
MASTER TRUST INDENTURE

between

WESTMINSTER PRESBYTERIAN HOMES, INC.

and

BRANCH BANKING AND TRUST COMPANY,

as Master Trustee

Dated as of December 1, 2018

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MASTER TRUST INDENTURE

This **MASTER TRUST INDENTURE**, is dated as of December 1, 2018 (the “Master Indenture”), between **WESTMINSTER PRESBYTERIAN HOMES, INC.** (the “Company”) a Georgia nonprofit corporation and **BRANCH BANKING AND TRUST COMPANY**, a North Carolina banking corporation, having a corporate trust office in Wilson, North Carolina and being duly qualified to accept and administer the trusts created hereby, as master trustee (the “Master Trustee”).

WITNESSETH:

WHEREAS, all acts and things necessary to constitute this Master Indenture a valid indenture and agreement according to its terms have been done and performed, and the Company has duly authorized the execution and delivery of this Master Indenture, and the Company, in the exercise of the legal rights and powers vested in it, execute this Master Indenture and proposes to make, execute, issue and deliver Obligations hereunder; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby, subject to the terms hereof,

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the giving of consideration for and acceptance of Obligations issued hereunder by the registered owners thereof, and for the purpose of fixing and declaring the terms and conditions upon which Obligations are to be issued, authenticated, delivered and accepted by all persons who shall from time to time be or become registered owners thereof, the Company, as the sole Member of the Obligated Group, covenants and agrees with the Master Trustee, for the equal and proportionate benefit of the respective registered owners from time to time of Obligations (other than Obligations constituting Subordinate Indebtedness) issued hereunder, as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS CONCERNING INTERPRETATION

Section 1.01 Definitions. For the purposes hereof unless the context otherwise indicates, the following words and phrases shall have the following meanings:

“Accountant” means an independent certified public accountant or a firm of independent certified public accountants that is a member of the American Institute of Certified Public Accountants (or its successor organization) and is licensed to practice in the State of Georgia.

“Accounts” means any right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned or otherwise disposed of, (ii) for services rendered or to be rendered, or (iii) for a secondary obligation incurred or to be incurred. The term “Accounts” shall include healthcare insurance receivables. The term “Accounts” shall not include (i) rights to payment evidenced by chattel paper or an instrument, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, or (vi) rights to payment for money or funds advanced or sold. Any term used in this definition (other than the term “Accounts”) shall have the meanings given such terms, if any, in the UCC.

“Additional Indebtedness” means Indebtedness incurred by a Member of the Obligated Group subsequent to the incurrence of the Line of Credit and the issuance and delivery of the Series 2018 Obligations.

“Affiliate” means a corporation, limited liability company, partnership, joint venture, association, business trust or similar entity organized under the laws of the United States of America or any state thereof which (i) is directly or indirectly controlled by any Member of the Obligated Group, or by any Person which directly or indirectly controls any Member of the Obligated Group or (ii) controls, directly or indirectly, any Member of the Obligated Group. For purposes of this definition, control means the power to direct the management and policies of a Person through the ownership of not less than a majority of its voting securities or the right to designate or elect not less than a majority of the members of its board of directors or other governing board or body by contract or otherwise. “Affiliate” includes each Person who is an “affiliate” of a Member of the Obligated Group under accounting principles generally accepted in the United States of America.

“Available Reserves” means, as of any particular date of determination, an amount equal to the sum of all cash and the market value of all investments of the Members of the Obligated Group, less: (a) any cash or investments held by a trustee or creditor (i) in any bond payment fund or similar account for the payment of interest on Long-Term Indebtedness (or Related Bonds) up to, but not exceeding, the amount of interest accrued on such Long-Term Indebtedness (or Related Bonds) to such date of determination or (ii) for the payment of Qualifying Intermediate-Term Indebtedness; (b) the principal balance of any Short-Term Indebtedness then Outstanding; (c) any amount required to be reserved by any Member of the Obligated Group under applicable state or federal regulations against such Member’s obligation under Residency Agreements to provide nursing or other health care to residents; (d) with respect to the acquisition or construction of Property that will, upon such acquisition or construction, constitute Property, Plant and Equipment, (i) the amount of proceeds of Indebtedness incurred to finance such acquisition or construction, (ii) the amount of cash or securities pledged by a Member of the Obligated Group as collateral for Indebtedness incurred to finance such acquisition or construction, and (iii) the amount that is due and payable and will be due and payable within one year pursuant to a contract for such acquisition or construction, unless such amount will be paid with the proceeds of Indebtedness incurred to finance such acquisition or construction; (e) cash and investments the use of which is restricted by a donor or grantor to a particular use or purpose inconsistent with their use for the payment of Long-Term Indebtedness or Related Bonds and (f) any other cash or investments not legally available for the payment of Long-Term Indebtedness or Related Bonds (or the purchase thereof) when due, including any trust funds held for the care of residents and any deposits made pursuant to any Residency Agreement.

“Balloon Long-Term Indebtedness” means Long-Term Indebtedness (other than Qualifying Intermediate-Term Indebtedness) 25% or more of the original principal of which are due in a single period of 12 consecutive months, which portion of the principal is not required by the documents pursuant to which such Indebtedness is incurred to be amortized by payment or redemption prior to such year.

“Business Day” means any day on which banks in the city in which the Corporate Trust Office of the Master Trustee is located and in New York, New York are open and the payment system of the U.S. Federal Reserve is operational.

“Code” means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

“Collateral Assignments” means any assignment of construction documents, management agreements or Residency Agreements or any other assignment or agreement executed by any Member of

the Obligated Group as security for all Obligations issued under this Master Indenture, each as amended from time to time in accordance with its terms.

“Company” means Westminster Presbyterian Homes, Inc., a nonprofit corporation duly organized and validly existing under and by virtue of the laws of the State that is a Tax-Exempt Organization, and any successor or successors thereof.

“Completion Indebtedness” means any Indebtedness for borrowed money: (i) incurred for the purpose of financing the completion of the acquisition, construction, remodeling, renovation, or equipping of Facilities with respect to which Indebtedness for borrowed money has been incurred in accordance with the provisions hereof; and (ii) with a principal amount not in excess of the amount that is required to provide the completed and equipped Facilities of substantially the same type and scope contemplated at the time such prior Indebtedness was originally incurred, to provide for funded interest during the period of construction, to provide any reserve fund relating to such Completion Indebtedness, and to pay the costs and expenses of issuing such Completion Indebtedness.

“Construction Bonds” mean the Oconee County Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Bank Bought Construction Series 2018A-4 in the original aggregate principal amount of \$40,000,000.

“Contract Obligations” means the payment obligations (other than the obligation to pay principal of, redemption premium, if any, and interest on Indebtedness), of a Member of the Obligated Group under a financing agreement related to Indebtedness, evidenced by an Obligation issued under this Master Indenture.

“Corporate Charter” means, with respect to any corporation, the articles of incorporation, certificate of incorporation, corporate charter or other organizational document pursuant to which such corporation is organized and existing under the laws of the United States of America or any state thereof.

“Corporate Trust Office” means the designated office of the Master Trustee at which its corporate trust business is conducted, which at the date hereof is located in Wilson, North Carolina, or such other address as the Master Trustee may designate from time to time by notice to the Holders, the Members of the Obligated Group and the Company, or the designated corporate trust office of any successor Member Trustee (or such other address as such successor may designate from time to time by notice to the Holders, the Members of the Obligated Group and the Company).

“Days’ Cash on Hand” means 365 times (i) the aggregate unrestricted cash and unrestricted marketable securities (including board-designated funds) of the Obligated Group as of the date of computation, excluding cash and unrestricted marketable securities attributable to Indebtedness of the Obligated Group divided by (ii) the total operating expenses of the Obligated Group for the immediately preceding Fiscal Year for which Financial Statements are available, excluding depreciation and amortization (as shown on the Financial Statements for such Fiscal Year and calculated in the same manner as that used to determine Income Available for Debt Service), provisions for bad debt or any other noncash expenses, and, provided, however, that for purposes of calculating the amount of Excess Funds, the total operating expenses of the Obligated Group shall be determined based upon the combined budgets of the Members of the Obligated Group for the then current Fiscal Year. All securities shall be valued at fair market value for purposes of this definition.

“Defeasance Obligations” means (i) with respect to any Obligation that secures a series of Related Bonds, the obligations permitted to be used to defease such series of Related Bonds under the Related Bond Indenture, and (ii) with respect to any Obligation for which there are no Related Bonds,

(A) noncallable Government Obligations, (B) evidences of ownership of a proportionate interest in specified noncallable Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, (C) Defeased Municipal Obligations and (D) evidences of ownership of a proportionate interest in specified Defeased Municipal Obligations, which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian.

“Defeased Municipal Obligations” means obligations of state or local government municipal bond issuers which are rated in the highest rating category established by the Rating Agencies, provision for the payment of the principal of and interest on which shall have been made by deposit with a trustee or escrow agent of (i) noncallable Government Obligations, (ii) evidences of ownership of a proportionate interest in specified noncallable Government Obligations, (iii) cash or (iv) any combination of such noncallable Government Obligations, evidences of ownership and cash, which Government Obligations or evidences of ownership, together with any cash, are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, the maturing principal of and interest on such Government Obligations or evidences of ownership, when due and payable, being sufficient, together with any cash, to provide money to pay the principal of, premium, if any, and interest on such obligations of such state or local government municipal bond issuers.

“Defeased Obligations” means Obligations issued under a Supplement that has been discharged, or provision for the discharge of which has been made, pursuant to its terms.

“Derivative Agreement” means, without limitation, (i) any contract known as or referred to or which performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, options, puts or calls, to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate or other financial risk; and (v) any other type of contract or arrangement that the Member of the Obligated Group entering into such contract or arrangement determines is to be used, or is intended to be used, to manage or reduce the cost of Indebtedness, to convert any element of Indebtedness from one form to another, to maximize or increase investment return, to minimize investment return risk or to protect against any type of financial risk or uncertainty.

“Derivative Indebtedness” means Indebtedness (or that portion of Indebtedness) for which a Member of the Obligated Group shall have entered into a Derivative Agreement.

“Derivative Obligations” means the payment obligations of a Member of the Obligated Group under a Derivative Agreement that hedges Indebtedness, including but not limited to, regularly scheduled payments and termination payments.

“Derivative Period” means the period during which a Derivative Agreement is in effect.

“Electronic Means” means telecopy, telegraph, facsimile transmission, e-mail transmission, or other similar electronic means of communication capable of being evidenced by a paper copy.

“EMMA” the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System, or such other nationally recognized electronic filing system established by the Municipal Securities Rulemaking Board.

“Entrance Fee Unit” means the independent living units that are part of the Project and are offered for occupancy on an Entrance Fee basis.

“Entrance Fees” means (a) all admission fees received by any Member of the Obligated Group pursuant to any agreement with respect to the granting of rights to the initial and exclusive use of any unit in the Facilities not subject to refund under the laws of the State and net of any amount which has been refunded; provided, however, that deposits for admission to the Facilities will not be “Entrance Fees” until the prospective resident has a right to take possession of such unit pursuant to such agreement, (b) all admission fees received by any Member of the Obligated Group pursuant to any agreement with respect to the granting of rights to exclusive use of any unit that had been previously occupied by another resident and which comprised a part of the Facilities, not subject to refund under the laws of the State and net of any refunds paid to (i) the prior resident upon regranteeing of exclusive rights to use such unit or (ii) the resident succeeding to the exclusive rights to use such unit and (c) all fees received pursuant to any agreement with respect to customized changes to any unit in the Facilities. If any portion of an Entrance Fee is not paid in cash at the time the resident takes possession of the unit (e.g. is evidenced by a promissory note), such portion of the Entrance Fee shall not be recognized for purposes of determining compliance with the covenants in this Master Indenture until received by a Member of the Obligated Group in cash.

“Environmental Condition” means the presence, or release or threatened release, of any Hazardous Substances on, in, about, under or from, the Mortgaged Property; and shall include any non-compliance with any Environmental Requirement.

“Environmental Law” means any present or future federal, state or local laws, statutes, codes, ordinances, rules, regulations, standards, policies or guidelines, as well as common law, relating to protections of human health or the environment or relating to Hazardous Substances applicable to any of the Mortgaged property.

“Environmental Requirement” means (i) any Environmental Law and/or (ii) any administrative order, directive, judgment, consent order, permit, license, authorization, consent, settlement, agreement or other formal direction or guidance issued by or entered into with any Governmental Authority.

“Equipment” means those items constituting equipment as defined in the UCC used in connection with the Mortgaged Property, whether such equipment is now owned or hereafter acquired by any Member of the Obligated Group.

“Event of Default” means, with respect to this Master Indenture, any one or more of those events set forth in Section 4.01 hereof.

“Excess Funds” means, as of any particular date of determination, the amount of Available Reserves (determined as of the end of the Fiscal Year prior to the date of determination) in excess of the greater of (a) 150 Days’ Cash on Hand and (b) thirty-five percent (35%) of the principal amount of Outstanding Long-Term Indebtedness, exclusive of Qualifying Intermediate-Term Indebtedness, as of the date of determination.

“Excluded Real Property” means the real property described in Exhibit A hereto, unless and until such real property becomes subject to the lien of a Mortgage pursuant to Section 3.13 hereof.

“Facilities” means the Project and any other continuing care retirement facilities or health care delivery or residential facilities designed to provide services to the elderly hereafter owned by, and all leasehold interests of, any Member of the Obligated Group and operated by or on behalf of any Member of the Obligated Group, but excluding Excluded Real Property.

