), which created the Indiana Health and Educational Facility Financing Authority (the "Authority") which is empowered to issue bonds for the purpose of making loans to Participating Providers (as defined in the Act) for the financing, reimbursing or refinancing of all or any part of the cost of Health Facility Property (as defined in the Act); and

**WHEREAS**, Community Hospital of LaGrange County, Inc., an Indiana nonprofit corporation (the "Borrower"), a Participating Provider within the meaning of the Act, has requested that the Authority issue one or more series of its Adjustable Rate Hospital Revenue Bonds (Community Hospital of LaGrange County, Inc. Project) in an aggregate principal amount not to exceed $26,750,000 (collectively, the "Bonds") and loan the proceeds of the Bonds to the Borrower for the purpose of (1) financing and reimbursing a portion of the cost of constructing, acquiring, renovating and equipping Health Facility Property within the meaning of the Act, (2) paying capitalized interest on the Bonds during construction, and (3) paying certain costs of issuing the Bonds including Underwriter's discount and credit enhancement; and

**WHEREAS**, the Authority desires to issue the Bonds and loan the proceeds to the Borrower for purpose of financing the Project; and

**WHEREAS**, the Bonds shall be issued under a Bond Trust Indenture (the "Bond Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Bond Trustee"), which Bond Indenture provides that the Bonds shall be secured by a Note issued under a Loan Agreement (the "Loan Agreement") between the Authority and the Borrower, which Loan Agreement provides that the proceeds of the Bonds shall be loaned to the Borrower by the Authority; and

**WHEREAS**, the Bonds will be sold pursuant to a Bond Purchase Agreement (the "Purchase Agreement") among the Authority, the Borrower and NatCity Investments, Inc., at the direction of the Borrower (the "Underwriter"); and

**WHEREAS**, the Underwriter will utilize an Official Statement (the "Official Statement") in connection with the marketing of the Bonds; and

**WHEREAS**, the Authority has determined, in accordance with IC § 5-1-16-9, it is in the best interest of the Authority to provide direction to the Borrower concerning the identity of individuals who are authorized to bind the Authority to contractual commitments with the use of signature stamps; and

**WHEREAS**, the Authority desires to authorize its Chair, Vice Chair or Executive Director to take certain actions in preparation for marketing of the Bonds;

**NOW, THEREFORE, BE IT RESOLVED** by the members of the Authority that:

**Section 1.** Based solely on the application of the Borrower, the Authority hereby finds that the Project is necessary or helpful to provide, directly or indirectly, healthcare; medical research; habilitation, rehabilitation or therapeutic services; or any related supporting services; in Indiana and thus constitutes Health Facility Property within the meaning of the Act.

**Section 2.** Bonds in an aggregate principal amount not to exceed $26,750,000 are hereby authorized to be issued under and pursuant to the Act and the proceeds thereof loaned to the Borrower for the purpose of financing the Project, as well as the other purposes described above, provided, that the appropriate actions are taken pursuant to the Act, the Internal Revenue Code of 1986, as amended, and applicable securities laws as may be required to implement the aforesaid financing and that all of the foregoing shall be mutually acceptable to the Authority and the Borrower.

**Section 3.** The forms of the Bonds, the Bond Indenture, the Loan Agreement and the Purchase Agreement (all collectively known as the "Bond Documents") and the Official Statement presented to the Authority are hereby approved and are incorporated herein by reference and shall be kept by the Executive Director of the Authority.

**Section 4.** The Authority shall issue the Bonds for the purposes set forth in Section 1 hereof, in an aggregate principal amount not to exceed $26,750,000 at an underwriter's discount not to exceed one-half of one percent (0.50%) of the aggregate principal amount of the Bonds. The Bonds may bear taxable or tax-exempt interest at fixed or variable rates as described in the Bond Documents, and will be subject to the redemption terms described in the Bond Documents, as such Bond Documents shall be approved by the Chair or Vice Chair. The proceeds of the Bonds shall be loaned to the Borrower to be used as more particularly set out in the Bond Documents. The Bonds will be payable as to principal, premium, if any, and interest from the payments to be made by the Borrower under or as otherwise provided in the Bond Documents. The Bonds shall mature no later than thirty (30) years from the date of initial issuance, shall be in such fully registered form, shall be in such denominations and shall be payable at such places as are set forth in the Bond Indenture, as the Bond Indenture shall be approved by the Chair or Vice Chair.

