

85-14

AN ORDINANCE PROVIDING FOR THE FINANCING BY THE COUNTY OF KENDALL, ILLINOIS, OF AN INDUSTRIAL BUILDING PROJECT; AUTHORIZING THE ISSUANCE OF A \$900,000 INDUSTRIAL BUILDING REVENUE BOND (HATCHER MEDICAL CENTER PROJECT) AND CONFIRMING THE SALE THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, A MORTGAGE, ASSIGNMENT, SECURITY AGREEMENT AND FINANCING STATEMENT, AN INDENTURE OF TRUST, AN ASSIGNMENT OF BENEFICIAL INTEREST, A BOND PURCHASE AGREEMENT AND RELATED DOCUMENTS; AND RELATED MATTERS.

WHEREAS, The County of Kendall, Illinois (the "Issuer") is a body politic and corporate and a non-home rule unit of local government under the 1970 Constitution of the State of Illinois and Chapter 34, Section 22 of the Illinois Revised Statutes; and

WHEREAS, pursuant to the Industrial Building Revenue Bond Act, Chapter 85, Sections 871 through 881 of the Illinois Revised Statutes (the "Act"), the Issuer is authorized and empowered to issue its revenue bonds to finance the costs of any "industrial project," as defined in the Act, to the end that the Issuer may be able to relieve conditions of unemployment and underemployment in, and increase the industry and commerce in, the County of Kendall, Illinois; and

WHEREAS, as a result of negotiations between the Issuer and the Hatcher Medical Center, an Illinois partnership, and The Old Second National Bank of Aurora as Trustee under Trust Agreement dated as of July 22, 1985 and known as Trust No. 4083 (the "Beneficiary" and "Land Trustee", respectively, hereinafter sometimes referred to collectively as the "Borrower,") contracts have been or will be entered into by the Borrower for the acquisition, construction, and rehabilitation of a 20,450 square-foot, two-story building and related improvements (the "Project") which Project is to be owned by the Borrower for its own benefit, leased by Borrower to certain lessees ("Lessees"), and used by the Lessees as an office and commercial facility which may include a health care center containing professional offices, a pharmacy and diagnostic facilities, and which Project is to be located at 507 W. Kendall Drive, Yorkville, Illinois, and it is proposed that the Issuer shall enter into a Loan Agreement with the Borrower (the "Loan Agreement"), pursuant to which the Issuer shall lend the Land Trustee a sum sufficient, together with other moneys of the Borrower, to accomplish such acquisition, construction and rehabilitation, and the Issuer is willing to issue its revenue bond to finance the Project upon terms which will be sufficient to pay a portion of the cost of the acquisition, construction and installation of the Project as evidenced by such

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revenue bond, all as set forth in the details and provisions of the Loan Agreement; and

WHEREAS, it is estimated that the costs of the Project, including costs relating to the preparation and issuance of the revenue bond, will be at least \$980,000; and

WHEREAS, the Project will be of the character and will accomplish the purposes provided by the Act, will relieve conditions of unemployment and underemployment in, and increase industry and commerce in the County of Kendall, Illinois; and

WHEREAS, the Issuer proposes to sell the revenue bond hereinafter authorized and designated "County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project,)" upon a negotiated basis to John W. Purcell of Yorkville, Illinois (the "Purchaser"); and

WHEREAS, pursuant to the provisions of Section 103(k) of the Internal Revenue Code of 1954, as amended, the Chairman and members of the County Board of Kendall County ("County Board") held a public hearing relating to the issuance of the Bond (hereinafter defined) on November 12, 1985, pursuant to notice published in The Kendall County Record on October 24, 1985;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF THE COUNTY OF KENDALL, ILLINOIS, AS FOLLOWS:

#### DEFINITIONS

Section 1. The following words and terms as used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Arbitrage Regulation Agreement" means the Arbitrage Regulation Agreement dated as of November \_\_\_ by and among the Borrower, the Issuer and the Indenture Trustee.

"ABI" means the Assignment of Beneficial Interest dated as of November \_\_, 1985, by and between the Issuer and the Beneficiary, as from time to time supplemented and amended.

"Authorized Borrower Representative" means the person or persons at the time and from time to time designated to act in behalf of the Borrower by written certificate furnished to the Issuer and the Indenture Trustee containing the specimen signature of each such person and signed on behalf of the Borrower by any partners in the Beneficiary.

"Beneficiary" means the Hatcher Medical Center, an Illinois partnership, and all of the partners thereof.

"Bond" means the County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project) of the Issuer, in the principal amount of \$900,000, authorized to be issued hereunder.

"Bondholder" or "holder" or "owner of the Bond" means the registered owner from time to time of the Bond.

"Bond Counsel" means Messrs. Ross & Hardies, Chicago, Illinois, or such other law firm as is mutually designated by the Issuer, Purchaser and Borrower.

"Bond Fund" means the County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project) Bond Fund created and established in Section 6 hereof.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated as of November \_\_, 1985, by and among the Issuer, the Borrower and the Purchaser, as from time to time supplemented and amended.

"Borrower" means collectively the Beneficiary and the Land Trustee.

"Chairman" means the Chairman of the County Board.

"Closing Date" means the date of issuance of the Bond.

"County Board" means the Chairman and members of the County Board of the County of Kendall, Illinois.

"County Clerk" means the clerk of the County of Kendall, Illinois.

"Code" means the Internal Revenue Code of 1954, as amended and supplemented.

"Construction Fund" means the County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project) Construction Fund created and established in Section 5 hereof.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Determination of Taxability" means (i) the receipt by the Borrower of a written notice from the Purchaser or any other owner of the Bond of the issuance of a statutory notice of deficiency by the Internal Revenue Service which holds, in effect, that the interest payable on the Bond, or any installment thereof, is includable in the Federal gross income of the tax-

payer named therein (other than a taxpayer who is a "substantial user" or a "related person", within the meaning of Section 103 of the Code), (ii) the delivery to the Borrower of an opinion of Bond Counsel to the effect that the interest payable on the Bond, or any installment thereof, is includable in the Federal gross income of the taxpayer named therein (other than a taxpayer who is a "substantial user" or a "related person", within the meaning of Section 103 of the Code), (iii) the filing by the Borrower, the Guarantors or any other principal user of the Project with the Purchaser, any other owner of the Bond or the Internal Revenue Service of any certificate, statement or other tax schedule, return or document which concludes or discloses that the interest payable on the Bond, or any installment thereof, is includable in the Federal gross income of the owner of the Bond or any former owner of the Bond (other than any such owner who is a "substantial user" or a "related person," within the meaning of Section 103 of the Code), or (iv) in the event (a) any amendment, modification, addition or change shall be made in Section 103 or any other provision of the Code or in any regulation or proposed regulation thereunder, (b) any ruling shall be issued or revoked by the Internal Revenue Service, (c) any other action shall be taken by the Internal Revenue Service, the Department of Treasury or any other governmental agency, authority or instrumentality, or (d) any opinion of any Federal court or of the United States Tax Court shall be rendered; and (e) the Purchaser or any other owner of the Bond shall have notified the Borrower in writing that, as a result of any such event or condition, Bond Counsel is unable to give an unqualified opinion that the interest payable on the Bond, or any installment thereof, made on or after a date specified in said notice is excludable from the Federal gross income of the taxpayer named therein (other than a taxpayer who is a "substantial user" or a "related person", within the meaning of Section 103 of the Code).