“Financial Statements” means the consolidated or combined financial statements of the Obligated Group, for a Fiscal Year, or for such other period for which an audit has been performed, required to be prepared under, and prepared in accordance with, accounting principles generally accepted in the United States of America consistently applied, including a statement of changes in cash flows as of the end of such period, which have been audited and reported upon by an Accountant. If at any time the financial statements of any Member of the Obligated Group includes an Affiliate that is not a Member of the Obligated Group, “Financial Statements” shall also mean the consolidated or combined financial statements of such Member of the Obligated Group and its Affiliates, if any, for the same Fiscal Year (or other period) as the Financial Statements of the Obligated Group, prepared in accordance with accounting principles generally accepted in the United States of America consistently applied, which have been audited and reported upon by an Accountant. Financial Statements of the Obligated Group shall also include, in an additional information section, unaudited consolidating or combining financial statements for the same Fiscal Year (or other period) from which the accounts of any Affiliate of any Member of the Obligated Group that is not a Member of the Obligated Group have been eliminated and to which the accounts of any Member of the Obligated Group that is not an Affiliate of any Member of the Obligated Group have been added by extracting the balances of such accounts from audited consolidated or combined financial statements of such Member of the Obligated Group and its Affiliates, if any.

“Fiscal Year” means the fiscal year of each of the Members of the Obligated Group, which period commences on January 1 of each year and ends on December 31 of each year, unless the Master Trustee and each Related Bond Trustee is notified in writing by the Obligated Group Representative of a change in such period for all of the Members of the Obligated Group, in which case the Fiscal Year shall be the period set forth in such notice.

“Fitch” means Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group Representative by notice to the Master Trustee and any Related Bond Trustee.

“GAAP” means accounting principles generally accepted in the United States, consistently applied.

“Governing Body” means, when used with respect to any Member of the Obligated Group, its board of directors, board of trustees or other board or group of individuals in which the power to govern such Member of the Obligated Group are vested.

“Government Obligations” means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America.

“Governmental Authority” means any federal, state or local agency, department, court or other administrative, legislative or regulatory body, or any private individual or entity acting in place of such entities.

“Gross Receipts” means all revenues, income, receipts and money (other than proceeds of borrowing) received in any period by or on behalf of any Member of the Obligated Group, including, but

without limiting the generality of the foregoing, (a) revenues derived from its operations, (b) gifts, grants, bequests, donations and contributions and the income therefrom, exclusive of any gifts, grants, bequests, donations and contributions to the extent specifically restricted by the donor to a particular purpose inconsistent with their use for the payment of Obligations, (c) proceeds derived from (i) insurance, except to the extent otherwise required by this Master Indenture to be used for a particular purpose inconsistent with their use for the payment of Obligations, (ii) Accounts, (iii) securities and other investments, (iv) inventory and other tangible and intangible Property, (v) medical or health care insurance, indemnity or reimbursement programs or agreements and (vi) contract rights and other rights and assets now or hereafter owned, held or possessed by each Member of the Obligated Group, (d) rentals received from the leasing of real or tangible personal property, and (e) Entrance Fees; provided, however, that Entrance Fees shall be considered Gross Receipts only when and to the extent they are not held in escrow for the benefit of the payor thereof pursuant to any requirement of law.

“Guaranty” means any obligation of any Member of the Obligated Group guaranteeing in any manner, directly or indirectly, any obligation of any Person that is not a Member of the Obligated Group which obligation of such other Person would, if such obligation were the obligation of a Member of the Obligated Group, constitute Indebtedness hereunder.

“Hazardous Substances” means any flammable materials (excluding wood products normally used in construction), explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definitions of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “special wastes,” “solid wastes,” or “toxic substances” under any applicable Environmental Laws, including, without limitation, any substance that is or becomes designated as “hazardous” or “toxic” under any applicable Environmental Law or in any other applicable federal, state or local environmental, health or safety law, rule or regulation relating to or imposing liability or standards concerning or in connection with hazardous, toxic or dangerous waste, substances, materials, smoke, gas or particulate matter. “Hazardous Substances” excludes common office, cleaning and maintenance supplies in sufficient quantities to permit the efficient operation of businesses at the Facilities, provided that such supplies are stored, contained and otherwise dealt with in accordance with applicable Environmental Laws.

“Holder” means the owner of any Obligation issued pursuant to this Master Indenture or a Supplement.

“Income Available for Debt Service” means, with respect to the Obligated Group, as to any Fiscal Year or such other twelve month period for which such calculation is made, the increase (decrease) in unrestricted net assets, to which shall be added depreciation, amortization and interest and other non-cash expenses deducted from total revenues, all as determined in accordance with accounting principles generally accepted in the United States of America consistently applied, and all Entrance Fees received in cash during such Fiscal Year (less any refunds actually paid in such Fiscal Year), and from which shall be deducted all Entrance Fees amortized during such Fiscal Year; provided, however, that for the purposes of determining compliance with any of the provisions of Section 3.06, Entrance Fees received from the initial resident of a unit in the Facilities or pursuant to any agreement with respect to customized changes to a unit in the Facilities shall be excluded and for the purposes of determining compliance with any of the provisions of Section 3.07, Entrance Fees received from the initial resident of any unit financed with Qualifying Intermediate-Term Indebtedness shall be excluded; and provided further that no determination of Income Available for Debt Service shall take into account:

- (a) any gain or loss resulting from either the extinguishment of Indebtedness or the sale, exchange or other disposition of capital assets not made in the ordinary course of business;

(b) any nonrecurring items of an extraordinary nature which do not involve the receipt, expenditure or transfer of assets;

(c) any unrealized gains or losses, including any unrealized gains or losses on investments or the value of any Derivative Agreement, or any "other-than-temporary" impairment losses; provided, however, that realized gains and losses on assets that suffer an other-than-temporary impairment loss shall be determined using the basis for such asset without giving effect to any reductions in basis resulting from such other-than-temporary impairment loss;

(d) any increase or decrease in obligations to provide future services; and

(e) any losses incurred from development of additional Facilities that the Governing Body of any Member of the Obligated Group later determines not to pursue;

and provided further that total revenues shall not include investment income from (A) any investment of funds held in a Qualified Escrow or (B) any fund or account that is set aside and used for the purpose of paying Qualifying Intermediate-Term Indebtedness.

For purposes of calculating the Long-Term Debt Service Coverage Ratio pursuant to Section 3.07, the Obligated Group may exclude from total expenses Start-Up Expenses solely related to capital improvements consisting, in whole or in part, of living units or beds, as long as the Long-Term Debt Service Requirement with respect to any Indebtedness incurred or to be incurred to acquire such capital improvements shall be excluded for purposes of such calculation as provided in Section 3.07.

"Indebtedness" means (i) all indebtedness of Members of the Obligated Group for borrowed money, (ii) all installment sales, conditional sales and capital lease obligations, incurred or assumed by any Member of the Obligated Group, and (iii) all Guaranties, whether constituting Long-Term Indebtedness or Short-Term Indebtedness. Indebtedness shall not include (1) obligations of any Member of the Obligated Group to another Member of the Obligated Group, (2) Defeased Obligations, (3) obligations of any Member of the Obligated Group with respect to a Contract Obligation, and (4) obligations of any Member under a line of credit, letter of credit, standby bond purchase agreement, or credit enhancement or similar facility (and any reimbursement agreement relating thereto) established in connection with the issuance of any Indebtedness of a Member or Related Bonds to the extent that such facilities have not been used or drawn upon and to the extent that they have been used or drawn upon to purchase, but not retire, Related Bonds. The facilities described in (4) above shall not be excluded from Indebtedness to the extent amounts are due thereunder without regard to a draw under such facility or to the extent that after a draw on such facility to purchase Related Bonds the amounts due on such Related Bonds pursuant to the provisions of such facility exceed the amounts stated in the Related Bonds. If such liquidity facility is used or drawn upon to retire, but not purchase, indebtedness of a Member or Related Bonds, then the liability incurred by such use or draw by the Member shall be included in Indebtedness.

"Insurance Consultant" means a Person which is not, and no member, stockholder, director, officer or employee of which is, a director, officer or employee of any Member of the Obligated Group or an Affiliate, which is qualified to survey risks and to recommend insurance coverage for continuing care facilities and services and organizations engaged in such operations.

"Lien" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of such Property, whether such interest arises by contract, statute or common law, including but not limited to any mortgage, deed of trust or pledge of, security interest in or encumbrance on any Property which secures any Indebtedness or any other obligation of any Member of the Obligated Group or which secures any obligation of any Person. The term "Lien" shall include any easements,

covenants, restrictions, conditions, encroachments, reservations, rights-of-way, leases and other title exceptions and encumbrances affecting real property.

“Line of Credit” means the lined of credit in the principal amount of \$6,000,000 pursuant to a Business Loan Agreement dated September 27, 2018 between the Corporation and Branch Banking and Trust Company, as lender, that is secured by property other than the Mortgaged Property.

“Liquidity Support Agreement” means the Liquidity Support Agreement, dated as of December 1, 2018, among the Company, the Master Trustee, and Presbyterian Homes of Georgia, Inc.

“Liquidity Testing Date” shall mean each June 30 and December 31, commencing December 31, 2021.

“Long-Term Debt Service Coverage Ratio” means, for each Fiscal Year or such other twelve month period for which such calculation is made, the ratio determined by dividing the Income Available for Debt Service for such Fiscal Year by Maximum Annual Debt Service.

“Long-Term Debt Service Requirement” means, for each Fiscal Year, the aggregate of the payments to be made in respect of the principal of and interest on Outstanding Long-Term Indebtedness of the Obligated Group during such Fiscal Year, taking into account:

(i) With respect to Balloon Long-Term Indebtedness, the amount of principal which would be payable in such Fiscal Year if the principal of such Balloon Long-Term Indebtedness to be amortized in succeeding Fiscal Years were amortized from the date of incurrence of such Balloon Long-Term Indebtedness over a period of fifteen (15) years (or, if the term thereof exceeds 15 years, over a period equal to such term, but in no event for a period more than thirty (30) years from the date of calculation) on a level debt service basis at an interest rate set forth in an opinion of a banking institution or an investment banking institution knowledgeable in such matters of finance delivered to the Master Trustee as the interest rate at which the Obligated Group could reasonably expect to borrow the same by issuing an obligation with the same term and a fixed rate of interest as assumed above; provided, however, that if the date of calculation is within twelve (12) months of the stated maturity of such Balloon Long-Term Indebtedness, the full amount of principal payable at maturity shall be included in such calculation unless a binding commitment to refinance such Balloon Long-Term Indebtedness shall be in effect, in which case the amortization schedule established by such commitment shall apply.

(ii) With respect to Variable Rate Indebtedness that is Long-Term Indebtedness, the interest on such Indebtedness shall be calculated at (A) in the case of Outstanding Variable Rate Indebtedness, the rate which is equal to the average of the actual interest rates which were in effect (weighted according to the length of the period during which each such interest rate was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period) and (B) in the case of Variable Rate Indebtedness proposed to be incurred, the rate which is equal to the average of the SIFMA Municipal Swap Index (or any other specified index or reference rate for such Variable Rate Indebtedness) for the most recent 12-month period immediately preceding the date of calculation (or, if the SIFMA Municipal Swap Index or such other index or reference rate is not available for such 12-month period, the Revenue Bond Index most recently published by The Bond Buyer), plus or minus any specified fixed spread.

(iii) (A) With respect to any Guaranty by any Member of the Obligated Group of any obligation of any Person, which obligation would, if it were a direct obligation of such Member

of the Obligated Group, constitute Short-Term Indebtedness, such Guaranty shall be excluded and (B) with respect to any Guaranty by any Member of the Obligated Group of any obligation of any Person, which obligation would, if it were a direct obligation of such Member of the Obligated Group, constitute Long-Term Indebtedness, it shall be assumed that the indebtedness that is the subject of the Guaranty shall be repaid in accordance with its scheduled maturities (or, if the indebtedness that is the subject of the Guaranty would be Balloon Long-Term Indebtedness if incurred directly by a Member of the Obligated Group, in accordance with (i) above), that the Guaranty shall have identical repayment terms and that such Guaranty shall be deemed Long-Term Indebtedness of the Obligated Group in accordance with the following schedule:

Long-Term Debt Service Coverage Ratio of the Person whose indebtedness is subject to a Guaranty (calculated as set forth herein for the most recent fiscal year of such Person for which audited financial statements are available)	Percentage of the principal amount of the guaranteed indebtedness deemed to be Long-Term Indebtedness of the Obligated Group
Greater than 2.0	0%
1.5 to and including 2.0	20
1.25 to and including 1.49	50
1.10 to and including 1.24	75
Less than 1.10 (or no available audited financial statements)	100

Notwithstanding the foregoing, if any Member of the Obligated Group is required to make a payment on such indebtedness pursuant to any Guaranty, 100% of the principal amount of the guaranteed indebtedness shall be deemed Long-Term Indebtedness of the Obligated Group for a period of two Fiscal Years following the Fiscal Year in which the most recent payment was made under such Guaranty.

(i) With respect to Derivative Indebtedness, for so long as the provider of the Derivative Agreement has a long-term credit rating of at least "A" (without regard to any rating refinement or gradation by numerical modifier or otherwise) assigned to it by Moody's and S&P and has not defaulted on its payment obligations thereunder, the interest on such Indebtedness during any Derivative Period shall be calculated by adding (x) the amount of interest payable by a Member of the Obligated Group on such Derivative Indebtedness pursuant to its terms and (y) the amount payable by such Member of the Obligated Group under the Derivative Agreement and subtracting (z) the amount payable by the provider of the Derivative Agreement at the rate specified in the Derivative Agreement; provided, however, in calculating the interest on such Indebtedness for any current or future period, (1) if such Member of the Obligated Group reasonably expects, at the time it enters into the Derivative Agreement, that a floating rate payable by the provider of the Derivative Agreement will be approximately equal to a variable rate of interest on such Derivative Indebtedness or a floating rate under a Derivative Agreement payable by such Member of the Obligated Group, then amounts payable at such approximately equivalent rates shall be deemed to offset each other and shall not be included in computing interest of such Indebtedness, and (2) any amount payable under the Derivative Agreement at a floating rate that is included in computing interest on such Indebtedness shall be calculated based on the average of the specified index or reference rate for the most recent 12-month period immediately preceding the date of calculation; provided, further, that to the extent that the provider of any Derivative Agreement does not have a long-term rating of at least "A" (without regard to any rating refinement or gradation by numerical modifier or otherwise) assigned to it by Moody's and S&P or is in default thereunder, the amount of interest payable by the Member of the Obligated Group shall be the interest calculated as if such Derivative Agreement had not been executed.

(ii) With respect to Subordinate Indebtedness, only such debt service payments that are actually made in a given Fiscal Year.