**Section 5.** The issuance of the Bonds shall be contingent upon receipt of the approval of the Lt. Governor of the State of Indiana pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The Bonds shall not constitute a debt of the State of Indiana or any political subdivision thereof, within the meaning of the provisions of the constitution or statutes of Indiana, or a pledge of the faith and credit of the Authority or the State of Indiana or any such political subdivision.

**Section 6.** The Borrower will indemnify and hold the Authority, its members and the State of Indiana, including its officers, attorneys, employees and agents, free and harmless from any loss, claim, damage, tax, penalty, liability, disbursement, litigation expenses, attorneys' fees

and expenses or court costs arising out of, or in any way relating to, the execution or performance of the Bond Documents or the Official Statement or any other documents in connection therewith or any other cause whatsoever pertaining to the Project or the Bonds, including the issuance and sale of the Bonds or failure to issue or sell the Bonds, actions taken under the Bond Documents or the Official Statement or any other cause whatsoever pertaining to the Project or the Bonds, all as further described in the Loan Agreement, except in any case as a result of the intentional misrepresentation or willful misconduct of the Authority.

**Section 7.** Either the Chair or Vice Chair of the Authority is hereby authorized and directed to execute the Bonds and the Executive Director of the Authority is hereby authorized and directed to affix the seal of the Authority, which shall be attested by the manual or facsimile signature of the Executive Director. The signatures of the Chair or Vice Chair and the Executive Director of the Authority on the Bonds may be facsimile signatures affixed in accordance with Section 10 below. The Chair or Vice Chair of the Authority is hereby authorized and directed to deliver the Bonds to the Bond Trustee for appropriate authentication and the Bond Trustee may deliver such Bonds to or at the direction of the Underwriter upon receipt of an aggregate purchase price equal to the principal amount of the Bonds less underwriter's discount not to exceed one-half of one percent (0.50%) of the principal amount of the Bonds, subject to the approval of the Chair or Vice Chair as described in Section 4 hereof and the approval of the Lieutenant Governor of Indiana in accordance with Section 147(f) of the Code as described in Section 5 hereof.

**Section 8.** Either the Chair or the Vice Chair of the Authority is hereby authorized to execute (by manual or facsimile signatures affixed in accordance with Section 10 below) and deliver the Official Statement. The Authority hereby approves the distribution of the Official Statement by the Underwriter to the purchasers of the Bonds. The Official Statement shall be substantially in the form of the Official Statement now before this meeting and hereby approved, with such changes therein as shall be approved by the Chair or Vice Chair executing the same, with such execution to constitute conclusive evidence of the Chair's or Vice Chair's approval and the Authority's approval of any changes from or revisions to the form of the Official Statement now before this meeting.

**Section 9.** Either the Chair or Vice Chair of the Authority is hereby authorized and directed to execute (by manual or facsimile signatures affixed in accordance with Section 10 below), and the Executive Director to attest such signature where appropriate (by manual or facsimile signatures affixed in accordance with Section 10 below), and deliver the Bond Indenture and the Loan Agreement and an endorsement and assignment of the Note, in substantially the forms presented to this meeting with such changes in form or substance as shall be approved by the Chair or Vice Chair of the Authority executing said documents, with such execution to constitute conclusive evidence of the Chair's or Vice Chair's approval and the Authority's approval of any changes from or revisions to the form of such documents now before this meeting. The Chair, Vice Chair or Executive Director of the Authority is hereby authorized and directed to execute (by manual or facsimile signatures affixed in accordance with Section 10 below) and deliver the Purchase Agreement, in substantially the form presented to this meeting, with such changes in form or substance as shall be approved by the Chair, Vice Chair or Executive Director of the Authority executing the Purchase Agreement, with such execution to constitute conclusive evidence of the Chair's, Vice Chair's or Executive Director's approval and

the Authority's approval of any changes from or revisions to the form of the Purchase Agreement now before this meeting.

**Section 9.** The Chair, the Vice Chair and the Executive Director of the Authority, or any of them, are hereby authorized to execute any other document or take any other action which may be necessary or desirable to consummate the transaction described herein, including execution of any certifications requested by the Underwriter or Bond Counsel.