"Event of Default" means those events specified in and defined by Section 12 hereof.

"Event of Taxability" means the date of the occurrence of the event which results in the interest payable on the Bond, or any installment thereof, becoming includable in the Federal gross income of the taxpayer as set forth in a Determination of Taxability or the date of the Determination of Taxability, whichever is earlier.

"Guaranty" means the Guaranty dated as of November \_\_, 1985, from the partners in the Beneficiary and certain other persons (the "Guarantors") to the holder of the Bond, as from time to time supplemented and amended.

"Hereof", "herein", "hereunder" and other words of similar import refer to this Ordinance as a whole.

"Indenture" means the Indenture of Trust dated as of November \_\_, 1985, by and between the Issuer and the Indenture Trustee.

"Indenture Trustee" means The First American Bank of Aurora, Illinois, and its successors and assigns, as Indenture Trustee under the Indenture of Trust dated November \_\_, 1985, by and between the Issuer and the Indenture Trustee.

"Issuer" means the County of Kendall, Illinois, a body politic and corporate and a non-home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois, and any successor body to the duties or functions of the Issuer.

"Land Trustee" means The Old Second National Bank of Aurora, Illinois, as Trustee under Trust Agreement No. 4083 dated as of July 22, 1985, and its successors and assigns.

"Lease" means any Lease Agreement entered into or to be entered into, by and between the Borrower and any Lessee, as from time to time supplemented and amended.

"Loan Agreement" means the Loan Agreement dated as of November \_\_, 1985, executed by and between the Issuer and the Borrower, as from time to time supplemented and amended.

"Lessee" means any lessee under a lease entered into with the Borrower.

"Mortgage" means the Mortgage, Assignment, Security Agreement and Financing Statement dated as of November \_\_, 1985, by and between the Borrower and the Issuer, as from time to time supplemented and amended.

"Note" means the Direct Obligation Note referred to in Section 1.1 of the Loan Agreement, in the original principal amount of \$900,000, to be executed and delivered by the Land Trustee to the Issuer concurrently with the sale of the Bond to evidence the obligation of the Land Trustee to repay the loan made thereunder, payments on which Note are provided to be sufficient to pay the principal of, premium, if any, and interest on the Bond when due.

"Ordinance" means this Ordinance, as from time to time supplemented and amended.

"Project" means the building and land located at 507 W. Kendall Drive, Yorkville, Illinois, to be acquired, constructed and rehabilitated by the Borrower and financed in part with the proceeds of the Bond.

"Purchaser" means John W. Purcell of 13 Larkspur Lane West, Bristol, Illinois and his successors and assigns.

#### AUTHORIZATION AND APPROVAL OF THE PROJECT

Section 2. That in order to relieve conditions of unemployment and underemployment in, and increase the industry and commerce in the County of Kendall, Illinois, the Project, as described in the preamble hereto shall be and is hereby approved and authorized to be financed through the issuance of the Bond as described herein. The action of the County Clerk in publishing notice of said public hearing as required by Section 103(k) of the Code is in all respects hereby ratified, confirmed and approved, and the holding of said public hearing by the County Board is hereby acknowledged and approved. The estimated cost of the acquisition, construction and installation of the Project will be at least \$980,000 of which \$900,000 will be provided by the issuance of the Bond hereinafter authorized and the loan of the proceeds thereof to the Borrower. It is hereby found and declared that the financing of the Project and the use thereof by the Borrower as hereinbefore provided is necessary to accomplish the public purposes described in the preamble hereto, and complies with purposes and provisions of the Act. In order to further secure the Bond, the assignment and pledge of the right, title and interest of the Issuer in and to the Loan Agreement (except certain expense and indemnification payments), the Note, the Mortgage, and the ABI and the execution and delivery of the Indenture, are necessary and proper.

#### AUTHORIZATION AND PAYMENT OF BOND

Section 3. That for the purpose of financing a portion of the cost of the Project there shall be and there is hereby authorized to be issued by the Issuer its Bond to be designated "County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project)." The Bond shall be in the principal amount of \$900,000, dated the Date of Issuance, lettered R and numbered 1, and issued in fully registered form and registered in the name of John W. Purcell, or his registered successors or assigns.

The principal sum of the Bond, together with interest from the date thereon and prior to maturity on the balance of the principal remaining from time to time unpaid at the fluctuating rate per annum hereinafter specified, shall be payable as follows: interest only unpaid principal from the date of issuance of the Bond will be payable on November \_\_, 1986; principal in the amount of \$42,000, together with interest on unpaid principal will be payable on November \_\_, 1987; and thereafter commencing on May \_\_, 1988 and on the \_\_ day of each succeeding November and May, principal in the amount of \$33,000, together with interest on unpaid principal will be payable and on November \_\_, 2000,

the remaining unpaid principal and interest will be payable (each such date, a "Payment Date"). All payments on the Bond shall be first applied to interest on the unpaid principal balance and the remainder to principal.

The Bond shall bear interest from the Closing Date at a fluctuating rate, such rate to be determined annually on November \_\_, of each year for the one year period commencing on such date and ending on and including November \_\_ of the next succeeding calendar year ("Interest Period"). For the Interest Period commencing on the Closing Date, the interest rate shall be that rate per annum equal to eighty percent (80%) of the Prime Rate (as hereinafter defined) in effect on the Closing Date and for each Interest Period thereafter, the interest rate shall be that rate per annum equal to eighty percent (80%) of the Prime Rate in effect on the date such Interest Period commences unless such rate shall be (i) less than nine and one-half percent (9.5%), in which event such rate shall be nine and one-half percent (9.5%), or (ii) greater than fourteen percent (14%), in which event such rate shall be fourteen percent (14%). The term "Prime Rate" shall mean the rate per annum which, as of the date such rate is to be determined, is the rate most recently published as the "prime rate" offered by Continental Illinois National Bank and Trust Company as its "prime rate" or, if such rate is not then published, such equivalent rate as such Bank shall quote upon request. Interest on overdue principal and, to the extent permitted by law, on overdue interest until paid, shall be payable on demand during the period for which such principal, interest, or both is overdue and unpaid at a rate per annum equal to the sum of (i) the rate payable under the Bond as of the date such amount became overdue plus (ii) two percent (2%). Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. In the event any principal of or interest on the Bond is not paid within ten (10) days of the due date thereof, a charge equal to four percent (4%) of the amount due shall be payable upon demand of any holder thereof to reimburse such holder for extra expense incurred by reason of such delinquency.