In addition, interest shall be excluded from the determination of Long-Term Debt Service Requirement to the extent the same is provided from the proceeds of the Long-Term Indebtedness; and provided further, however, that notwithstanding the foregoing, the aggregate of payments to be made with respect to principal of and interest on Outstanding Long-Term Indebtedness shall not include principal and interest payable from funds available (without reinvestment) in a Qualified Escrow (other than principal and interest so payable solely by reason of the Obligated Group's failure to make payments from other sources).

"Long-Term Indebtedness" means all obligations for borrowed money incurred or assumed by any Member of the Obligated Group, including (a) Guaranties, (b) Short-Term Indebtedness if there exists a commitment by an institutional lender whose long-term, unsecured debt obligations are rated not less than "A" (without regard to any rating refinement or gradation by numerical modifier or otherwise) by the Rating Agencies to provide financing to retire such Short-Term Indebtedness and such commitment provides (i) terms and conditions that can be reasonably met by such Member of the Obligated Group to incur such Indebtedness, as certified in an Officer's Certificate filed with the Master Trustee and (ii) for the repayment of principal on terms which would, if such commitment were implemented, constitute Long-Term Indebtedness, and (c) the current portion of Long-Term Indebtedness (this shall not be read to exclude any portion of Long-Term Indebtedness not constituting the current portion), for any of the following:

(i) money borrowed for an original term, or renewable at the option of the Company for a period from the date originally incurred, longer than one (1) year;

(ii) leases which are required to be capitalized in accordance with GAAP having an original term, or renewable at the option of the lessee for a period from the date originally incurred, longer than one (1) year; and

(iii) installment sale or conditional sale contracts having an original term in excess of one (1) year;

provided, however, that any Guaranty by any Member of the Obligated Group of any obligation of any Person which obligation would, if it were a direct obligation of such Member of the Obligated Group, constitute Short Term Indebtedness or Non-Recourse Indebtedness shall be excluded.

"Management Consultant" means a professional consulting, accounting, investment banking or commercial banking firm or individual selected by the Obligated Group Representative having the skill and experience necessary to render the particular report required and having a favorable reputation for such skill and experience, which firm or individual does not control any Member of the Obligated Group or any Affiliate thereof and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof.

"Master Indenture" means this Master Trust Indenture dated as of December 1, 2018, between the Company and the Master Trustee, and any amendments or supplements hereto.

"Master Trustee" means Branch Banking and Trust Company, Wilson, North Carolina, and its successors in the trusts created hereunder.

“Maximum Annual Debt Service” means the highest Long-Term Debt Service Requirement, excluding the Long-Term Debt Service Requirement with respect to Qualifying Intermediate-Term Indebtedness.

“Member of the Obligated Group” means, initially, the Company, and, thereafter, any Person which shall become a Member of the Obligated Group in accordance with Section 3.11 and not including any Person which shall have withdrawn from the Obligated Group in accordance with Section 3.12.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group Representative by notice to the Master Trustee and any Related Bond Trustee.

“Mortgage” means (i) the Security Deed, and (ii) any other deed to secure debt, deed of trust, or mortgage substantially similar to the Security Deed in form satisfactory to the Master Trustee executed by any Member of the Obligated Group as security for all Obligations issued under this Master Indenture, each as amended from time to time in accordance with its terms.

“Mortgaged Property” means the real property, fixtures and personal property described in any Mortgage.

“Net Book Value” means, (a) when used in connection with Property, Plant and Equipment or other Property of any Person (except cash, securities and other intangibles), the value of such Property, Plant and Equipment or other Property, net of accumulated depreciation, as it is carried on the books of such Person in conformity with GAAP, (b) when used in connection with cash, securities and other intangibles of any Person, the fair market value of such cash, securities and other intangibles, and (c) when used in connection with Property, Plant and Equipment or other Property or cash, securities and other intangibles of the Obligated Group, means the aggregate of the values so determined with respect to such Property, Plant and Equipment or other Property or cash, securities and other intangibles of the Obligated Group determined in such a manner that no portion of such value of Property, Plant and Equipment or other Property or cash, securities and other intangibles is included more than once.

“Non-Recourse Indebtedness” means any Indebtedness to finance the purchase, acquisition or construction of Property, Plant and Equipment, the payment of which is limited to and secured by a Lien on such Property, Plant and Equipment with no recourse, directly or indirectly, to any other Property of any Member of the Obligated Group.

“Obligated Group” means, collectively, the Members of the Obligated Group.

“Obligated Group Representative” means the Person at the time designated to act on behalf of the Obligated Group in a written certificate furnished to the Master Trustee, which certificate shall contain a specimen signature of such Person and shall be signed on behalf of the Obligated Group by the President of the Company or by his designee.

“Obligation” means the evidence of particular Indebtedness, Derivative Obligations or Contract Obligations issued hereunder.

“Obligation No. 1” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018A-1 Note,” issued as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6 to secure the Company’s obligations related to the Oconee County

Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Fixed Rate Series 2018A-1.

“Obligation No. 2” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018A-2 Note,” issued as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6 to secure the Company’s obligations related to the Oconee County Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Adjustable Rate Series 2018A-2.

“Obligation No. 3” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018A-3 Note,” issued as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6 to secure the Company’s obligations related to the Oconee County Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Entrance Fee Series 2018A-3.

“Obligation No. 4” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018A-4 Note,” issued as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6 to secure the Company’s obligations related to the Oconee County Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Bank Bought Construction Series 2018A-4.

“Obligation No. 5” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018A-5 Note,” issued as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6 to secure the Company’s obligations related to the Oconee County Industrial Development Authority Revenue Bonds (Presbyterian Village Athens Project) Bank Bought Entrance Fee Series 2018A-5.

“Obligation No. 6” means the promissory note designated “Westminster Presbyterian Homes, Inc. Series 2018 Subordinate Note,” constituting Subordinate Indebtedness issued to an Affiliate of the Company as an Obligation under this Master Indenture and the Supplement for Obligations No. 1 Through No. 6.

“Obligation Register” has the meaning given such term in Section 2.02.

“Oconee Authority” means the Oconee County Industrial Development Authority and its successors and assigns.

“Officer’s Certificate” means a certificate signed by (i) the chairman of the Governing Body, or the president or chief executive officer, or the chief financial officer, or the chairman of the finance committee of the Governing Body of each Member of the Obligated Group or (ii) the Obligated Group Representative. Each Officer’s Certificate presented under this Master Indenture shall state that it is being delivered pursuant to (and shall identify the section or subsection of) this Master Indenture and shall incorporate by reference and use in all appropriate instances all terms defined in Section 1.01. Each Officer’s Certificate shall state (i) that the terms thereof are in compliance with the requirements of the section or subsection pursuant to which such Officer’s Certificate is delivered, or shall state in reasonable detail the nature of any non-compliance and the steps being taken to remedy such non-compliance, and (ii) that it is being delivered together with any opinions, schedules, statements or other documents required in connection therewith.

“Opinion of Bond Counsel” means an opinion in writing signed by an attorney or firm of attorneys acceptable to the Master Trustee and experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

“Opinion of Counsel” means an opinion in writing signed by an attorney or firm of attorneys acceptable to the Master Trustee, who may be counsel for any Member of the Obligated Group or other counsel acceptable to the Master Trustee.

“Outstanding,” when used with reference to Indebtedness, means, as of any date of determination, all Indebtedness theretofore issued or incurred and not paid and discharged other than (i) Obligations theretofore cancelled by the Master Trustee or delivered to the Master Trustee for cancellation, (ii) Indebtedness deemed paid and no longer Outstanding under the documents pursuant to which such Indebtedness was incurred, and (iii) Obligations in lieu of which other Obligations have been authenticated and delivered or have been paid pursuant to the provisions of the Supplement regarding mutilated, destroyed, lost or stolen Obligations unless proof satisfactory to the Master Trustee has been received that any such Obligation is held by a bona fide purchaser.

“Permitted Liens” means those Liens described in Section 3.05(b).

“Person” means an individual, association, unincorporated organization, corporation, limited liability company, partnership, joint venture, business trust or a government or an agency or a political subdivision thereof, or any other entity.

“Pledged Assets” means all Accounts, Equipment, Gross Receipts, general intangibles, inventory, documents, instruments and chattel paper of each Member of the Obligated Group, now owned or hereafter acquired, and all supporting obligations related thereto and all proceeds thereof, including, without limitation all of the Obligated Group’s rights under Residency Agreements with respect to, or lease of, residential units in the residence and care facilities owned by any Member of the Obligated Group; provided, however, that Pledged Assets shall not include contract rights consisting of charitable pledges nor any assets derived from Excluded Real Property.

“Project” means the continuing care retirement community to be known as “Presbyterian Village Athens,” expected to include 186 independent living units, 30 assisted living units, 30 memory care units, and 40 skilled nursing beds, along with common and administrative areas, with the Project to be located on an approximately 70.4 acre site at 8021 Macon Highway in Oconee County, Georgia.

“Property” means any and all rights, titles and interests in and to any and all property whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired. Notwithstanding the previous sentence, Property shall include any property financed in whole or in part with an Obligation and shall not include Excluded Real Property.

“Property, Plant and Equipment” means all Property of the Members of the Obligated Group which is property, plant and equipment under accounting principles generally accepted in the United States of America.

“Put Indebtedness” shall mean Long-Term Indebtedness the principal of which is required, at the option of the owner thereof, to be purchased or redeemed on a date prior to its stated maturity, which portion of the principal is not required by the documents pursuant to which such Indebtedness is issued to be amortized by redemption prior to such date.

“Qualified Escrow” means a segregated escrow fund or other similar fund or account which (a) is irrevocably established as security for Long-Term Indebtedness previously incurred and then Outstanding (herein referred to as “Prior Indebtedness”) or for Long-Term Indebtedness, if any, then to be incurred to refund Outstanding Prior Indebtedness (herein referred to as “Refunding Indebtedness”), (b) is held by the holder of the Prior Indebtedness or Refunding Indebtedness secured thereby or by a trustee or agent acting on behalf of such holder and is subject to a perfected security interest in favor of such holder, trustee or agent, (c) is held in cash or invested in Defeasance Obligations, as defined in the Related Bond Indenture that secures such Prior Indebtedness or Refunding Indebtedness, and (d) is required by the documents establishing such fund or account to be applied toward the Obligated Group’s payment obligations in respect of the Prior Indebtedness, provided that, if the fund or account is funded in whole or in part with the proceeds of Refunding Indebtedness, the documents establishing the same may require specified payments of principal or interest (or both) in respect of the Refunding Indebtedness to be made from the fund or account prior to the date on which the Prior Indebtedness is repaid in full.

“Qualifying Intermediate-Term Indebtedness” means any Indebtedness that (i) matures on a single date not more than seven years from its date of issuance or incurrence and (ii) is issued or incurred to finance the expansion of the Existing Facilities or to finance additional Facilities which, in either case, are expected by the Obligated Group to generate initial Entrance Fees (pursuant to executed Residency Agreements under which deposits of not less than 10% of the Entrance Fees have been or are required to be received and which obligate the prospective resident or some other Person, which prospective resident or other Person shall have met the financial criteria established by the Governing Body of any Member of the Obligated Group, to pay the balance) in an amount not less than 100% of the principal amount of such Qualifying Intermediate-Term Indebtedness, all as certified to the Master Trustee in an Officer’s Certificate.

“Rating Agencies” means Fitch, Moody’s and S&P; provided, that if any of Moody’s, S&P and Fitch ceases to rate the Obligations for reasons outside of the Company’s control, a “nationally recognized statistical rating organization,” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, will be selected by the Company as a replacement agency for Moody’s, S&P or Fitch, or any of them, as the case may be.

“Related Bond Indenture” means any indenture, bond resolution, bond purchase and loan agreement or other comparable instrument pursuant to which a series of Related Bonds is issued.

“Related Bond Issuer” means the issuer of any issue of Related Bonds.

“Related Bond Trustee” means the trustee and its successors in the trusts created under any Related Bond Indenture, if any.

“Related Bonds” means (a) revenue bonds or similar obligations issued by any state, territory or possession of the United States or any municipal corporation or political subdivision formed under the laws thereof or any constituted authority or agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof, and (b) any bonds issued by any other Person, in either case the proceeds of which are loaned or otherwise made available to a Member of the Obligated Group in consideration, whether in whole or part, of the execution, authentication and delivery of an Obligation to such governmental issuer or Person or in consideration of the execution and delivery of a Guaranty issued by a Member of the Obligated Group which Guaranty is represented by an Obligation.

“Residency Agreement” means an agreement entered into by a Member of the Obligated Group with respect to the granting of rights to the exclusive use of any unit in the Facilities, as the same may be amended from time to time.

“Responsible Officer” has the meaning given such term in Section 8.02.

“S&P” means S&P Global Ratings, a division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and if S&P shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group Representative by notice to the Master Trustee and any Related Bond Trustee.

“Security Deed” means the Deed to Secure Debt and Security Agreement dated as of December 1, 2018, from the Company to the Oconee Authority, as grantee, which has been assigned by the Oconee Authority to the Master Trustee as security for all Obligations issued under this Master Indenture, as the same may be altered, amended, modified or supplemented from time to time in accordance with its terms.

“Series 2018 Obligations” means, collectively, Obligations No. 1 through No. 6.

“Short-Term Indebtedness” means all obligations, other than the current portion of Long-Term Indebtedness, incurred or assumed by one or more Members of the Obligated Group, for any of the following:

- (i) payments of principal and interest with respect to money borrowed for an original term, or renewable at the option of the Company for a period from the date originally incurred, of one (1) year or less;
- (ii) payments under leases which are capitalized in accordance with GAAP having an original term, or renewable at the option of the lessee for a period from the date originally incurred, of one (1) year or less; and
- (iii) payments under installment purchase or conditional sale contracts having an original term of one (1) year or less.

“Stable Occupancy” means the earlier to occur of (a) the first full Fiscal Year next succeeding the Fiscal Year in which the occupancy of any additional independent or assisted living units or health care beds in the capital improvements financed with Long-Term Indebtedness reaches 90% and (b) the first full Fiscal Year following the Fiscal Year in which occurs that date that is 18 months following the date upon which substantially all of such independent or assisted living units or health care beds are placed in service.