**Section 10.** The Authority hereby authorizes the use of a signature stamp of the Chair or Vice Chair and the Executive Director (the "Authorized Signatories") on all documents (excluding the IRS Form 8038) necessary or desirable in connection with the issuance of the Bonds. Each Authorized Signatory may authorize, in a writing executed with a manual signature, Authority Counsel or any other person to affix a stamp of such Authorized Signatory's signature to the Bond Documents or any other documents, such delegation and authorization shows the approval of such Authorized Signatory and the Authority agrees to be bound by any document executed in such manner.

**Section 11.** The provisions of this Resolution and the Bond Documents shall constitute a contract binding on the Authority, and after the issuance of the Bonds, this Resolution shall not be repealed or amended in any respect which would adversely affect the rights of any Bond holder so long as any of the Bonds or the interest thereon remain unpaid.

This resolution adopted on this 27th day of September, 2006.

INDIANA HEALTH AND EDUCATIONAL
FACILITY FINANCING AUTHORITY

Attest:

Daniel R. Kramer, Executive Director



I/1819111.3

EXHIBIT D

RESOLUTION AUTHORIZING THE ISSUANCE OF THE
INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY
REVENUE BONDS
(TRINITY HEALTH CREDIT GROUP)
IN A PRINCIPAL AMOUNT NOT TO EXCEED
FIFTEEN MILLION DOLLARS
AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Indiana General Assembly enacted Indiana Code 5-1-16, as amended (the "Act"), which created the Indiana Health and Educational Facility Financing Authority (the "Authority") which is empowered to issue bonds for the purpose of making loans to Participating Providers (as defined in the Act) for the financing, reimbursing or refinancing of all or any part of the cost of Health Facility Property (as defined in the Act); and

WHEREAS, Trinity Health Corporation, an Indiana nonprofit corporation ("Trinity Health"), a Participating Provider within the meaning of the Act, has requested that the Authority issue one or more series of its Revenue Bonds (Trinity Health Credit Group) in an aggregate principal amount not to exceed $15,000,000 (collectively, the "Bonds") and loan the proceeds of the Bonds to Trinity Health for the purpose of: (a) financing, refinancing or reimbursing the costs of additions and improvements to and equipment for hospitals or other health care facilities owned and operated by Trinity Health, by Saint Joseph Regional Medical Center or by related health care corporations at the following locations: (1) Saint Joseph Medical Center – South Bend Campus located at 801 East LaSalle Avenue, South Bend, Indiana, at 720 Cedar Street, South Bend, Indiana and at 837 Cedar Street, South Bend, Indiana; (2) Saint Joseph Medical Center – Plymouth Campus located at 1915 Lake Avenue, Plymouth, Indiana; (3) Saint Joseph Community Hospital – South Bend Campus located at 215 West 4th Street and at 250 East Day Road, Mishawaka, Indiana; and (4) St. Joseph Cancer Institute - 707 Cedar St., South Bend, Indiana; (b) paying certain interest and fees; and (c) paying certain costs of issuing the Bonds ((a) through (c), collectively, the "Project"); and

WHEREAS, the Authority desires to issue the Bonds and loan the proceeds to Trinity Health for purpose of financing the Project; and

WHEREAS, the Bonds, for which Merrill Lynch, Pierce, Fenner & Smith Incorporated and/or Goldman, Sachs & Co., at the direction of Trinity Health, will serve as the underwriters (collectively, the 'Underwriter"), are being issued pursuant to a Bond Indenture (the 'Bond Indenture"), between the Authority and trust company or bank selected by Trinity Health which meets the applicable requirements of the Bond Indenture, as trustee (the 'Bond Trustee"), which Bond Indenture provides that the Bonds will be secured by the pledging and assigning of a master obligation of Trinity Health (the 'Obligation") in like aggregate principal amount and certain rights of the Authority under a Loan Agreement between Trinity Health and the Authority (the 'Loan Agreement"), which Loan Agreement shall evidence a loan of the proceeds of the Bonds from the Authority to Trinity Health; and