Principal of, premium, if any, and interest on the Bond shall be payable to the holder of the Bond in immediately available funds at the principal office of the Indenture Trustee. The owner of the Bond shall note on the Payment Record attached as Schedule A to the Bond the date and amount of payment of any principal paid (whether at maturity or upon acceleration or call for prior redemption) and interest paid.

The Bond, together with interest thereon, shall be a special, limited obligation of the Issuer secured by the Loan Agreement, the Note made payable to the Issuer and endorsed to the Indenture Trustee and payment thereon being made directly to the Indenture Trustee on behalf of the Issuer, an assignment and

pledge of the right, title and interest of the Issuer in and to the Loan Agreement (except certain expense and indemnification payments), the Note, the Mortgage, and the ABI, and shall be further secured by the Guaranty, and shall be payable solely from the revenues and receipts derived from the Loan Agreement and the Note (except to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof) and moneys derived from and payments made pursuant to the Mortgage and the ABI, and shall be a valid claim of the owner thereof only against the revenues and receipts derived from the Loan Agreement and the Note (except as otherwise provided aforesaid), which revenues and receipts shall be used for no other purpose than to pay principal of, premium, if any, and interest on the Bond, except as may be otherwise expressly authorized in this Ordinance or in the Loan Agreement. The Bond and the obligation to pay interest thereon do not now and shall never constitute an indebtedness of or evidence a debt of or a loan or credit extended to the Issuer, the State of Illinois or any political subdivision thereof, within the meaning of any constitutional or statutory provisions, but shall be secured as aforesaid, and are payable solely from the revenues and receipts derived from the Loan Agreement and the Note (except as otherwise provided aforesaid). No owner of the Bond shall have the right to compel the taxing powers, if any, of the Issuer, the State of Illinois or any political subdivision thereof to pay any principal of, premium, if any, or interest on the Bond.

The principal of the Bond shall be subject to mandatory redemption prior to maturity by the Issuer in any of the following events: (i) the Land Trustee shall exercise its option to prepay the Note upon a Determination of Taxability, as a whole and not in part, on any date within ten (10) days of a Determination of Taxability, in which event the Bond shall be redeemed without premium at a redemption price of 100% of the outstanding principal amount thereof being redeemed and accrued interest to the date fixed for redemption, all as provided in Section 4 and Section 5 of the Loan Agreement; (ii) the Land Trustee shall be entitled to and shall exercise its option to prepay the Note in whole at any time pursuant to Section 4 or Section 7.12 of the Loan Agreement in which event the Bond shall be redeemed at a redemption price equal to 100% of the then outstanding principal amount, plus accrued interest to the date of prepayment, and, on or before November \_\_, 1995, upon not less than five (5) business days prior written notice to the holder of the Bond and at a premium calculated on the principal amount being prepaid, such premium to be ten percent (10%) for the Interest Period commencing on the Closing date and thereafter to decline by one percent (1%) per year for each succeeding Interest Period until the end of the tenth Interest Period after issuance of the Bond, and thereafter, upon not less than one hundred eighty (180) days' prior written notice thereof to the holder of the Bond and without premium; and (iii) mandatory prepayment of the Bond is

required to be made in whole or in part under certain conditions out of insurance or condemnation proceeds and out of proceeds of the Construction Fund established pursuant to the Indenture in which events, such proceeds shall be applied to prepay the first principal of the Bond becoming payable to the extent such prepayment is sufficient therefor and succeeding principal becoming payable until such prepayment exhausted, without premium and all in the manner and as provided in Section 6.3 and 7.12 of the Loan Agreement.

Upon receipt by the Issuer and the Indenture Trustee of at least ten (10) days' prior written notice from the Borrower (or one hundred eighty-five (185) days if on or after November \_\_, 1995), specifying a date for the prepayment of the Note or in the case of any mandatory prepayment as provided in clause (iii) above the Indenture Trustee shall, to the extent that amounts are or become available therefor, apply such amounts on behalf of the Issuer to the redemption of the principal of the Bond in accordance with the preceding paragraphs. Principal of the Bond, if designated for prior redemption, will cease to bear interest on the specified redemption date, provided sufficient funds for redemption are paid to the Indenture Trustee on behalf of the Issuer at the principal office of the Indenture Trustee on such date.

The Bond shall be prepared in typewritten form.

The Chairman is hereby authorized, empowered and directed to execute the Bond by his manual signature, and the County Clerk is hereby authorized, empowered and directed to attest the Bond by her manual signature, and the official seal of the Issuer shall be affixed thereto, and the Chairman and the County Clerk shall cause the Bond, as so executed and attested, to be delivered to the Purchaser. The signature of a person on the Bond, who is officer of the Issuer on the date of issuance of the Bond, shall be valid and sufficient for all purposes even if, at the time the Bond is delivered or paid for, such person has ceased to be an officer of the Issuer.

The Bond shall be transferable only as a whole as provided herein. Upon surrender for transfer of the Bond at the principal office of the Indenture Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Issuer shall execute and deliver in the name of the transferee a substitute fully registered Bond, in the denomination of the unpaid principal amount thereof, with the same maturity, interest rate, Payment Dates and Interest Periods, dated the date of its issuance. The Issuer shall cause books for the registration and for the transfer of the Bond as provided in this Ordinance to be kept by the Indenture Trustee which is hereby constituted and appointed the Bond Registrar of the Issuer. The Indenture

Trustee, as Bond Registrar, shall keep and maintain, on behalf of the Issuer, registration books indicating the name and address of the owner from time to time of the Bond. The Bond shall never be registered in the name of bearer. The Indenture Trustee shall not be required to transfer the Bond during the period of five (5) days next preceding any Payment Date of the Bond nor to transfer or exchange the Bond after notice calling such Bond for prior redemption has been given nor, if, at the time of such request mandatory redemption is required to be made, until such mandatory redemption has been made. The person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of principal of, premium, if any, or interest on the Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid. In each case the Issuer shall require the payment by the owner of the Bond requesting transfer of any tax or other government charge required to be paid with respect to such transfer.