“Stabilization Date” means the end of the first Fiscal Year in which average occupancy for all levels of care combined is at least 90%, the Debt Service Coverage Ratio is at least 1.25, and Days’ Cash on Hand is at least 180.

“Start-Up Expenses” shall mean the Obligated Group’s expenses as shown on the Financial Statements or otherwise identifiable under GAAP, plus any expenses not so shown or identified that are to develop, construct, implement, market or maintain the capital improvements being undertaken or the programs to be offered in such capital improvements until Stable Occupancy.

“State” means the State of Georgia.

“Subordinate Indebtedness” means Indebtedness which, with respect to any issue thereof, is evidenced by instruments, or issued under an indenture or other document, containing provisions for the

subordination of such Indebtedness (to which appropriate reference shall be made in the instruments evidencing such Indebtedness) substantially as in Exhibit B to this Master Indenture.

“Supplement” means an indenture supplemental to, and authorized and executed pursuant to the terms of, this Master Indenture.

“Supplement for Obligations No. 1 Through No. 6” means the Supplemental Indenture for Obligations No. 1 Through No. 6, dated as of December 1, 2018, between the Company and the Master Trustee.

“Tax-Exempt Organization” means a Person organized under the laws of the United States of America or any state thereof which is exempt from federal income taxes under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code, or corresponding provisions of federal income tax laws from time to time in effect.

“Tax-Exempt Related Bonds” means Related Bonds for which an Opinion of Bond Counsel that interest thereon is excludable from gross income for federal income tax purposes was delivered upon initial issuance and delivery of such Related Bonds.

“Total Revenue” means, as to any period of time, total revenue of the Obligated Group, as determined in accordance with accounting principles generally accepted in the United States of America consistently applied, less investment income.

“Transfer” means any act or occurrence the result of which is to dispossess any Person of any asset or interest therein, including specifically, but without limitation, the forgiveness of any debt.

“UCC” means the Uniform Commercial Code as in effect in the State of Georgia or other applicable state.

“USDA Direct Loan” means the Obligation expected to be issued upon completion of the portions of the Project financed with the Construction Bonds that will refund the Construction Bonds and will be purchased by the United States Department of Agriculture under its Rural Development Community Facilities Program.

“Variable Rate Indebtedness” means any portion of Indebtedness the interest rate on which is not established at the time of incurrence at a fixed or constant rate.

Section 1.02 Interpretation. (a) Any reference herein to any officer or member of the Governing Body of a Member of the Obligated Group shall include those Persons succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

(a) Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa, and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender.

(b) Where the character or amount of any asset, liability or item of income or expense is required to be determined or any consolidation, combination or other accounting computation is required to be made for the purposes hereof or of any agreement, document or certificate executed and delivered in connection with or pursuant to this Master Indenture, the same shall be done in accordance with GAAP.

(c) Headings of articles and sections herein and in the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof. Reference herein to particular articles or sections are references to articles or sections of this Master Indenture unless some other reference is otherwise indicated.

(d) Provisions relating to the redemption of Obligations or the calling of Obligations for redemption do not mean or include the payment of Obligations at their stated maturity or maturities.

(e) If an Affiliate of the Company is not a Member of the Obligated Group or if a Member of the Obligated Group is not an Affiliate of the Company, a determination or calculation required to be made or performed under this Master Indenture based on the Financial Statements shall be made or performed based on the unaudited combining information referred to in the last sentence of the definition of "Financial Statements."

ARTICLE II

OBLIGATIONS, AUTHORIZATION, ISSUANCE AND TERMS OF OBLIGATIONS

Section 2.01 Amount of Obligations. Each Member of the Obligated Group may issue Obligations hereunder to evidence and secure Indebtedness, Derivative Obligations or Contract Obligations incurred or to be incurred by such Member of the Obligated Group. The number and principal amount of Obligations that may be created hereunder are not limited, except as limited by the provisions hereof, including the following sentence and Section 3.06, or of any Supplement. Pursuant to Section 3.01, each Member of the Obligated Group is jointly and severally liable for each and every Obligation.

Section 2.02 Form, Designation, Numbering and Registration of Obligations. Obligations shall be issued in such forms as may from time to time be created by Supplements permitted hereunder. Each Obligation or series of Obligations shall be created by a different Supplement and shall be designated in such a manner as will differentiate such Obligation from any other Obligation. Obligations shall be issuable as fully registered Obligations and shall be numbered as provided in the Obligation or the Supplement creating such Obligation. If neither the Obligation nor the Supplement creating such Obligation provide for its registration, such Obligation shall be registered on the register to be maintained by the Obligated Group for that purpose at the Corporate Trust Office of the Master Trustee and such Obligation shall be transferable only upon presentation of such Obligation at said office by the registered owner or by his duly authorized attorney and subject to the limitations, if any, set forth in this Master Indenture. Such transfer shall be without charge to the Holder hereof, but any tax or other governmental charges required to be paid with respect to the same shall be paid by the Holder requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the Obligated Group shall execute and the Master Trustee shall authenticate and deliver in exchange for such Obligation, a new fully registered Obligation or Obligations, registered in the name of the transferee. Prior to the due presentment hereof for registration of transfer, any Member of the Obligated Group, the Master Trustee, any paying agent and any registrar may deem and treat the person in whose name such Obligation is registered as the absolute owner hereof for all purposes; and neither any Member of the Obligated Group, any payment agent, the Master Trustee, nor any registrar shall be affected by any notice to the contrary. All payments made to the registered owner hereof shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for monies payable on such Obligation. The Master Trustee shall keep at its Corporate Trust Office a register (the "Obligation Register"), in which the Master Trustee shall provide for the registration of, transfer and exchange of each Obligation as provided in the Supplement creating such Obligation, subject to any additional reasonable regulations as it may prescribe.

Section 2.03 Execution and Authentication of Obligations. Each Obligation shall be executed for and on behalf of the issuer thereof, by the Chairman or Vice Chairman of its Governing Body or its President or Vice President. The signature of any such officer may be mechanically or photographically reproduced on the Obligation. If any officer whose signature appears on any Obligation ceases to be such officer before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such officer had remained in office until such delivery. Each Obligation shall be manually authenticated by an authorized signatory of the Master Trustee, without which authentication no Obligation shall be entitled to the benefits hereof.

The Master Trustee's authentication certificate shall be substantially in the following form:

MASTER TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Master Trustee hereby certifies that this Obligation No. ____ is one of the Obligations contemplated by the within-mentioned Indenture.

BRANCH BANKING AND TRUST COMPANY,
as Master Trustee

By: _____
Authorized Signatory

Section 2.04 Supplement Creating Obligations. Any Member of the Obligated Group and the Master Trustee may from time to time enter into a Supplement in order to create an Obligation hereunder. Such Supplement shall set forth the date of such Obligation, the date or dates on which the principal of, redemption premium, if any, and interest or other payments on such Obligation shall be payable, the form of such Obligation and such other terms and provisions as shall conform with the provisions hereof.

Section 2.05 Conditions to Issuance of the Series 2018 Obligations. Simultaneously with or prior to the execution, authentication and delivery of the Series 2018 Obligations pursuant to this Master Indenture and Supplement for the Series 2018 Obligations, the Company shall have delivered the following to the Master Trustee:

(a) the fully executed Security Deed, and fully executed UCC financing statements with respect to the security interest in the Pledged Assets and fixtures of the Obligated Group granted to the Master Trustee pursuant to this Master Indenture and the Security Deed, with evidence of filing in the office of the Clerk of the Superior Court of the County of Oconee, Georgia;

(b) a mortgagee title insurance policy, or an endorsement to an existing mortgagee title insurance policy, issued to the Master Trustee in an amount equal to the aggregate principal amount of the Series 2018 Obligations, insuring that the Security Deed is a first priority Lien, subject only to Permitted Liens, on the Mortgaged Property;

(c) an Officer's Certificate stating that (i) all requirements and conditions to the issuance of the Series 2018 Obligations set forth in this Master Indenture and Supplement for the Series 2018 Obligations shall have been complied with and satisfied, and (ii) to the best of the knowledge of the signer thereof, the Person who is to be the Holder of such Obligation upon the original issuance thereof is not acquiring the interest represented by such Obligation directly or indirectly with the assets of, or in connection with any arrangement or understanding by it in any way involving, any employee benefit

plan with respect to which (A) any employee of any Member of the Obligated Group or the Master Trustee, in its individual capacity, is a participant or (B) any Member of the Obligated Group or the Master Trustee, in its individual capacity, or any of their affiliates is otherwise a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974, as amended; and

(d) an Opinion of Counsel addressed to the Master Trustee to the effect that (i) all requirements and conditions to the issuance of the Series 2018 Obligations set forth in this Master Indenture and Supplement for the Series 2018 Obligations shall have been complied with and satisfied, (ii) registration of the Series 2018 Obligations under the Securities Act of 1933, as amended, and qualification of this Master Indenture and Supplement for the Series 2018 Obligations under the Trust Indenture Act of 1939, as amended, is not required, or, if such registration or qualification is required, that all applicable registration and qualification provisions of said acts have been complied with, and (iii) this Master Indenture and Supplement for the Series 2018 Obligations are valid, binding and enforceable obligations of the Members of the Obligated Group in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance and other laws affecting creditors' rights generally and usual equity principles.

Section 2.06 Conditions to Issuance of Other Obligations Hereunder. With respect to Obligations, other than the Series 2018 Obligations, created hereunder, simultaneously with or prior to the execution, authentication and delivery of an Obligation pursuant to this Master Indenture:

(a) All requirements and conditions to the issuance of such Obligation, if any, set forth in this Master Indenture and in the Supplement creating such Obligation shall have been complied with and satisfied, as provided in an Officer's Certificate, a copy of which Certificate shall be delivered to the Master Trustee;

(b) The issuer of such Obligation shall have delivered to the Master Trustee an Opinion of Counsel to the effect that (i) the Obligations have been established pursuant to an action duly adopted by the Governing Body of the Company and in conformity with the provisions of this Master Indenture; (ii) all requirements and conditions to the issuance of such Obligation, set forth in this Master Indenture and any supplement shall have been complied with and satisfied, (iii) registration of such Obligation under the Securities Act of 1933, as amended, and qualification of this Master Indenture or the Supplement creating such Obligation under the Trust Indenture Act of 1939, as amended, are not required, or, if such registration or qualification is required, that all applicable registration and qualification provisions of said acts have been complied with, and (iv) the Master Indenture, the Supplement creating such Obligation and such Obligation are valid, binding and enforceable obligations of the Members of the Obligated Group in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance and other laws affecting creditors' rights generally and usual equity principles;

(c) Each Member of the Obligated Group shall have delivered to the Master Trustee an Officer's Certificate stating that, (i) all requirements and conditions to the issuance of the Series 2018 Obligations set forth in this Master Indenture and supplement shall have been complied with and satisfied, and (ii) to the best of the knowledge of the signer thereof, the Person who is to be the Holder of such Obligation upon the original issuance thereof is not acquiring the interest represented by such Obligation directly or indirectly with the assets of, or in connection with any arrangement or understanding by it in any way involving, any employee benefit plan with respect to which (A) any employee of any Member of the Obligated Group or the Master Trustee, in its individual capacity, is a participant or (B) any Member of the Obligated Group or the Master Trustee, in its individual capacity, or any of their affiliates is otherwise a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974, as amended; and

(d) Each Member of the Obligated Group who has previously executed and delivered a Mortgage to the Master Trustee if required by law to secure future advances or if requested by the Master Trustee, (i) shall have executed and delivered a modification or amendment to such Mortgage to the Master Trustee, in form satisfactory to the Master Trustee, describing the terms of issuance of such Obligation and increasing the principal amount of Obligations secured by such Mortgage, and shall have caused such amendment to be recorded with the appropriate governmental authority and (ii) shall have caused an endorsement, in form satisfactory to the Master Trustee, to the mortgagee title insurance policy issued to the Master Trustee insuring such Mortgage (or if more than one mortgagee title insurance policy, together with tie-in endorsements, has been issued to the Master Trustee insuring such Mortgage, an endorsement to each such policy) that (A) amends the effective date and time of such policy to be the date and time of the recording of the amendment to such Mortgage, (B) increases the amount of such policy (if there is only one such policy) or increases the amount of all such policies in the aggregate (if there is more than one such policy) to an amount equal to the principal amount of all Obligations then Outstanding (less any amount to be deposited into a debt service reserve fund for such Obligations or any Related Bonds related to such Obligations), and (C) continues to insure that such Mortgage, as amended, is a first priority lien on the Mortgaged Property described therein, subject to Permitted Liens. Notwithstanding any provision of this subsection to the contrary, for purposes of determining the amount of the mortgagee title insurance policy issued to the Master Trustee (or the aggregate amount of such policies, if there are more than one), the principal amount of any Obligation that evidences and secures Derivative Obligations or Contract Obligations shall be deemed to be zero unless otherwise provided in the Supplement creating such Obligation.

ARTICLE III

PARTICULAR COVENANTS OF THE OBLIGATED GROUP

Section 3.01 Nature of Obligations; Payment of Principal and Interest; Security; Further Assurances; Deposit of Gross Receipts. (a) Each Obligation (other than an Obligation constituting Subordinate Indebtedness) issued pursuant to this Master Indenture shall be a general, joint and several obligation of each Member of the Obligated Group and shall be equally and ratably secured by this Master Indenture. Each Member of the Obligated Group covenants promptly to pay or cause to be paid the principal of, redemption premium, if any, and interest on each Obligation issued hereunder, and any other payments, including the purchase or redemption price of Put Indebtedness, required to be made under the Supplement creating such Obligation and under such Obligation, at the place, on the dates and in the manner provided herein, in the Supplement creating such Obligation and in said Obligation according to the terms thereof whether at maturity, upon proceedings for redemption, by acceleration or otherwise.