WHEREAS, the Bonds will be sold to the Underwriter pursuant to a Bond Purchase Contract (the "Purchase Contract") among the Authority, Trinity Health and the Underwriter; and

WHEREAS, the Underwriter will utilize a Preliminary Official Statement (the "Preliminary Official Statement") in connection with the marketing of the Bonds; and

WHEREAS, the Authority has determined, in accordance with IC § 5-1-16-9, that it is in the best interest of the Authority to provide direction to Trinity Health concerning the identity of individuals who are authorized to bind the Authority to contractual commitments with the use of signature stamps; and

WHEREAS, the Authority desires to authorize its Chair, Vice Chair or Executive Director to take certain actions in preparation for marketing of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the members of the Authority that:

Section 1. Based solely on the application of Trinity Health, the Authority hereby finds that the Project is necessary or helpful to provide, directly or indirectly, healthcare, medical research, habilitation, rehabilitation or therapeutic services or any related supporting services in Indiana and thus constitutes Health Facility Property within the meaning of the Act.

Section 2. Bonds in an aggregate principal amount not to exceed $15,000,000 are hereby authorized to be issued under and pursuant to the Act and the proceeds thereof loaned to Trinity Health for the purpose of financing the Project, as well as the other purposes described above, provided that the appropriate actions are taken pursuant to the Act, the Internal Revenue Code of 1986, as amended (the "Code"), and applicable securities laws as may be required to implement the aforesaid financing and that all of the foregoing shall be mutually acceptable to the Authority and Trinity Health.

Section 3. The forms of the Bonds, the Bond Indenture, the Loan Agreement and the Purchase Contract (all collectively known as the "Bond Documents") presented to the Authority are hereby approved and are incorporated herein by reference and shall be kept by the Executive Director of the Authority. The form of the Preliminary Official Statement with respect to the Bonds presented to the Authority is hereby approved, and the use and distribution of such Preliminary Official Statement, substantially in the form presented to this meeting, with such changes, omissions, deletions, insertions and revisions as the Chair, Vice Chair or Executive Director shall deem advisable or appropriate, is hereby approved. The Authority hereby authorizes the Chair or Vice Chair to execute a "deemed final" certificate or certificates with respect to the Preliminary Official Statement in a form approved by legal counsel to the Authority.

Section 4. The Authority shall issue the Bonds for the purposes set forth in Section 1 hereof, in an aggregate principal amount not to exceed $15,000,000 at an underwriter's discount not to exceed two percent (2%) of the aggregate principal amount of the Bonds. The Bonds shall bear interest as described in the Bond Documents, and will be subject to the redemption terms

described in the Bond Documents, as such Bond Documents shall be approved by the Chair or Vice Chair. The proceeds of the Bonds shall be loaned to Trinity Health to be used as more particularly set out in the Bond Documents. The Bonds will be payable as to principal, premium, if any, and interest from the payments to be made by Trinity Health under or as otherwise provided in the Bond Documents. The Bonds shall mature no later than forty (40) years from the date of initial issuance, shall be in such form, shall be in such denominations and shall be payable at such places as are set forth in the Bond Indenture, as the Bond Indenture shall be approved by the Chair or Vice Chair.

Section 5. The issuance of the Bonds shall be contingent upon receipt of the approval of the Lieutenant Governor of the State of Indiana pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), following a public hearing on the Project, such public hearing to occur not less than 14 days after publication of notice thereof in a newspaper of general circulation in conformance with Section 147(f) of the Code and the regulations promulgated thereunder. The Bonds shall not constitute a debt of the State of Indiana or any political subdivision thereof, within the meaning of the provisions of the constitution or statutes of Indiana, or a pledge of the faith and credit of the Authority or the State of Indiana or any such political subdivision.

Section 6. Trinity Health will indemnify and hold the Authority, its members and the State of Indiana, including its officers, attorneys, employees and agents, free and harmless from any loss, claim, damage, tax, penalty, liability, disbursement, litigation expenses, attorneys' fees and expenses or court costs arising out of, or in any way relating to, the execution or performance of the Bond Documents or the Official Statement or any other documents in connection therewith or any other cause whatsoever pertaining to the Project or the Bonds, including the issuance and sale of the Bonds or failure to issue or sell the Bonds, actions taken under the Bond Documents or the Official Statement or any other cause whatsoever pertaining to the Project or the Bonds, all as further described in the Loan Agreement, except in any case as a result of the intentional misrepresentation or willful misconduct of the Authority.