In the event the Bond is mutilated, lost, stolen or destroyed, the Issuer may, in accordance with the terms and conditions of the Indenture, execute a substitute Bond of like date, tenor and maturities as the Bond mutilated, lost, stolen or destroyed; provided, that, in the case the Bond is mutilated, the mutilated Bond shall first be surrendered to the Issuer, and in the case the Bond is lost, stolen or destroyed, there shall be first furnished to the Issuer evidence of such loss, theft or destruction satisfactory to the Issuer, together with indemnity satisfactory to the Issuer. In the event all of the principal of the Bond shall have matured, instead of issuing a duplicate Bond the Issuer may pay the same without surrender thereof. The Issuer may charge the owner of the Bond with reasonable fees and expenses in this connection.

BOND FORM

Section 4. That the Bond, and the Payment Record--Schedule "A", shall be in substantially the following form:

THIS BOND IS TRANSFERABLE ONLY AS A WHOLE.

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF KENDALL

INDUSTRIAL BUILDING REVENUE BOND  
(Hatcher Medical Center Project)

No. R-1

Registered Owner: John W. Purcell

\$900,000

KNOW ALL MEN BY THESE PRESENTS that the County of Kendall, Illinois, a body politic and corporate and a non-home rule unit of local government duly organized and existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received promises to pay from the source and as hereinafter provided, to John W. Purcell ("Purchaser") or his assigns, at the principal office of The First American Bank of Aurora in Aurora, Illinois, or its successors and assigns, the principal sum of NINE HUNDRED THOUSAND DOLLARS (\$900,000), together with interest from the date hereof and prior to maturity on the balance of the principal remaining from time to time unpaid at the fluctuating rate per annum hereinafter specified, to be paid as follows: on November \_\_, 1986 interest only payable on unpaid principal for the Interest Period (as hereinafter defined) ending on the date immediately preceding said payment date; on November \_\_, 1987, principal in the amount of \$42,000, together with interest payable on unpaid principal for the Interest Period ending on the day immediately preceding said payment date; and commencing on May \_\_, 1988 and thereafter on the \_\_ day of each succeeding November and May, principal in the amount of \$33,000, together with interest payable on unpaid principal for the Interest Period ending on the day immediately preceding such payment date, and on November \_\_, 2000, the remaining unpaid principal and interest. All payments on this Bond shall be first applied to interest on the unpaid principal balance and the remainder to principal.

This Bond shall bear interest from the date hereof at a fluctuating rate, such rate to be determined annually on November \_\_ of each year for the one year period commencing on such date of determination and ending on including November \_\_ of the

next succeeding calendar year (the "Interest Period"). For the Interest Period commencing on the date hereof, the interest rate shall be that rate per annum equal to eighty percent (80%) of the Prime Rate (as hereinafter defined) in effect on the date hereof and for each Interest Period thereafter shall be that rate per annum equal to eighty percent of the Prime Rate in effect on the date such Interest Period commences unless such rate shall be (i) less than nine and one-half percent (9.5%), in which event such rate shall be nine and one-half percent (9.5%), or (ii) greater than fourteen percent (14%), in which event such rate shall be fourteen percent (14%). The term "Prime Rate" shall mean the rate per annum, as of the date such rate is to be determined, most recently published as the rate offered by Continental Illinois National Bank and Trust Company as its "prime rate" or, if such "prime rate" is not then published, such equivalent rate as such Bank shall quote upon request. Interest on overdue principal and, to the extent permitted by law, on overdue interest until paid shall be payable on demand during the period for which such principal, interest, or both is overdue and unpaid at a rate per annum equal to the sum of (i) the rate hereunder as of the date such amount became overdue plus (ii) two percent (2%). Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Both principal and interest hereon are payable in immediately available funds at the principal office of The First American Bank of Aurora, Illinois or its successors and assigns. The date and amount of each payment of principal and interest shall be noted by the holder hereof on the "Payment Record" attached hereto as Schedule A. Reference is made to the Loan Agreement hereinafter defined regarding the increase in interest payable in respect of this Bond and amounts payable to the holder hereof in the event of a Determination of Taxability (as defined in the Loan Agreement).

This Bond is issued under and pursuant to an Indenture of Trust dated November \_\_, 1985 (the "Indenture") by and between the Issuer and The First American Bank of Aurora as Indenture Trustee ("Indenture Trustee"), and a Loan Agreement dated November \_\_, 1985 (the "Loan Agreement") by and between the Issuer and The Old Second National Bank as Trustee under Trust Agreement No. 4083 dated as of July 22, 1985 and the owner of the beneficial interest in the trust created thereunder, The Hatcher Medical Center, an Illinois partnership (the "Land Trustee" and the "Beneficiary," respectively, herein sometimes referred to collectively as the "Borrower").

This Bond is issued for the purpose of funding a loan by the Issuer to the Land Trustee for the purpose of financing the costs of the acquisition, construction and rehabilitation of a facility to be used by the Borrower and certain lessees as an office and commercial facility (the "Project") located within the County of Kendall, Illinois, and the payment of necessary costs incidental thereto. The Bond is secured by and entitled to the

protection of the Indenture, duly executed and delivered by the Issuer to the Indenture Trustee, wherein the Issuer assigns to the Indenture Trustee for the benefit of the holder of this Bond the Direct Obligation Note of the Land Trustee dated the date hereof (the "Note"), the Issuer's interest as a Mortgagee under a Mortgage, Assignment, Security Agreement and Financing Statement dated as of November \_\_, 1985 from the Borrower to the Issuer, and the Beneficiary's Assignment of Beneficial Interest dated November \_\_, 1985. This Bond is additionally secured by a certain Guaranty dated as of November \_\_, 1985 of the partners in the Beneficiary and other persons which Guaranty shall be held in the custody of the Indenture Trustee for the holder of this Bond. The terms and conditions of the acquisition and construction of the Project, the loan of the proceeds of this Bond to the Land Trustee for such purpose, the issuance by the Land Trustee of the Note in an amount sufficient to repay said loan and the terms upon which this Bond is issued and secured are contained in the Loan Agreement.

This Bond is subject to prepayment in whole at any time out of amounts prepaid on the Note, at a price equal to 100% of the principal amount to be prepaid, plus accrued interest to the date of prepayment, and, on or before November \_\_, 1995, upon not than five (5) business days' prior written notice to the holder hereof and at a premium calculated on the principal amount prepaid, such premium to be ten percent (10%) during the Interest Period commencing on the date hereof and to decline by one percent (1%) for each succeeding Interest Period until the end of the tenth Interest Period after the issuance of this Bond and thereafter upon not less than one hundred eighty (180) days' prior written notice to the holder hereof and without premium, except that any such prepayment if made out of amounts prepaid on the Note pursuant to Section 5.3 of the Loan Agreement shall be without premium, wherever made, and if made out of amounts prepaid on the Note pursuant to said Section 5.3 or Section 7.12 of the Loan Agreement, may be made at any time upon not less than five (5) business days' prior written notice.