(b) To secure (i) the prompt payment of the principal of, redemption premium, if any, and the interest on the Obligations and any other payments, including the purchase or redemption price of Put Indebtedness, required to be made under the Supplements creating the Obligations and under the Obligations, and (ii) the performance by each Member of the Obligated Group of its other obligations hereunder and under the Mortgage and Collateral Assignments, each Member of the Obligated Group hereby grants to the Master Trustee a security interest in its Pledged Assets, the Members of the Obligated Group (as applicable) have executed and delivered the Security Deed, and each Member of the Obligated Group covenants to execute and deliver a Mortgage or notice of extension to the extent required under Section 3.13. The Master Trustee shall, upon written request of a Member of the Obligated Group, together with an executed Officer's Certificate, execute any document, instrument or agreement necessary to cause its lien or security interest in the Pledged Assets, Mortgaged Property or other Property of such Member of the Obligated Group to be subordinate to Liens permitted under Section 3.05(b)(ix) and to be *pari passu* with Liens permitted under Section 3.05(b)(xi), provided that

such Member of the Obligated Group shall cause such document, instrument or agreement to contain provisions satisfactory in form to the Master Trustee to the effect that any holder of a *pari passu* Lien permitted under Section 3.05(b)(xi) shall not be entitled to exercise any remedy with respect to the collateral encumbered by such Lien unless the Master Trustee is concurrently exercising such remedy. Any request by a Member for a document, instrument or agreement described in the immediately preceding sentence shall be accompanied by an Officer's Certificate to the effect that the Lien to which the Master Trustee's Lien in the Pledged Assets is to be subordinated (in the case of a document, instrument or agreement subordinating such Lien) is permitted as a senior Lien under Section 3.05(b)(ix) or that the Lien with which the Master Trustee's Lien in the Pledged Assets is to be *pari passu* (in the case of a document, instrument or agreement establishing such *pari passu* status) is permitted as a *pari passu* lien under Section 3.05(b)(xi), and the Master Trustee shall have no obligation to verify that any such Lien is permitted under Section 3.05(b)(ix) or Section 3.05(b)(xi), as the case may be. So long as no Event of Default has occurred and is continuing, any Member of the Obligated Group may Transfer all or any part of its Pledged Assets and all or any portion of its Mortgaged Property, free of such security interest and free of the Lien of the Mortgage encumbering such Mortgaged Property, respectively, subject to the provisions of Sections 3.08 and 3.09 and such Mortgage. If any Pledged Assets or Mortgaged Property is Transferred pursuant to the terms of this Master Indenture and the Mortgage encumbering such Mortgaged Property, the Master Trustee shall, upon written request of a Member of the Obligated Group, accompanied by an Officer's Certificate as hereinafter provided, execute a release of its security interest with respect to the Pledged Assets or Mortgaged Property so Transferred. Any request by a Member for a release by the Master Trustee pursuant to the immediately preceding sentence shall be accompanied by an Officer's Certificate to the effect that no Event of Default has occurred and is continuing and the Member is otherwise entitled under the terms of this Master Indenture and, if applicable, the Mortgage encumbering such Mortgaged Property to the release of the Pledged Assets or Mortgaged Property requested to be given by the Master Trustee. Upon the written request of any Member of the Obligated Group, the Master Trustee will notify such Member of the Obligated Group as to whether the Master Trustee has received from any Related Bond Trustee or any registered Holder of an Obligation a notice of an event of default under the applicable Related Bond or Obligation.

(c) Each Member of the Obligated Group shall also execute and deliver to the Master Trustee from time to time such Supplements as may be necessary or appropriate to include its Pledged Assets as security hereunder. In addition, each Member of the Obligated Group covenants that it will prepare and file such UCC financing statements or amendments to or terminations of existing financing statements which shall, in the Opinion of Counsel, be necessary to comply with applicable law or as required due to the occurrence of an event contemplated under Section 3.13 or changes in the Obligated Group, including, without limitation, (i) any Person becoming a Member of the Obligated Group pursuant to Section 3.11, or (ii) any Member of the Obligated Group ceasing to be a Member of the Obligated Group pursuant to Section 3.12. In particular, each Member of the Obligated Group covenants that it will, at least thirty (30) days prior to the expiration of any financing statement, prepare and file such continuation statements of existing financing statements as shall, in the Opinion of Counsel, be necessary to comply with applicable law and shall provide to the Master Trustee written notice of such filing. If the Master Trustee shall not have received such notice at least twenty-five (25) days prior to the expiration date of any financing statement of which the Master Trustee has actual knowledge, the Master Trustee may, but shall not be required to, prepare and file or cause each Member of the Obligated Group to prepare and file such continuation statements in a timely manner to assure that the security interests in Pledged Assets shall remain perfected. In such event, unless the Master Trustee shall have been notified in writing by the Obligated Group Representative that any such initial filing or description of collateral was or has become defective, the Master Trustee shall be fully protected in (i) conclusively relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section and (ii) filing any continuation

statements in the same filing offices as the initial filings were made. The Master Trustee shall cause to be filed such continuation statements with respect to each Uniform Commercial Code financing statement relating to the Obligations which was filed at the time of the issuance thereof, in such manner and in such places as the initial filings were made, provided that a copy of the filed original financing statement is timely delivered to the Master Trustee. The Obligated Group shall be responsible for the reasonable costs incurred by the Master Trustee in the preparation and filing of all continuation statements hereunder (including reasonable attorney's fees, costs and expenses, if any). Notwithstanding anything to the contrary contained herein, the Master Trustee shall not be responsible for any initial filings of any financing statements, the filing of any continuation statement or the information contained in either (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by any amendments to Article 9 of the UCC.

(d) If an Event of Default shall have occurred and be continuing, the Master Trustee may require that each Member of the Obligated Group deliver all Gross Receipts to it. Each Member of the Obligated Group covenants that, if an Event of Default shall have occurred and be continuing, it will, immediately upon receipt of a written request from the Master Trustee, deliver or direct to be delivered to the Master Trustee all Gross Receipts thereafter received until such Event of Default has been cured, such Gross Receipts to be applied in accordance with Section 4.04 of this Master Indenture.

Section 3.02 Covenants as to Corporate Existence, Maintenance of Properties, Etc. Each Member of the Obligated Group hereby covenants as follows:

(a) Except as otherwise expressly provided herein, to preserve its corporate or other legal existence, to procure and maintain all rights, licenses and permits necessary or desirable in the operation of its business and affairs and to be qualified to do business in each jurisdiction where the ownership of its Property or the conduct of its business requires such qualification; provided, however, that nothing herein contained shall be construed to obligate it to maintain any of its rights, licenses or permits no longer necessary or desirable, in its judgment, in the operation of its business and affairs, if the failure to maintain such right, license or permit will not be disadvantageous in any material respect to the Holders of Obligations.

(b) At all times to cause its Property, Plant and Equipment to be maintained, preserved and kept in good repair, working order and condition, ordinary wear and tear excepted, and all needed and proper repairs, renewals and replacements thereof to be made; provided, however, that nothing contained in this subsection shall be construed to (i) prevent it from ceasing to operate any portion of its Property, Plant and Equipment if in its judgment (evidenced, in the case of such cessation other than in the ordinary course of business, by an opinion of a Management Consultant) it is advisable not to operate the same, or if it intends to sell or otherwise Transfer the same in accordance with Section 3.08 and within a reasonable time endeavors to effect such sale or other Transfer, or (ii) to obligate it to retain, preserve, repair, renew or replace any Property, Plant and Equipment no longer used or, in its judgment, useful in the conduct of its business.

(c) To do all things reasonably necessary to conduct its affairs and carry on its business and operations in such manner as to comply with any and all applicable laws of the United States and the several states thereof and duly observe and conform to all valid orders, regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its Property; provided, nevertheless, that nothing herein contained shall require it to comply with, observe and conform to any such law, order, regulation or requirement of any governmental authority so long as the

validity thereof or the applicability thereof to it shall be contested in good faith and the failure to comply will not have a material adverse effect on the financial condition of the Obligated Group.

(d) To pay promptly all lawful taxes, governmental charges and assessments at any time levied or assessed upon or against it or its Property; provided, however, that it shall have the right to contest in good faith any such taxes, charges or assessments or the collection of any such sums and pending the resolution of such contest may delay or defer payment thereof if such delay or deferral will not have a material adverse effect on the financial condition of the Obligated Group.

(e) To pay promptly or otherwise satisfy and discharge all of its Indebtedness and all demands and claims against it as and when the same become due and payable or within any period of grace with respect thereto, other than any Indebtedness, demands or claims (exclusive of the Obligations created and Outstanding hereunder or any Related Bonds) whose validity, amount or collectability is being contested in good faith.

(f) To comply with all terms, covenants and provisions of any Liens upon any of its Property.

(g) Each Member of the Obligated Group that is a Tax-Exempt Organization at the time it becomes a Member of the Obligated Group agrees, so long as all amounts due or to become due on any Related Bond have not been fully paid to the holder thereof, that it will not take any action or fail to take any action which action or failure to act (including any action or failure to act which would result in the alteration or loss of its status as a Tax-Exempt Organization), or which would, in the Opinion of Bond Counsel, result in the interest on any Related Bond which is not includable in the gross income of the holder thereof for federal income tax purposes becoming included in the gross income of the holder thereof for federal income tax purposes.

Section 3.03 Insurance. (a) Each Member of the Obligated Group shall maintain, or cause to be maintained, which may include self-insurance programs except for casualty insurance (provided the Obligated Group may self-insure for workman's compensation and professional liability insurance), the following types of insurance in such amounts as, in its judgment, are adequate to protect it and its Property, Plant and Equipment and operations: (i) comprehensive general public liability insurance, including blanket contractual liability and automobile insurance including owned or hired automobiles (excluding collision and comprehensive coverage thereon), (ii) fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard coverage and vandalism and malicious mischief endorsements and business interruption insurance, (iii) professional liability or medical malpractice insurance, (iv) workers' compensation insurance, and (v) boiler insurance.

(b) The Obligated Group shall retain an Insurance Consultant to review the coverages required by paragraph (a) of this Section and the insurance requirements of the Members of the Obligated Group thereunder from time to time (but not less frequently than biennially with respect to risks covered by insurance companies and not less frequently than annually with respect to risks for which the Members of the Obligated Group are self-insured). If the Insurance Consultant makes recommendations for the increase of any coverage required by paragraph (a) of this Section, the Obligated Group shall increase, or cause to be increased, such coverage in accordance with such recommendations, subject to a good faith determination of the Obligated Group Representative that such recommendations, in whole or in part, are in the best interests of the Obligated Group. Notwithstanding the above provisions, each Member of the Obligated Group shall have the right, without giving rise to an Event of Default solely on such account, (i) to maintain insurance coverage below that most recently recommended by the Insurance Consultant, if the Obligated Group furnishes

to the Master Trustee a report of the Insurance Consultant to the effect that the insurance so provided affords either the greatest amount of coverage available for the risk being insured against at rates which in the judgment of the Insurance Consultant are reasonable in connection with reasonable and appropriate risk management, or the greatest amount of coverage necessary by reason of state or federal laws now or hereafter in existence limiting medical and malpractice liability, or (ii) to adopt alternative risk management programs which the Insurance Consultant determines to be reasonable, including, without limitation, to self-insure (other than for items covered under clauses (ii) and (v) in subsection (a) of this Section) in whole or in part individually or in connection with other institutions, to participate in programs of captive insurance companies, to participate with other institutions in mutual or other cooperative insurance or other risk management programs, to participate in state or federal insurance programs, to take advantage of state or federal laws now or hereafter in existence limiting medical and malpractice liability, or to establish or participate in other alternative risk management programs; all as may be approved by the Insurance Consultant as reasonable and appropriate risk management by the Obligated Group. If any Member of the Obligated Group shall be self-insured for any coverage required by subsection (a) of this Section, the report of the Insurance Consultant mentioned above shall state whether the anticipated funding of any self-insurance fund is actuarially sound, and, if not, the required funding to produce such result. The Obligated Group agrees to provide the funding recommended in any such report.

Section 3.04 Insurance and Condemnation Proceeds. Proceeds received by any Member of the Obligated Group for casualty losses or condemnation awards may be used for such lawful corporate purposes as the recipient determines, including, but not limited to, the replacement or repair of the damaged or taken Property, Plant and Equipment and the application of such proceeds to the payment or repayment of any Indebtedness in accordance with the terms thereof; provided, however, if the amount received exceeds 5% of the Net Book Value of the Property, Plant and Equipment of the Obligated Group, the Obligated Group Representative shall immediately notify the Master Trustee, deposit the amount received with the Master Trustee and, within 12 months after the casualty loss or taking and prior to expending such funds, deliver to the Master Trustee (a) an Officer's Certificate certifying that the expected Long-Term Debt Service Coverage Ratio for each of the two full Fiscal Years following the expected date of application of such proceeds is expected to be not less than 1.30 as shown by pro forma financial statements for each such period and a statement of relevant assumptions, including assumptions as to the use of such proceeds or awards, upon which such pro forma statements are based, and a written report of a Management Consultant confirming such certification; or (b) a written Management Consultant's report stating the Management Consultant's recommendations, including recommendations as to the use of such proceeds or awards, to cause the Long-Term Debt Service Coverage Ratio for each of the periods described in clause (a) above to be not less than 1.25, or, if in the opinion of the Management Consultant the attainment of such level is impracticable, to the highest practicable level. Each Member of the Obligated Group agrees that it will use such proceeds or awards, to the extent permitted by law, only in accordance with the assumptions referred to in clause (a) above or the recommendations referred to in clause (b) above.

Section 3.05 Limitations on Creation of Liens. (a) Each Member of the Obligated Group agrees that it will not create or suffer to be created or permit the existence of any Lien upon Pledged Assets, Mortgaged Property or any other Property now owned or hereafter acquired by it other than Permitted Liens.