Section 7. Either the Chair or Vice Chair of the Authority is hereby authorized and directed to execute the Bonds and the Executive Director of the Authority is hereby authorized and directed to affix the seal of the Authority, which shall be attested by the manual or facsimile signature of the Executive Director. The signatures of the Chair or Vice Chair and the Executive Director of the Authority on the Bonds may be facsimile signatures affixed in accordance with Section 11 below. The Chair or Vice Chair of the Authority is hereby authorized and directed to deliver the Bonds to the Bond Trustee for appropriate authentication and the Bond Trustee may deliver such Bonds to or at the direction of the Underwriter upon receipt of an aggregate purchase price equal to the principal amount of the Bonds less underwriter's discount not to exceed two percent (2%) of the principal amount of the Bonds, subject to the approval of the Chair or Vice Chair as described in Section 4 hereof and the approval of the Lieutenant Governor of Indiana in accordance with Section 147(f) of the Code as described in Section 5 hereof.

Section 8. Either the Chair or the Vice Chair of the Authority is hereby authorized to execute (by manual or facsimile signatures affixed in accordance with Section 11 below) and

deliver a final official statement with respect to the sale of the Bonds, substantially in the form of the Preliminary Official Statement, with such changes, omissions, deletions, insertions and revisions as the Chair, Vice Chair or Executive Director executing the same shall deem advisable or appropriate (the "Official Statement"), with such execution to constitute conclusive evidence of the Chair's or Vice Chair's approval and the Authority's approval of any changes from or revisions to the form presented at this meeting. The Authority hereby approves the distribution of the Official Statement by the Underwriter to the purchasers of the Bonds.

Section 9. Either the Chair or Vice Chair of the Authority is hereby authorized and directed to execute (by manual or facsimile signatures affixed in accordance with Section 11 below), and the Executive Director to attest such signature where appropriate (by manual or facsimile signatures affixed in accordance with Section 11 below), and deliver the Bond Indenture and the Loan Agreement in substantially the forms presented to this meeting with such changes in form or substance as shall be approved by the Chair or Vice Chair of the Authority executing said documents, with such execution to constitute conclusive evidence of the Chair's or Vice Chair's approval and the Authority's approval of any changes from or revisions to the form of such documents now before this meeting. The Chair, Vice Chair or Executive Director of the Authority is hereby authorized and directed to execute (by manual or facsimile signatures affixed in accordance with Section 11 below) and deliver the Purchase Contract, in substantially the form presented to this meeting, with such changes in form or substance as shall be approved by the Chair, Vice Chair or Executive Director of the Authority executing the Purchase Contract, with such execution to constitute conclusive evidence of the Chair's, Vice Chair's or Executive Director's approval and the Authority's approval of any changes from or revisions to the form of the Purchase Contract now before this meeting.

Section 10. The Chair, the Vice Chair and the Executive Director of the Authority, or any of them, are hereby authorized to execute any other document or take any other action which may be necessary or desirable to consummate the transaction described herein, including execution of any certifications requested by the Underwriter or bond counsel.

Section 11. The Authority hereby authorizes the use of a signature stamp of the Chair or Vice Chair and the Executive Director (the "Authorized Signatories") on all documents (excluding the IRS Form 8038 which shall be executed with a manual signature) necessary or desirable in connection with the issuance of the Bonds. Each Authorized Signatory may authorize, in a writing executed with a manual signature, Authority Counsel or any other person to affix a stamp of such Authorized Signatory's signature to the Bond Documents or any other documents, such delegation and authorization shows the approval of such Authorized Signatory and the Authority agrees to be bound by any document executed in such manner.

Section 12. The provisions of this Resolution and the Bond Documents shall constitute a contract binding on the Authority, and after the issuance of the Bonds, this Resolution shall not be repealed or amended in any respect which would adversely affect the rights of any Bond holder so long as any of the Bonds or the interest thereon remain unpaid.

This resolution adopted on this 27th day of September, 2006.

INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY

Attest:

Daniel R. Kramer, Executive Director



312960.3 029176 RES