This Bond is subject to mandatory prepayment in whole or in part, without prior written notice to the holder hereof and without premium at any time and from time to time under certain conditions out of proceeds of the Construction Fund established pursuant to the Indenture and proceeds of condemnation and insurance and any such mandatory prepayment shall be applied when made to prepay the first principal thereafter payable hereunder to the extent sufficient therefor and each succeeding principal amount payable hereunder until exhausted, all as provided in the Indenture and in Sections 6.3 and 7.12 of the Loan Agreement.

In the event any principal of or interest on this Bond is not paid within ten (10) days of the due date thereof, a charge equal to four percent (4%) of the amount due shall be

payable upon demand of the holder hereof to reimburse such holder for extra expense incurred by reason of such delinquency.

In any case where the date of maturity of interest on or principal of this Bond or the date fixed for prepayment of all or a portion of this Bond shall be on a Saturday, Sunday or a legal holiday or a day on which banking institutions are authorized by law or executive order to close in the city where the principal office of the Indenture Trustee is located, then payment of interest or principal need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which such banking institutions are authorized by law or executive order to close, and this Bond shall continue to bear interest until said date.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Loan Agreement, the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Bond, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond is issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois and particularly the Illinois Industrial Building Revenue Bond Act, Chapter 85, Sections 871 through 881, Illinois Revised Statutes (the "Act") and pursuant to proceedings of the Chairman and members of the County Board of the Issuer authorizing the execution and delivery of the Loan Agreement, the Indenture and this Bond. This Bond has been issued under the provisions of the Act and does not constitute an indebtedness or evidence a debt of or a loan or credit extended to the Issuer within the meaning of any constitutional or statutory provision. No holder of this Bond has the right to compel any exercise of the taxing power of the Issuer to pay this Bond, the interest or premium, if any, thereon. No Bond issued by the Issuer under the Act may be a general obligation of the Issuer, but is a limited obligation of the Issuer, payable solely out of the revenues and receipts derived from the Loan Agreement, the Note, the Mortgage and the ABI.

Payments upon this Bond are to be made by the Land Trustee to the Indenture Trustee who, on behalf of the Issuer, will make payments to the holder hereof as permitted under the Indenture and the Loan Agreement and, accordingly, any transferee hereof should verify the unpaid principal hereof with the Indenture Trustee, prior to the acquisition hereof.

Under certain circumstances, as specified in the Indenture, the principal and accrued interest of this Bond may be

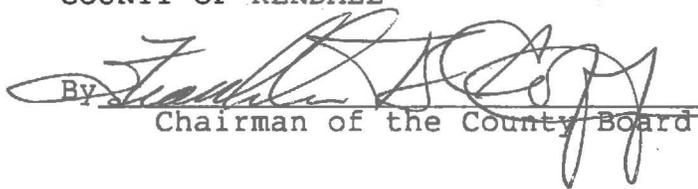
declared due and payable in the manner and with the effect provided in the Indenture and the Indenture Trustee may exercise any remedy in its favor created therein. The holder of this Bond shall have no right to enforce the provisions of this Indenture or to institute action to enforce the covenants therein or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto except as provided in the Indenture.

This Bond is transferable by the Registered Owner in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar appointed in the Indenture but only in the manner, subject to the limitations provided therein and upon surrender and cancellation of this Bond.

This Bond is issued with the intent that the laws of the State of Illinois will govern its construction.

IN WITNESS WHEREOF, the County of Kendall, Illinois, has caused this Bond to be executed in its name by the manual signature of the Chairman of the County Board and attested by the manual signature of its County Clerk, and its corporate seal to be impressed hereon, all as of November \_\_, 1985.

COUNTY OF KENDALL

By 

Chairman of the County Board

[SEAL]

Attest:

  
County Clerk



CUSTODY AND APPLICATION OF PROCEEDS  
OF BOND: CONSTRUCTION FUND

Section 5. There is hereby created and established with the Indenture Trustee, which is hereby constituted and appointed as depository for the Issuer, a special fund in the name of the Issuer to be designated "County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project) Construction Fund". The proceeds received by the Issuer upon the sale of the Bond shall be deposited in the Construction Fund which shall be held in a separate account by the Indenture Trustee, as depository. Moneys in the Construction Fund shall be expended in accordance with the provisions of the Loan Agreement, and particularly Section 6 thereof, Article VI of the Indenture, and the Arbitrage Regulation Agreement.

The Indenture Trustee, as depository, shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in this Section 5, the Indenture Trustee, as depository, shall file an accounting thereof with the Issuer, the Purchaser and the Borrower.

The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the the Indenture Trustee of the certificate of the Authorized Borrower Representative required by Section 6.3 of the Loan Agreement. Any moneys thereafter remaining in the Construction Fund shall be applied in accordance with Section 6.3 of the Loan Agreement and the Arbitrage Regulation Agreement.

BOND FUND

Section 6. There is hereby created and established with the Indenture Trustee, which is hereby constituted and appointed as depository for the Issuer, a special fund in the name of the Issuer to be designated "County of Kendall, Illinois, Industrial Building Revenue Bond (Hatcher Medical Center Project) Bond Fund". All amounts received by the Issuer which, under Article V of the Indenture, are deposited in the Bond Fund shall be held in a separate account by the Indenture Trustee, as depository. Moneys in the Bond Fund shall be expended in accordance with the provisions of the Indenture, and particularly Article V thereof, and the Arbitrage Regulation Agreement.

ACQUISITION, CONSTRUCTION AND REHABILITATION OF  
PROJECT AND PAYMENT OF AMOUNTS UNDER THE LOAN AGREEMENT

Section 7. It is the declared intention of the Issuer to authorize the disbursement of the proceeds of the Bond in order to finance a portion of the cost of the acquisition, con-

struction and rehabilitation of the Project by the Borrower, pursuant to the Loan Agreement in substantially the form which has been presented to and is hereby approved by the County Board.

The Loan Agreement and the revenues and receipts thereof, including all moneys received under its terms and conditions and the Note therein authorized, are provided to be sufficient to pay the principal of, premium, if any, and interest on the Bond hereby authorized when due, and are hereby pledged and ordered paid to the Indenture Trustee on behalf of the Issuer as specified in Section 3 hereof. The Loan Agreement provides that the Borrower shall remit the required payments in repayment of the loan under the terms and conditions of the Loan Agreement directly to the Indenture Trustee on behalf of the Issuer, such moneys to be deposited in the Bond Fund created pursuant to the Indenture and to be used under Section 504 of the Indenture for payment of principal of (whether at maturity, by acceleration, upon redemption prior to maturity or otherwise), premium, if any, and interest on the Bond, and such provision is hereby expressly approved.