(b) Permitted Liens shall consist of the following:

(i) Liens on Pledged Assets, Mortgaged Property or other Property created by this Master Indenture, the Mortgage or the Collateral Assignments;

(ii) Any Lien that existed on the date of authentication and delivery of the Series 2018 Obligations, was disclosed to the Master Trustee in the Security Deed, the title insurance policy insuring the Security Deed or in an Officer's Certificate acceptable to the Master Trustee; provided, however, that no such Lien may be increased, extended, renewed or modified to apply to any Property of any Member of the Obligated Group not subject to such Lien on such date or to secure Indebtedness not Outstanding as of the date hereof, unless such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien;

(iii) Any Lien on the Property of a Person in existence as of the date such Person becomes a Member of the Obligated Group that is disclosed to the Master Trustee in an Officer's Certificate; provided, however, that no such Lien may be increased, extended, renewed or modified to apply to any Property of any Member of the Obligated Group not subject to such Lien on such date, unless such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien;

(iv) Liens arising by reason of good faith deposits with any Member of the Obligated Group in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by any Member of the Obligated Group to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges;

(v) Any Lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable any Member of the Obligated Group to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance, pension or profit sharing plans or other social security, or to share in the privileges or benefits required for companies participating in such arrangements;

(vi) Any judgment Lien against any Member of the Obligated Group so long as such judgment is being contested in good faith and execution thereon is stayed or the liability of such Member of the Obligated Group under such judgment is adequately covered by insurance;

(vii) (A) Rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law, affecting any Property; (B) any Liens on any Property for taxes, assessments, levies, fees, water and sewer rents, and other governmental and similar charges and any Liens of mechanics, materialmen, laborers, suppliers or vendors for work or services performed or materials furnished in connection with such Property, which are not due and payable or which are not delinquent or which, or the amount or validity of which, are being contested and execution thereon is stayed or, with respect to Liens of mechanics, materialmen, laborers, suppliers or vendors have been due for fewer than ninety (90) days; (C) easements, rights-of-way, servitudes, restrictions, oil, gas or other mineral reservations and other minor defects, encumbrances, and irregularities in the title to any Property which, if such Lien arises after a Member of the Obligated Group has acquired such Property, do not, in the Opinion of Counsel to the Obligated Group, materially impair the use of such Property or materially and adversely affect the value thereof; and (D) landlord's liens;

(viii) (A) Liens on Mortgaged Property securing Indebtedness so long as such Lien is, by its terms, specifically junior to the Lien on such Mortgaged Property created by a Mortgage and (B) Liens on real property comprising a part of the Property, Plant and Equipment securing

Indebtedness and not subject to the Lien of a Mortgage; provided, however, that the aggregate principal amount of Indebtedness so secured by Liens permitted under this clause (B) shall not exceed ten percent (10%) of Total Revenue for the most recent Fiscal Year for which Financial Statements are available at the time of the incurrence of such Indebtedness;

(ix) So long as no Event of Default exists under this Master Indenture at the time such Lien is created, (A) any Lien, including a security interest superior to the security interest in Equipment created pursuant to Section 3.01, incurred for the purpose of financing Equipment; provided, however, that at the time such Indebtedness is incurred the aggregate principal amount of Indebtedness secured by Liens permitted under this clause (A) shall not exceed the greater of \$500,000 and fifteen percent (15%) of Total Revenue for the most recent Fiscal Year for which Financial Statements are available at the time of the incurrence of such Indebtedness and that such Lien shall attach only to the Equipment with respect to which such Indebtedness was incurred; and (B) any security interest, including a security interest superior to the security interest created pursuant to Section 3.01 in Pledged Assets (other than Equipment), securing Short-Term Indebtedness permitted under Section 3.06(d);

(x) Any consensual Lien on the Pledged Assets (other than Equipment) now owned or hereafter acquired by any Member of the Obligated Group so long as such Lien is, by its terms, specifically junior to the security interest in such Pledged Assets created pursuant to Section 3.01;

(xi) Any Lien securing all Obligations on a parity basis;

(xii) Any Lien in favor of a trustee on the proceeds of Indebtedness prior to the application of such proceeds;

(xiii) Liens on Property received by any Member of the Obligated Group through gifts, grants or bequests, such Liens being due to restrictions on such gifts, grants or bequests of Property or the income thereon;

(xiv) Any Lien on pledges, gift annuities, gifts or grants to be received in the future, including any income derived from the investment thereof;

(xv) Liens on moneys deposited by residents, patients or others with any Member of the Obligated Group as security for or as prepayment for the cost of care;

(xvi) Liens on Property due to rights of third party payors for recoupment of amounts paid to any Member of the Obligated Group;

(xvii) Any Lien securing Non-Recourse Indebtedness permitted by Section 3.06(e);

(xviii) Any lease of Property other than the Mortgaged Property or any lease of the Mortgaged Property that is by its terms subordinate to the Lien created by the Mortgage;

(xix) Any Lien that consists of an easement, license, right-of-way, or other right or privilege permitted to be created in accordance with and subject to the limitations in a Mortgage;

(xx) So long as no Event of Default exists under this Master Indenture at the time such Lien is created, any Lien on cash and investments (including, without limitation, Liens on deposit accounts of Members of the Obligated Group) if such cash and investments could be Transferred pursuant to Section 3.08(b);

- (xxi) Any Lien on all or any part of the Excluded Real Property; and
- (xxii) Liens securing the Line of Credit.

Section 3.06 Limitations on Incurrence of Indebtedness. Each Member of the Obligated Group covenants and agrees that it will not incur any Additional Indebtedness if, after giving effect to all other Indebtedness incurred by the Obligated Group, such Indebtedness could not be incurred pursuant to subsections (a) to (j), inclusive, of this Section. Any Indebtedness may be incurred only in the manner and pursuant to the terms set forth as follows:

(a) Long-Term Indebtedness may be incurred if, prior to incurrence thereof, one of the following conditions is met:

(i) there is delivered to the Master Trustee an Officer's Certificate certifying that the Long-Term Debt Service Coverage Ratio, taking into account all Outstanding Long-Term Indebtedness and the Long-Term Indebtedness proposed to be incurred, for the most recent Fiscal Year preceding the date of delivery of the Officer's Certificate for which the Financial Statements are available is not less than 1.25; or

(ii) there is delivered to the Master Trustee (A) an Officer's Certificate certifying that the Long-Term Debt Service Coverage Ratio, taking into account all Outstanding Long-Term Indebtedness, but not the Long-Term Indebtedness then proposed to be incurred, for the most recent Fiscal Year preceding the date of delivery of the Officer's Certificate for which the Financial Statements are available is not less than 1.25; and (B) a report of a Management Consultant stating that the forecasted Long-Term Debt Service Coverage Ratio, taking the proposed Long-Term Indebtedness into account, for (1) in the case of Long-Term Indebtedness (other than a Guaranty) to finance capital improvements, the Fiscal Year immediately succeeding the year in which substantially all of such capital improvements are forecasted to be placed in service (except that with respect to capital improvements consisting, in whole or in part, of independent or assisted living units or health care beds, such forecast shall be for a period of time extending at least through Stable Occupancy), or (2) in the case of Long-Term Indebtedness not financing capital improvements or in the case of a Guaranty, the Fiscal Year immediately succeeding the year in which the Long-Term Indebtedness is incurred, is not less than 1.25, accompanied by a statement of the relevant assumptions upon which such forecast is based; or

(iii) there is delivered to the Master Trustee a report of a Management Consultant stating that the forecasted Long-Term Debt Service Coverage Ratio, taking the proposed Long-Term Indebtedness into account, for (1) in the case of Long-Term Indebtedness (other than a Guaranty) to finance capital improvements, the Fiscal Year immediately succeeding the year in which substantially all of such capital improvements are forecasted to be placed in service (except that with respect to capital improvements consisting, in whole or in part, of independent or assisted living units or health care beds, such forecast shall be for a period of time extending at least through Stable Occupancy), or (2) in the case of Long-Term Indebtedness not financing capital improvements or in the case of a Guaranty, the Fiscal Year immediately succeeding the year in which the Long-Term Indebtedness is incurred, is not less than 1.35, accompanied by a statement of the relevant assumptions upon which such forecast is based; or

(iv) the principal amount of additional Long-Term Indebtedness proposed to be incurred does not exceed 10% of Total Revenue for the most recent Fiscal Year for which Financial Statements are available at the time such Long-Term Indebtedness is incurred; provided, however, that the total principal amount of the Long-Term Indebtedness incurred under

this clause (iv) and Outstanding without compliance with one of the tests mentioned in clause (i), (ii) or (iii) above may not in the aggregate exceed at any time the amount calculated in accordance with the provisions of this clause (iv); provided, further, that no indebtedness hereunder shall be incurred if an Event of Default has occurred and is continuing under Section 3.07.

(b) Qualifying Intermediate-Term Indebtedness may be incurred if no Event of Default has occurred and is continuing under Section 3.07.

(c) Long-Term Indebtedness may be incurred to refund any Outstanding Long-Term Indebtedness if, prior to the incurrence thereof, (i) either (A) the Master Trustee receives an Officer's Certificate stating that, taking into account the Long-Term Indebtedness proposed to be incurred, the existing Long-Term Indebtedness to remain Outstanding after the refunding and the refunding of the existing Long-Term Indebtedness to be refunded, Maximum Annual Debt Service will not be increased by more than 10%, or, in the case of a refunding of Qualifying Intermediate-Term Indebtedness only, a report of a Management Consultant which forecasts a Long-Term Debt Service Coverage Ratio of 1.25 for each of the two Fiscal Years next succeeding the Fiscal Year in which such refunding takes place or (B) one of the conditions described in paragraph (a) above is met with respect to such proposed Long-Term Indebtedness, and (ii) the Master Trustee receives an Opinion of Counsel stating that upon the incurrence of such proposed Long-Term Indebtedness and the application of the proceeds thereof, the Outstanding Long-Term Indebtedness to be refunded will no longer be Outstanding.

(d) Short-Term Indebtedness may be incurred if, immediately after the incurrence of such Short-Term Indebtedness, the aggregate principal amount of Outstanding Short-Term Indebtedness does not exceed 15% of Total Revenue for the most recent Fiscal Year for which the Financial Statements are available; provided, however, that for a period of at least thirty (30) consecutive calendar days in each Fiscal Year Short-Term Indebtedness shall not exceed the greater of (i) \$250,000 and (ii) 50% of the amount by which Days' Cash on Hand exceeds 300 days, calculated as of the end of the most recent Fiscal Year for which Financial Statements are available.

(e) Non-Recourse Indebtedness may be incurred:

(i) up to but not in excess of an aggregate of 5% of Total Revenue for the most recent Fiscal Year for which Financial Statements are available;

(ii) in excess of the aggregate limit mentioned in subparagraph (e) (i) above, if the Master Trustee shall have first received the report of a Management Consultant to the effect that the forecasted long-term debt service coverage ratio (determined in a manner as nearly as possible as the Long-Term Debt Service Coverage Ratio is determined) with respect to the capital assets being financed with the proceeds of such Non-Recourse Indebtedness for the Fiscal Year immediately following the year that such capital assets are forecasted to be placed in service (if such capital assets are being constructed) or following the year the acquisition of such capital assets is completed (if such capital assets are being acquired) is not less than 1.25; or

(iii) without limit with respect to the Excluded Real Property.

(f) Indebtedness may be incurred without limitation under a line of credit, letter of credit, standby bond purchase agreement or similar liquidity or credit enhancement facility established in connection with the incurrence of any Indebtedness; provided, however, that any liabilities resulting from the use of or drawing under such liquidity or credit enhancement facility shall be included in Indebtedness for all purposes of this Master Indenture. If a liquidity facility is used or drawn upon to

purchase, but not retire, Indebtedness, then the principal amount of such Indebtedness so purchased shall be excluded from Indebtedness.

(g) Put Indebtedness may be incurred if, prior to the incurrence of such Put Indebtedness, (i) the conditions described in subsection (a) (i), (a) (ii) or (a) (iii) of this Section are met and (ii) either (A) a binding commitment from a bank or other financial institution exists to provide financing sufficient to pay the purchase or redemption price of such Put Indebtedness on any date on which the owner of such Put Indebtedness may demand payment thereof pursuant to the terms of such Put Indebtedness or (B) the obligation to pay the purchase or redemption price of such Put Indebtedness on any date on which the owner of such Put Indebtedness may demand payment thereof pursuant to the terms of such Put Indebtedness are contingent upon the availability of Excess Funds.

(h) Subordinate Indebtedness, without limitation.

(i) Completion Indebtedness may be incurred if there is delivered to the Master Trustee: (i) an Officer's Certificate of the Member of the Obligated Group for whose benefit such Indebtedness is being incurred stating that at the time the original Indebtedness for the Facilities to be completed was incurred, such Member of the Obligated Group had reason to believe that the proceeds of such Indebtedness together with other moneys then expected to be available would provide sufficient moneys for the completion of such Facilities, (ii) a statement of an Independent Architect or another expert reasonably acceptable to the Master Trustee setting forth the amount estimated to be needed to complete the Facilities, and (iii) an Officer's Certificate of such Member of the Obligated Group stating that the proceeds of such Completion Indebtedness to be applied to the completion of the Facilities, together with a reasonable estimate of investment income to be earned on such proceeds and available to pay such costs, the amount of moneys, if any, committed to such completion from available cash or marketable securities and reasonably estimated earnings thereon, enumerated loans from Affiliates or bank loans (including letters or lines of credit) and federal or state grants reasonably expected to be available, will be in an amount not less than the amount set forth in the statement of an Independent Architect or other expert, as the case may be, referred to in (ii), which amount shall be no more than 10% of Indebtedness originally incurred to finance the construction of such Facilities.

(j) Derivative Obligations as provided in Section 2.01.

(k) The USDA Direct Loan that will refund the Construction Bonds.

Section 3.07 Long-Term Debt Service Coverage Ratio. (a) Each Member of the Obligated Group covenants to set rates and collect charges for its Facilities, services and products such that the Long-Term Debt Service Coverage Ratio, calculated as of the end of each Fiscal Year, commencing with the Fiscal Year ending December 31, 2024, will not be less than 1.25 for the Fiscal Year ending December 31, 2024 and each Fiscal Year thereafter; provided, however, that in any case where Long-Term Indebtedness has been incurred to acquire or construct capital improvements, the Long-Term Debt Service Requirement with respect thereto shall not be taken into account in making the foregoing calculation until the first full Fiscal Year commencing after substantially all of such capital improvements are placed in service (except that with respect to capital improvements consisting, in whole or in part, of independent or assisted living units or health care beds, the Long-Term Debt Service Requirement with respect to such Long-Term Indebtedness shall not be taken into account until the earlier to occur of (1) Stable Occupancy and (2) the first full Fiscal Year following the Fiscal Year that contains the 18th month after the date such capital improvements were completed). The Obligated Group agrees that it will notify the Master Trustee within ten (10) days of the following occurrences (i) when substantially all of any capital improvements are placed in service and (ii) when 90% of any additional independent or assisted living units or health care beds are occupied.