#### REVENUES

Section 8. The Bond and all payments required of the Issuer hereunder are not general obligations of the Issuer, but are special, limited obligations secured by an assignment and pledge of the right, title and interest of the Issuer in and to the Loan Agreement (except certain expense and indemnification payments), the Note, the Mortgage, and the ABI and shall be payable by the Issuer solely and only out of the revenues and receipts derived from the Loan Agreement and the Note and as otherwise provided herein.

The Indenture Trustee is authorized and directed to apply all amounts available for payment of principal of, premium, if any, and interest on the Bond to the direct payment when due of principal of (whether at maturity, by acceleration, upon redemption prior to maturity or otherwise), premium, if any, and interest on the Bond, including without limitation the following: (a) any amounts in the Bond Fund; (b) all payments made on the Note; (c) all prepayments of principal of the Note (or a portion thereof) as specified in Section 4 of the Loan Agreement; (d) all other moneys received by the Indenture Trustee under and pursuant to any of the provisions of the Loan Agreement, the Note, the Mortgage, or the ABI which are required or are accompanied by directions that such moneys are to be applied to the payment of the principal of, premium, if any, and interest on the Bond except moneys required under any of such instruments to be held in a separate fund; provided that no payments may be made which are not permitted under the Arbitrage Regulation Agreement.

The Issuer covenants and agrees that should there be a default under the Loan Agreement, the Issuer shall fully cooperate with the Purchaser, as the owner of the Bond, or any other owner of the Bond to the end of fully protecting the rights and security of the Purchaser or such other owner of the Bond. Nothing herein shall be construed as requiring the Issuer to operate the Project or to use any funds or revenues from any source other than funds and revenues derived from the Loan Agreement and the Note (except as otherwise provided herein).

Subject to the terms and conditions of the Arbitrage Regulation Agreement, any amounts remaining in any fund or paid to the Indenture Trustee under the Loan Agreement, the Note, the Mortgage, or the ABI after payment in full of the principal of, premium, if any, and interest on the Bond and the charges and expenses of the Indenture Trustee and all liabilities, charges and expenses of Issuer payable by Borrower and all liabilities of Borrower under the Note, the Loan Agreement, the Mortgage and the ABI, shall be paid to the Borrower, as provided herein and in Section 509 and 1007 of the Indenture.

LOAN AGREEMENT, NOTE,  
MORTGAGE, ABI AND GUARANTY

Section 9. As security for the due and punctual payment of the principal of, premium, if any, and interest on the Bond hereby authorized, the Issuer hereby assigns and pledges to the Indenture Trustee all of its right, title and interest in and to, including without limitation its rights to all revenues and receipts derived by the Issuer pursuant to, the Loan Agreement (except any payment made pursuant to Sections 1.6(d), 7.2, and 8.3 of the Loan Agreement, relating to the obligation of the Borrower to pay reasonable and necessary expenses of the Issuer, or Section 7.7 of the Loan Agreement, relating to indemnification of the Issuer by the Borrower, or Section 10.2 of the Loan Agreement, relating to the obligation of the Borrower to pay attorneys' fees and expenses incurred by the Issuer upon a default thereunder), the Note, the Mortgage, the ABI and all rights and remedies of the Issuer under the Loan Agreement, the Note, the Mortgage and the ABI to enforce payment thereof, and as evidence of such assignment, pledge and security interest, the Chairman is hereby authorized, empowered and directed to execute the Assignment for and on behalf of the Issuer and the County Clerk of the Issuer is hereby authorized, empowered and directed to attest the same and to affix thereto the official seal of the Issuer, and the Chairman and the County Clerk are authorized and directed to cause the Bond Indenture to be executed by the Issuer. As further security for the payment of the principal of, premium, if any, and interest on the Bond, the Guarantors will execute and deliver the Guaranty, in substantially the form presented to the County Board, the form, terms and provisions of which are hereby approved.

## INVESTMENTS; ARBITRAGE

Section 10. Any moneys held as part of the Construction Fund created pursuant to Section 5 hereof may be invested or reinvested on the direction of the Authorized Borrower Representative, in accordance with the provisions of Section 6.4 of the Loan Agreement and with the provisions of the Arbitrage Regulation Agreement. Any such investment shall be held by or under control of the Indenture Trustee, as depository, and shall be deemed at all times a part of the Construction Fund for which the investment was made, and the interest accruing thereon and any profit realized from such investments shall be credited to the Construction Fund, and any loss resulting from such investments shall be charged to such Construction Fund, which loss shall be an obligation of the Borrower as provided in the Loan Agreement.

Pursuant to Section 702 of the Indenture, moneys held in the Bond Fund shall not be invested.

As and when any amount invested pursuant to this Section 10 may be needed for disbursement, the Authorized Borrower Representative may direct the Indenture Trustee to cause a sufficient amount of the investments to be sold and reduced to cash to the credit of such funds regardless of the loss on such liquidation.

With respect to Section 103 of the Code, the Borrower has made certain covenants with the Issuer in Section 7.8 of the Loan Agreement and in the Arbitrage Regulation Agreement, and the Borrower will make certain certifications and representations with respect to Section 103 of the Code on the date of delivery of the Bond, which the Issuer shall accept and adopt, and the Issuer, acting in reliance on such covenants, certifications and representations, hereby covenants with the Purchaser and any other owner of the Bond that so long as any principal installment of, premium, if any, or interest on the Bond remains unpaid, the County Board will not take or authorize the taking of any action which will cause the Bond to be classified as an "arbitrage bond" within the meaning of Section 103 of the Code and any regulations promulgated or proposed thereunder, including without limitation Section 1.103-13, Section 1.103-14, Section 1.103-15 and Section 1.103-15AT of the Income Tax Regulations (26 C.F.R., Part 1), as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

## GENERAL COVENANTS

Section 11. The Issuer covenants that it will promptly cause to be paid solely and only from the source mentioned in the Bond, the principal of, premium, if any, and interest on the Bond hereby authorized at the place, on the dates and in the manner

provided herein and in the Bond according to the true intent and meaning hereof and thereof. The Bond and the obligation to pay interest thereon are special, limited obligations of the Issuer, secured by the Note, the Mortgage, and the ABI, and payable as set out in Section 3 hereof.