(b) In the event the Long-Term Debt Service Coverage Ratio, calculated as of the end of any Fiscal Year, is less than 1.25 in Fiscal Year but greater than 1.00 (calculated as set forth in subsection (a)) the Obligated Group Representative is required to take the following actions:

(i) If the Obligated Group has at least 300 Days' Cash on Hand as of the last day of such Fiscal Year, then no action is required and the Obligated Group will be deemed to be in compliance with the Long-Term Debt Service Coverage Ratio.

(ii) If the Obligated Group has less than 300 Days' Cash on Hand as of the last day of such Fiscal Year, then the Obligated Group shall retain a Management Consultant within 30 days following the calculation to make recommendations with respect to the rates, fees and charges of the Members as well as with respect to the Obligated Group's methods of operation and other factors affecting its financial condition to increase such Long-Term Debt Service Coverage Ratio to at least 1.25 for the following Fiscal Year.

(c) Subject to subsection (f) below, in the event the Long-Term Debt Service Coverage Ratio, calculated as of the end of any Fiscal Year, is less than 1.00 (calculated as set forth in subsection (a)) the Obligated Group shall retain a Management Consultant in accordance with Section 3.18 hereof within 30 days following the calculation to make recommendations with respect to the rates, fees and charges of the Members as well as with respect to the Obligated Group's methods of operation and other factors affecting its financial condition to increase such Long-Term Debt Service Coverage Ratio to at least 1.25 for the following Fiscal Year.

(d) Within 90 days of retaining any such Management Consultant, the Obligated Group Representative shall cause a copy of the Management Consultant's report and recommendations, if any, to be filed with each Member, the Master Trustee and EMMA. Each Member shall follow each recommendation of the Management Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of the applicable Member) and permitted by law and, if applicable, its status as a Tax-Exempt Organization.

(e) Except as described in Section 4.01 hereof, if the Obligated Group is required to retain a Management Consultant under this Section, no Event of Default will exist under this Master Indenture if (i) the Obligated Group takes all action necessary to comply with the procedures set forth above for preparing a report and adopting a plan and (ii) follows each recommendation contained in such report to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law and, if applicable, its status as a Tax-Exempt Organization. Failure by the Obligated Group to comply with (i) or (ii) of the preceding sentence may become an Event of Default, with the giving of notice pursuant to Section 4.12.

(f) The Obligated Group agrees that it will, to the extent permitted by law and consistent with the status of any Member of the Obligated Group as a Tax-Exempt Organization, follow any recommendations of the Management Consultant pursuant to subsection (d) or subsection (e) of this Section.

Section 3.08 Transfers of Property, Plant and Equipment; Transfers of Cash and Investments. (a) Each Member agrees that it will not Transfer in any Fiscal Year Property, Plant and Equipment except for Transfers:

(i) to another Member of the Obligated Group, without limit;

(ii) so long as no Event of Default has occurred and is continuing, to any Person if the Net Book Value of the Property, Plant and Equipment subject to such Transfer does not exceed three-quarters of one percent (3/4%) of the Net Book Value of Property, Plant and Equipment, as shown on the Financial Statements for the most recent Fiscal Year for which Financial Statements are available.

If the Long-Term Debt Service Coverage Ratio for the most recent Fiscal Year for which Financial Statements are available is not less than 1.30, the foregoing percentage of the Property, Plant and Equipment that may be subject to Transfer may be increased to 5%, if Days' Cash on Hand for the most recent Fiscal Year for which Financial Statements are available would not be less than 300 after the effect of such Transfer; or

(iii) in the case of Equipment, to any Person if, prior to the Transfer, the Master Trustee receives an Officer's Certificate stating that, in the judgment of the signer, such Equipment has become inadequate, obsolete, worn out, unsuitable, unprofitable, undesirable or unnecessary, and the sale, lease, removal or other disposition thereof will not impair the structural soundness or materially impair the revenue producing capacity of the remaining Property, Plant and Equipment; provided, however, that no Officer's Certificate shall be required to be delivered to the Master Trustee with respect to any Transfers of Equipment in any Fiscal Year having a Net Book Value in the aggregate of less than \$150,000; and

(iv) in addition to the Transfers permitted by clauses (i) to (iii), inclusive, of this subsection, and subject to the terms of the Mortgage which permit the release of a parcel or interest in land constituting part of the Mortgaged Property from the lien and security of the Mortgage, to any Person of real property or Equipment for the fair market value thereof, provided that (A) the proceeds of such Transfer are used to purchase additional real property which, if functionally related to, and operated on an integrated basis with, the Facilities, shall be subjected to the Lien of the Mortgage, or to purchase Equipment which shall become subject to the security interest granted pursuant to Section 3.01, or to prepay, in whole or in part, pro rata, Outstanding Obligations and (B) in the case of real property, ingress to and egress from the Facilities is not materially impaired.

(g) The Obligated Group may in any Fiscal Year Transfer cash and investments:

(i) to any Member of the Obligated Group, without limit; and

(ii) so long as (1) there are no deficiencies in a bond fund or a debt service reserve fund created with respect to Related Bonds and (2) such Transfer would not cause an Event of Default, with the giving of notice under Section 4.12, to any Person in an amount not exceeding two and one-half percent (2 1/2%) of Total Revenue for the most recent Fiscal Year for which Financial Statements are available; and

(iii) so long as (1) there are no deficiencies in a bond fund or a debt service reserve fund created with respect to Related Bonds, (2) such Transfer would not cause an Event of Default, with the giving of notice under Section 4.12, and (3) the Obligated Group shall have at least 275 Days' Cash on Hand after such Transfer, calculated as of the date of the disposition, to any Affiliate in an amount not exceeding four percent (4.0%) of Total Revenue for the most recent Fiscal Year for which Financial Statements are available.

(b) Notwithstanding the foregoing provisions of this Section, nothing described under this Section shall be construed as limiting the ability of any Member of the Obligated Group to (i) pay its

expenses of operation, including, without limitation, state and local taxes or payments in lieu of taxes and the payment of debt service on Indebtedness, provided that the payment of the debt service on any Subordinate Indebtedness shall be made only if, following such payment, the Obligated Group shall have 250 Days' Cash on Hand, (ii) provide charity care and community benefits and make charitable donations and donations and voluntary payments to government agencies, (iii) purchase or sell Property (other than Property and Equipment used in the operation of the Facilities) in the ordinary course of business, (iv) transfer cash, securities and other investment properties in connection with ordinary investment transactions and payment for goods and services provided where such purchases, sales and Transfers are for substantially equivalent value, (v) lease any Property not being used in the operation of the Facilities, subject to the provisions of Section 3.05 or (vi) transfer any Excluded Real Property or any interest in any Person (A) that is not a Member of the Obligated Group and (B) substantially all the assets of which consist of Excluded Real Property.

Section 3.09 Consolidation, Merger, Sale or Conveyance. (a) Each Member of the Obligated Group covenants that it will not merge or consolidate with, or sell or convey all or substantially all of its assets to any Person that is not a Member of the Obligated Group unless:

(i) either a Member of the Obligated Group will be the successor corporation, or if the successor corporation is not a Member of the Obligated Group such successor corporation shall execute and deliver to the Master Trustee an appropriate instrument containing the agreement of such successor corporation (A) to become a Member of the Obligated Group under this Master Indenture and thereby become subject to compliance with all provisions of this Master Indenture pertaining to a Member of the Obligated Group, including the security interest provided for in Section 3.01 and the performance and observance of all covenants and obligations of a Member of the Obligated Group hereunder, and (B) unconditionally and irrevocably guaranteeing to the Master Trustee and each other Member of the Obligated Group that all Obligations issued and then Outstanding or to be issued and Outstanding hereunder will be paid in accordance with the terms thereof and of this Master Indenture when due;

(ii) the successor corporation has met all licensing requirements necessary for the operation of any Facilities operated by it and shall be qualified to do business in the State or shall consent to service of process in the State;

(iii) the Obligated Group Representative has delivered to the Master Trustee a report of a Management Consultant, dated not more than 90 days prior to such consolidation, merger or transfer, to the effect that (i) the forecasted Long-Term Debt Service Coverage Ratio for each of the two full Fiscal Years immediately following such merger, consolidation or transfer will be not less than 1.25 or will be greater than it would have been if such merger, consolidation or transfer had not taken place and (ii) upon completion of such consolidation, merger or transfer, the Obligated Group will not be in violation of any of the limitations on the incurrence of Indebtedness contained in Section 3.06; provided, however, that if capital improvements consisting, in whole or in part, of independent or assisted living units or health care beds are under construction or available for initial occupancy on the date of such merger, consolidation or transfer, such forecast shall be for the earlier to occur of (x) the first full Fiscal Year next succeeding the Fiscal Year in which the occupancy of such independent or assisted living units or health care beds is forecasted to reach 90% or (y) the first full Fiscal Year following the Fiscal Year in which occurs that date which is 18 months from the date set forth in the forecast upon which substantially all of such independent or assisted living units or health care beds are forecasted to be placed in service;

(iv) if all amounts due or to become due on any Tax-Exempt Related Bond have not been fully paid to the holder thereof, there shall have been delivered to the Master Trustee an Opinion of Bond Counsel, in form and substance satisfactory to the Master Trustee, to the effect that under then existing law the consummation of such merger, consolidation, sale or conveyance would not adversely affect the exclusion from gross income for purposes of federal income taxation of interest payable on such Tax-Exempt Related Bond; and

(v) the Obligated Group Representative has delivered to the Master Trustee an Officer's Certificate and an Opinion of Counsel, each of which shall state that such consolidation, merger, conveyance or transfer and such instrument comply with this Article and the other provisions of this Master Indenture, and that all conditions precedent provided in this Master Indenture relating to such transaction have been satisfied.

(b) In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor corporation, such successor corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named herein as such predecessor or had become a Member of the Obligated Group pursuant to Section 3.11, as the case may be. Such successor corporation thereupon may cause to be signed, and may issue Obligations hereunder in its own name; and upon the order of such successor corporation and subject to all the terms, conditions and limitations in this Master Indenture prescribed, the Master Trustee shall authenticate and shall deliver Obligations that such successor corporation shall have caused to be signed and delivered to the Master Trustee. All Outstanding Obligations so issued by such successor corporation hereunder shall in all respects have the same security position and benefit under this Master Indenture as Outstanding Obligations theretofore or thereafter issued in accordance with the terms of this Master Indenture as though all of such Obligations had been issued hereunder without any such consolidation, merger, sale or conveyance having occurred.

(c) In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in Obligations thereafter to be issued as may be appropriate.

(d) The Master Trustee may accept an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale or conveyance, and any such assumption, complies with the provisions of this Section and that it is proper for the Master Trustee under the provisions of Article VI and of this Section to join in the execution of any instrument required to be executed and delivered by this Section.

Section 3.10 Filing of Financial Statements, Certificate of No Default and Other Information. The Obligated Group covenants that it will:

(a) As soon as possible but in no event later than one hundred fifty (150) days after the end of each Fiscal Year or other period for which an audit has been performed, file with the Master Trustee and EMMA, a copy of the Financial Statements as of the end of such Fiscal Year or other period accompanied by the report of an Accountant.

(b) Simultaneously with filing the Financial Statements for a Fiscal Year or other period as required under subsection (a), file with the Master Trustee and EMMA, an Officer's Certificate stating the Long-Term Debt Service Coverage Ratio and the Days' Cash on Hand, as of the end of such Fiscal Year or such other period, and stating whether, to the best of the knowledge of the signer of such Officer's Certificate, any Member of the Obligated Group is not in compliance with any covenant contained in this Master Indenture and, if so, specifying each such failure to comply of which the signer

may have knowledge and the steps that are being taken by the Obligated Group to cure such non-compliance.

(c) If an Event of Default shall have occurred and be continuing, (i) if requested by Holders of not less than a majority of the aggregate principal amount of Obligations then Outstanding, file with the Master Trustee such other financial statements and information concerning its operations and financial affairs, including those of any Member of the Obligated Group, as such Holders may from time to time request, excluding, specifically, donor records, patient records, personnel records and records subject to attorney-client privilege and (ii) provide access to the Facilities, the Pledged Assets and the Mortgaged Property for the purpose of inspection by the Master Trustee during regular business hours or at such other times as the Master Trustee may reasonably request.

(d) Unless required to be delivered at an earlier time, within thirty (30) days after its receipt thereof, file with the Master Trustee a copy of each report which any provision of this Master Indenture requires to be prepared by a Management Consultant or an Insurance Consultant.

(e) Notwithstanding any other provision of this Master Indenture to the contrary, if the Obligated Group fails to file the Financial Statements for any Fiscal Year with the Master Trustee within the time period specified in subsection (a), no Liens may be created pursuant to Sections 3.05(b)(viii), 3.05(b)(ix) or 3.05(b)(xx), no Indebtedness may be incurred pursuant to Sections 3.06(a)(i), 3.06(a)(ii), 3.06(a)(iv), 3.06(d) or 3.06(e), and no Property may be transferred pursuant to Sections 3.08(a)(iii) or 3.08(b)(ii) until the Obligated Group has cured such default by filing the Financial Statements for the most recently ended Fiscal Year with the Master Trustee.

(f) The Company shall file with EMMA the annual certification required by Section 9.12 hereof.

(g) The Master Trustee shall have no duty to review or analyze any financial statements delivered to it pursuant to this Master Indenture and shall hold such financial statements solely as a repository for the benefit of the Holders of the Obligations; the Master Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed therein in any manner.