The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Ordinance, the Bond, the Loan Agreement, the Mortgage, the ABI, the Arbitrage Regulation Agreement and the Bond Purchase Agreement, and in all proceedings of the County Board pertaining thereto. The Issuer covenants that it is duly authorized under the Constitution and the laws of the State of Illinois, including particularly and without limitation the Act, to issue the Bond authorized hereby and to assign and pledge the revenues and receipts hereby assigned and pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bond has been or will, before delivery of the Bond, have been duly and effectively taken, and that the Bond, when issued and delivered to the Purchaser, will be a valid and enforceable special, limited obligation of the Issuer according to the true intent and meaning thereof.

The Issuer covenants that it will execute, acknowledge and deliver such instruments, financing statements and other documents as the Purchaser or any other owner of the Bond may reasonably require for the better assuring, granting, pledging and assigning unto the Purchaser (or such other owner) the right, title and interest of the Issuer in and to the Loan Agreement, the Note, the Mortgage and the ABI, as well as the rights of the Issuer in and to the required payments of revenues and receipts pursuant to Section 4.3 of the Loan Agreement and the Note hereby assigned and pledged to the payment of the principal installments of, premium, if any, and interest on the Bond. The Issuer covenants and agrees that, except as herein and in the Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the revenues and receipts derived from the Loan Agreement and the Note, or of its right, title and interest in and to the Loan Agreement, the Note, the Mortgage and the ABI.

The Issuer covenants and agrees that all books and documents in its possession relating to the Project and the payments on the Note and under the Loan Agreement shall at all reasonable times be open to inspection by the Purchaser or any other owner of the Bond or such accountants or other agencies as the Purchaser or such owner may from time to time designate.

The Issuer covenants and agrees that it shall, through the Indenture Trustee, enforce all of its rights and all of the obligations of the Borrower under the Loan Agreement, the Note, the Mortgage, and the ABI for the benefit of the Purchaser or any

other owner of the Bond. The Issuer shall protect the rights of the Purchaser or any other owner of the Bond hereunder with respect to the assignment and pledge of the revenues and receipts coming due under the Loan Agreement and the Note.

#### EVENTS OF DEFAULT AND REMEDIES

Section 12. If any of the following events occurs it is hereby defined as and declared to be and to constitute an "event of default" hereunder:

(a) Default in the due and punctual payment of any interest on the Bond;

(b) Default in the due and punctual payment of any principal of or premium, if any, on the Bond, whether at the stated maturity thereof or upon redemption prior to maturity or proceedings for the acceleration thereof;

(c) The occurrence and continuation of an "Event of Default" under the Loan Agreement as defined in Section 10.1 of the Loan Agreement; or

(d) Subject to Section 910 of the Indenture, the failure of the Issuer to perform or observe any other of the covenants, agreements, or conditions on the part of the Issuer contained in the Indenture on the Bond.

Upon the occurrence of an event of default hereunder and so long as such event of default is continuing and upon the written request of the holder of the Bond, the Indenture Trustee by notice in writing delivered to the Borrower and the Issuer, may declare the principal of the Bond and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon any such declaration, the Issuer and the Indenture Trustee shall declare and all payments under the Loan Agreement and the Note from the Borrower shall immediately become due and payable as provided in Section 10.2 of the Loan Agreement and Section 902 of the Indenture.

While any principal of, premium, if any, or interest on the Bond remains unpaid, the Issuer shall not exercise any of the remedies available upon an "Event of Default" specified in Section 10 of the Loan Agreement except through the Indenture Trustee.

Upon the occurrence of an event of default hereunder, the Indenture Trustee may exercise such rights as exist under the Loan Agreement, the Note, the Mortgage, and the ABI, or this Ordinance, and may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal installments of, premium, if any,

and interest on the Bond and to enforce and compel the performance of the duties and obligations of the Borrower and the Issuer as herein and in the Loan Agreement, the Note, the Mortgage, and the ABI set forth, subject to and in accordance with the rights of the owner of the Bond provided in the Indenture.

No remedy by the terms of this Ordinance conferred upon or reserved to the Indenture Trustee (or to the Bondholder) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Indenture Trustee (or to the Bondholder) hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right, power or remedy accruing upon any event of default hereunder shall impair any such right, power or remedy or shall be construed to be a waiver of any such event of default hereunder or acquiescence therein; and every such right, power or remedy may be exercised from time to time as often as may be deemed expedient.

Subject to the terms and conditions of the Arbitrage Regulation Agreement, all moneys received pursuant to any right given or action taken under the provisions of this Section 12 or under the provisions of Section 10 of the Loan Agreement or Article IX of the Indenture (after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Issuer, the Indenture Trustee or the Purchaser or any other owner of the Bond) and under the Note, the Mortgage, and the ABI, and all moneys in the Construction Fund and the Bond Fund at the time of the occurrence of an event of default hereunder, shall be paid to the Indenture Trustee on behalf of the Issuer, and shall be applied to the payment of the principal, premium, if any, and interest due and unpaid upon the Bond to the person or persons entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this Section 12, such moneys shall be applied to the payment of the principal of, premium, if any, or interest on the Bond upon payment of such moneys to the Indenture Trustee.

Subject to the Arbitrage Regulation Agreement, whenever all principal of, premium, if any, and interest on the Bond have been paid under the provisions of this Section 12 and all expenses of the Bondholder, the Indenture Trustee and the Issuer have been paid, any amounts paid to the Indenture Trustee and not so applied shall be paid to the Borrower pursuant to Section 509 of the Indenture.

The Indenture Trustee, upon the written request or consent of the Bondholder, may waive any event of default hereunder

and its consequences and rescind any declaration of acceleration of principal, and in case of any such waiver or rescission, or in case any proceeding taken 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 Borrower, the Indenture Trustee and the Bondholder shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other event of default hereunder, or impair any right consequent thereon.

With regard to any default concerning which notice is given to the Borrower under the provisions of this Section 12, the Issuer hereby grants the Borrower full authority for account of the Issuer to perform or observe any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do in order to remedy such default.

#### SALE OF THE BOND: EXECUTION OF DOCUMENTS

Section 13. (a) The sale of the Bond hereby authorized to the Purchaser at a price of \$900,000 and payment pursuant to the Bond Purchase Agreement in substantially the form which has been presented to the County Board and the Bond Purchase Agreement in substantially the form which has been presented to the County Board are hereby in all respects authorized, approved and confirmed.

The Chairman is hereby authorized, empowered and directed to execute the Bond Purchase Agreement for and on behalf of the Issuer, and the County Clerk is hereby authorized, empowered and directed to attest the same and to affix the official seal of the Issuer thereto, and the Chairman and the County Clerk are hereby authorized, empowered and directed to deliver the Bond Purchase Agreement, such Bond Purchase Agreement to be in substantially the same form as presented to and approved by the County Board, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Bond Purchase Agreement presented to and approved by the County Board.

(b) The Loan Agreement, the Mortgage, the ABI, the Arbitrage Regulation Agreement and the Indenture in substantially the form in which the same have been presented to the County Board are hereby approved by such County Board, and are in all respects authorized, approved and confirmed.

The Chairman is hereby authorized, empowered and directed to execute the Loan Agreement, the Mortgage, the ABI, the Arbitrage Regulation Agreement and the Indenture for and on behalf of the Issuer, and the County Clerk is hereby authorized, empowered and directed to attest the same and to affix the official seal of the Issuer thereto, and the Chairman and the County Clerk are hereby authorized, empowered and directed to deliver the Loan Agreement, the Mortgage, the ABI, the Arbitrage Regulation Agreement and the Indenture, such Loan Agreement, Mortgage, ABI, Arbitrage Regulation Agreement and Indenture to be in substantially the same form as presented to and approved by the County Board, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Loan Agreement, Mortgage, ABI, Arbitrage Regulation Agreement and Indenture presented to and approved by the County Board.

#### PERFORMANCE PROVISIONS

Section 14. The Chairman and the County Clerk, for and on behalf of the Issuer be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the Issuer under and pursuant to this Ordinance, the advancement of the loan, the execution and delivery of the Bond and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Chairman and County Clerk be, and they are hereby, further authorized and directed for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Ordinance or to evidence said authority and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the Issuer under the Loan Agreement, the Mortgage, the ABI, the Arbitrage Regulation Agreement, the Indenture and the Bond Purchase Agreement and to discharge all of the obligations of the Issuer thereunder.

#### NOTICES

Section 15. All notices, certificates or other communications shall be sufficiently given and shall be deemed given when the same are (i) deposited in the United States mail and sent by first class mail, postage prepaid, or (ii) delivered, in each case to the parties at the following addresses or such other address as a party may designate by notice to the other parties: if to the Issuer, at the County Building, Fox Road and South Main Street, Yorkville, Illinois 60560, Attention: County Clerk; if to the Purchaser, at 13 Larkspur Lane West, Bristol, Illinois 60512; if to the Borrower, to The Hatcher Medical Center at 507 Kendall Drive, Yorkville, Illinois 60560 with copies

to: The Old Second National Bank of Aurora, as Trustee under Trust No. 4083, 37 South River Street, Aurora, Illinois 60507 and Lowe and Steinmetz, 403 West Galena Boulevard, P.O. Box 1605 Aurora, Illinois 60507-1605; and if to the Indenture Trustee, at 1851 W. Galena Blvd., Aurora, Illinois 60506.

ORDINANCE A CONTRACT; PROVISIONS FOR  
MODIFICATIONS, ALTERATIONS AND AMENDMENTS

Section 16. The provisions of this Ordinance shall constitute a contract between the Issuer and the owner of the Bond hereby authorized; and after the issuance of the Bond, no modification, alteration, amendment or supplement to the provisions of this Ordinance shall be made in any manner except with the written consent of the Purchaser or any other owner of the Bond until such time as all principal of, premium, if any, and interest on the Bond shall have been paid in full.

SATISFACTION AND DISCHARGE

Section 17. All rights and obligations of the Issuer, and the Borrower, under the Bond, this Ordinance, the Loan Agreement, the Note, the Mortgage, the ABI, the Arbitrage Regulation Agreement, the Indenture, and the Bond Purchase Agreement shall terminate and such instruments shall cease to be of further effect when: (a) all expenses of the Issuer and the Borrower required or permitted to be paid pursuant to this Ordinance, the Loan Agreement, the Note, the Mortgage, the ABI, the Arbitrage Regulation Agreement, the Indenture, and the Bond Purchase Agreement shall have been paid; and (b) the Issuer and the Borrower shall have performed all of their covenants and promises in the Bond, this Ordinance, the Loan Agreement, the Note, the Mortgage, the ABI, the Arbitrage Regulation Agreement, the Indenture, and the Bond Purchase Agreement; and (c) all principal of, premium, if any, and interest on the Bond have been paid. At such time the Purchaser or any other owner of the Bond shall surrender the Bond, cancel the Bond, deliver the cancelled Bond to the Indenture Trustee, deliver a copy of the cancelled Bond to the Borrower. Subject to the terms and conditions of the Arbitrage Regulation Agreement, the Indenture Trustee shall then assign and deliver to the Borrower any moneys required to be paid to the Borrower under Section 504 of the Indenture.

SEVERABILITY

Section 18. If any section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions hereof.

CAPTIONS

Section 19. The captions or headings of this Ordinance are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Ordinance.

EFFECTIVE DATE

Section 20. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby superseded. This Ordinance shall be in full force and effect upon its adoption.

Section 21. The approval and execution of this Ordinance by the County Board shall be contingent upon receipt from the Office of the Governor of the State of Illinois of a Certificate attesting to an allocation to the Bond of \$900,000 of the Issuer's share of the private activity bond limit of the State of Illinois under Section 103(n) of the Code, and such certificate shall include a certification made by the Chairman under penalty of perjury, as required by Section 103(n)(12) of the Code, that such allocation was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Passed this 12th day of November, 1985.

Approved this 12th day of November, 1985.

COUNTY OF KENDALL, ILLINOIS

(SEAL)

ATTEST:

Juan P. Brady  
County Clerk

By [Signature]  
Chairman of the County Board

STATE OF ILLINOIS  
COUNTY OF KENDALL  
- FILED -

NOV 12 1985

Juan P. Brady County Clerk  
Kendall County

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF KENDALL )

I, JEAN BRADY, DO HEREBY CERTIFY that I am the regularly elected and acting Clerk of the County of Kendall of the State of Illinois.

I DO FURTHER CERTIFY that the annexed and foregoing Ordinance is a true and correct copy of an Ordinance adopted by the Chairman and members of the County Board of the County of Kendall on the 12th day of November, A.D. 1985 by a vote of 10 AYES 0 NAYS 0 ABSENT; that said Ordinance adopted as aforesaid was deposited and filed in the Office of the County Clerk of the County of Kendall on the 12 day of November, A.D. 1985.

I DO FURTHER CERTIFY that the original, of which the foregoing is a true copy is entrusted to my care and safekeeping and I am the Keeper of the same.

I DO FURTHER CERTIFY that I am the Keeper of the records, journals, entries and Ordinances of the said County of Kendall.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the corporate seal of the County of Kendall this 12 day of November, A.D. 1985.

\_\_\_\_\_  
County Clerk of the County of  
Kendall, Illinois

(SEAL)