Section 3.11 Parties Becoming Members of the Obligated Group. Persons which are not Members of the Obligated Group may, with the prior written consent of the current Members of the Obligated Group, become Members of the Obligated Group, if:

(a) The Person which is becoming a Member of the Obligated Group shall execute and deliver to the Master Trustee an appropriate instrument containing the agreement of such Person (i) to become a Member of the Obligated Group under this Master Indenture and thereby become subject to compliance with all provisions of this Master Indenture pertaining to a Member of the Obligated Group, including the security interest provided for in Section 3.01 and the performance and observance of all covenants and obligations of a Member of the Obligated Group hereunder, and (ii) unconditionally and irrevocably guaranteeing to the Master Trustee and each other Member of the Obligated Group that all Obligations issued and then Outstanding or to be issued and Outstanding hereunder will be paid in accordance with the terms thereof and of this Master Indenture when due.

(b) The Obligated Group Representative shall have delivered to the Master Trustee an Officer's Certificate which shall state that (i) such admission and such instrument comply with this Article and that all conditions precedent provided in this Master Indenture relating to such admission

have been complied with and (ii) immediately after giving effect to such admission, no Event of Default hereunder shall have occurred and be continuing.

(c) Each instrument executed and delivered to the Master Trustee in accordance with subsection (a) of this Section, shall be accompanied by an Opinion of Counsel, addressed to and reasonably satisfactory in form and substance to the Master Trustee (based on its review and review of such counsel as the Master Trustee may retain in its discretion in connection therewith), to the effect that such instrument has been duly authorized, executed and delivered by such Person and constitutes a valid and binding obligation of such Person enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy laws, insolvency laws, other laws affecting creditors' rights generally, equity principles and laws dealing with fraudulent conveyances.

(d) There shall be filed with the Master Trustee (i) a report of a Management Consultant to the effect that (1) the forecasted Long-Term Debt Service Coverage Ratio for each of the two (2) full Fiscal Years immediately succeeding the date of such action is greater than 1.25 or greater than it would have been if such action had not taken place and (2) such action will not reduce by more than twenty-five percent (25%) the forecasted Long-Term Debt Service Coverage Ratio for each of such periods assuming that such action had not taken place; provided, however, that if capital improvements consisting, in whole or in part, of independent or assisted living units or health care beds are under construction or available for initial occupancy on the date of such action, such forecast shall be for the earlier to occur of (x) the first full Fiscal Year next succeeding the Fiscal Year in which the occupancy of such independent or assisted living units or health care beds is forecasted to reach 90% or (y) the first full Fiscal Year following the Fiscal Year in which occurs that date which is 18 months from the date set forth in the forecast upon which substantially all of such independent or assisted living units or health care beds are forecasted to be placed in service or (ii) an Officer's Certificate certifying that (1) the Long-Term Debt Service Coverage Ratio for the most recent Fiscal Year for which Financial Statements have been reported upon by independent certified public accountants preceding the proposed date of such action, assuming such action actually occurred at the beginning of such period, would not have been reduced to less than 1.35 or (2) if such Long-Term Debt Service Coverage Ratio calculated under (f)(1) would be less than 1.35, (A) the Long-Term Debt Service Coverage Ratio was at least 1.25, and (B) the inclusion of the new Member in the Obligated Group would raise the Long-Term Debt Service Coverage Ratio.

(e) If all amounts due or to become due on any Tax-Exempt Related Bond have not been fully paid to the holder thereof, there shall be filed with the Master Trustee, an Opinion of Bond Counsel, in form and substance reasonably satisfactory to the Master Trustee, to the effect that the admission of such Person to the Obligated Group would not adversely affect the exclusion from gross income for purposes of federal income taxation of the interest on any such Tax-Exempt Related Bond.

Section 3.12 Withdrawal from the Obligated Group. (a) No Member of the Obligated Group may withdraw from the Obligated Group unless, prior to the taking of such action, there is delivered to the Master Trustee:

(i) (A) An Officer's Certificate demonstrating that (1) all Obligations issued by such Member are no longer Outstanding, (2) an amount of cash or Defeasance Obligations, which together with the interest earned thereon, will be sufficient to accomplish the requirement of clause (A) (1) above has been transferred by such Member to the Master Trustee or (3) all Outstanding Obligations issued by such Member have been assumed by another Member of the Obligated Group, and (B), in either case, if all amounts due or to become due on any Tax-Exempt Related Bond, have not been fully paid to the holder thereof, an Opinion of Bond Counsel, in form and substance reasonably satisfactory in form and substance to the Master Trustee (based on

its review and review of such counsel as the Master Trustee may retain in its discretion in connection therewith), to the effect that such Member's withdrawal from the Obligated Group would not adversely affect the exclusion from gross income for purposes of federal income taxation of the interest on any such Tax-Exempt Related Bond;

(ii) The report of a Management Consultant to the effect that (1) the forecasted Long-Term Debt Service Coverage Ratio for each of the two (2) full Fiscal Years immediately succeeding the date of such action is greater than 1.25 or greater than it would have been if such action had not taken place and (2) such action will not reduce by more than twenty-five percent (25%) the forecasted Long-Term Debt Service Coverage Ratio for each of such periods assuming that such action had not taken place; and

(iii) An Officer's Certificate which shall state that (A) all conditions precedent provided in this Master Indenture relating to such withdrawal have been complied with and (B) immediately after giving effect to such withdrawal, no Event of Default hereunder shall have occurred and be continuing.

(b) Upon the withdrawal of any Member from the Obligated Group pursuant to subsection (a) of this Section, all liability of such Member of the Obligated Group with respect to all Obligations Outstanding under this Master Indenture shall cease, any guaranty by such Member of the Obligated Group pursuant to Section 3.11 shall be released and discharged in full, the Master Trustee and the Mortgage Trustee shall execute and deliver to such Member of the Obligated Group a release of any Mortgage or Collateral Assignments given by such Member of the Obligated Group, and the Master Trustee shall execute and deliver to such Member of the Obligated Group all UCC-3 termination statements necessary to terminate or confirm the termination of the security interest in the Pledged Assets of such Member of the Obligated Group pursuant to Section 3.01.

Section 3.13 After-Acquired, Replacement or Substituted Real Property. In the event any Obligation is issued pursuant to this Master Indenture to acquire or finance real property or improvements to real property, the Member of the Obligated Group acquiring or financing such real property or improvements covenants and agrees that it shall cause to be recorded in the county in which such real property is located either a Mortgage containing a description of the real property or improvements being acquired or financed or a notice of extension containing a description of the property covered thereby relating to a Mortgage previously executed and delivered by such Member of the Obligated Group to the Master Trustee that is recorded in such county.

Any Member of the Obligated Group executing and delivering such Mortgage or notice of extension pursuant to this Section shall

(a) in the case of a Mortgage, (i) cause a mortgagee title insurance policy, together with a tie-in endorsement to such policy and each other mortgagee title insurance policy previously issued to the Master Trustee under the terms of this Master Indenture, to be issued and delivered to the Master Trustee in an amount equal to the principal amount of any Obligation to be issued in connection with acquiring or financing the real property or improvements to the real property described in such Mortgage (less any amount required to be deposited initially into a debt service reserve fund for such Obligation or any Related Bonds related to such Obligation), insuring that such Mortgage is a first priority Lien, subject to Permitted Liens, on the Mortgaged Property described therein or (ii) cause an endorsement to a mortgagee title insurance policy previously issued to the Master Trustee under the terms of this Master Indenture to be issued to the Master Trustee, that (A) amends the effective date and time of such policy to be the date and time of the recording of such Mortgage, (B) amends the description of the land insured by such policy to include the real property described in such Mortgage,

(C) increases the amount of such policy by an amount equal to the principal amount of any Obligation issued in connection with acquiring or financing the real property or improvements to the real property described in such Mortgage (less any amount to be deposited into a debt service reserve fund for such Obligation or any Related Bonds related to such Obligation) and (D) continues to insure that the Mortgage initially secured by such policy and the new Mortgage are first priority Liens on the Mortgaged Property described therein, subject to Permitted Liens, or

(b) in the case of a notice of extension, cause an endorsement to the mortgagee title insurance policy previously issued to the Master Trustee insuring the priority of the Mortgage to which such notice of extension relates to be issued and delivered to the Master Trustee that (i) amends the effective date and time of such policy to be the date and time of the recording of the notice of extension, (ii) amends the description of the land insured by such policy to include the real property described in the notice of extension, (iii) increases the amount of such policy by an amount equal to the principal amount of any Obligation issued in connection with acquiring or financing the real property or improvements to the real property described in such Mortgage (less any amount to be deposited into a debt service reserve fund for such Obligation or any Related Bonds related to such Obligation) and (iv) continues to insure that such deed of trust, giving effect to the notice of extension, is a first priority Lien on the Mortgaged Property described therein, subject to Permitted Liens.

Section 3.14 Liquidity Covenant. (a) The Obligated Group covenants that it will calculate the Days' Cash on Hand of the Obligated Group as of each Liquidity Testing Date. The Obligated Group shall, not less than 45 days after each Liquidity Testing Date occurring on June 30 and not less than 150 days after each Liquidity Testing Date occurring on December 31, deliver an Officer's Certificate setting forth such calculation for such Liquidity Testing Date to the Master Trustee.

(b) Each Member of the Obligated Group shall conduct its business so that on each Liquidity Testing Date the Obligated Group shall have no less than 150 Days' Cash on Hand (the "Liquidity Requirement").

(c) If the Days' Cash on Hand on any Liquidity Testing Date shall be less than the Liquidity Requirement, unless within ten (10) days of the delivery of the Officer's Certificate pursuant to paragraph (a) hereof sufficient moneys are advanced under the Liquidity Support Agreement to cause the Liquidity Requirement to be met, the Obligated Group Representative shall, within 45 days after delivering the Officer's Certificate pursuant to Section 3.10 disclosing such deficiency, deliver an Officer's Certificate approved by a resolution of the Governing Body of each Member of the Obligated Group to the Master Trustee setting forth in reasonable detail the reasons for such deficiency and adopting a specific plan setting forth steps to be taken designed to achieve the Liquidity Requirement on future Liquidity Testing Dates.

(d) If the Obligated Group has not achieved the Liquidity Requirement by the next Liquidity Testing Date following delivery of the Officer's Certificate required in the preceding paragraph, the Members of the Obligated Group shall, within 30 days after delivery of the Officer's Certificate disclosing such second consecutive deficiency (or such later date permitted under this Indenture), select a Management Consultant in accordance with Section 3.18 hereof to make recommendations with respect to the rates, fees and charges of the Obligated Group, the Obligated Group's methods of operation and other factors affecting its financial condition in order to achieve the Liquidity Requirement on future Liquidity Testing Dates. Each Member of the Obligated Group shall follow each recommendation of the Management Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member of the Obligated Group) and permitted by law and, if applicable, its status as a Tax-Exempt Organization.

(e) Within 90 days of retaining any such Management Consultant, the Obligated Group Representative shall cause a copy of the Management Consultant's report and recommendations, if any, to be filed with each Member, the Master Trustee and EMMA. Each Member shall follow each recommendations of the Management Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of the applicable Member) and permitted by law and, if applicable, its status as a Tax-Exempt Organization.

(f) Except as provided in Section 4.01 hereof, if the Obligated Group is required to retain a Management Consultant under this Section, no Event of Default will exist under this Master Indenture if (i) the Obligated Group takes all action necessary to comply with the procedures set forth above for preparing a report and adopting a plan and (ii) follows each recommendation contained in such report to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law and, if applicable, its status as a Tax-Exempt Organization. Failure by the Obligated Group to comply with (i) or (ii) of the preceding sentence may become an Event of Default, with the giving of notice pursuant to Section 4.12.

(g) Notwithstanding the foregoing, the Obligated Group also covenants and agrees to maintain, at all times, the financial reserves required by O.C.G.A. Section 33-45-11.

Section 3.15 Marketing Covenant. Commencing with the fiscal quarter ending March 31, 2019, and ending with the first full fiscal quarter following the Stabilization Date, the Obligated Group will use its best efforts to maintain the percentage of Entrance Fee Units which are Reserved (the "Percentage of Reserved Entrance Fee Units") at or above the applicable levels set forth in the table below, which determinations shall be measured as of the last day of the applicable fiscal quarter (the "Marketing Requirements"):

<u>Quarter Ending</u>	<u>Percentage of Reserved Entrance Fee Units (%)</u>
March 31, 2019	70%
June 30, 2019	72%
September 30, 2019	74%
December 31, 2019	78%
March 31, 2020	80%
June 30, 2020	84%
September 30, 2020	86%
December 31, 2020	88%
March 31, 2021	90%
June 30, 2021	90%
September 30, 2021	90%
December 31, 2021 and thereafter	92%

If the Percentage of Reserved Entrance Fee Units for any fiscal quarter is less than the applicable Marketing Requirement set forth above for that fiscal quarter the Obligated Group Representative shall submit to the Master Trustee, within 30 days of the end of such fiscal quarter, a marketing report (a “Management Marketing Report”) which includes the following information: (a) the Percentage of Reserved Entrance Fee Units, including the number of reservations and cancellations of Entrance Fee Units during the immediately preceding fiscal quarter and on an aggregate basis; (b) a forecast, prepared by management of the Obligated Group Representative, of the number of reservations of Entrance Fee Units expected in the fiscal quarter immediately succeeding the fiscal quarter with respect to which the Management Marketing Report is being prepared; and (c) a description of the sales and marketing plan of the Obligated Group Representative. The Master Trustee shall have no obligation to request any reports or review any reports submitted.

If the Obligated Group fails to meet the Marketing Requirement for any two consecutive fiscal quarters, the Obligated Group Representative shall select a Management Consultant in accordance with Section 3.18 hereof within 30 days thereafter to prepare a report which addresses the information identified in the Management Marketing Report described above and to make recommendations regarding the actions to be taken to increase the Percentage of Reserved Entrance Fee Units to at least the Marketing Requirements set forth herein for future periods. Within 60 days of the actual engagement of any such Management Consultant, the Obligated Group Representative shall cause a copy of the Management Consultant’s report and recommendations, if any, to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Management Consultant to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law. The Obligated Group shall not be required to obtain a Management Consultant’s report for failing to meet a Marketing Requirement if such failure occurs within three fiscal quarters of the failure that triggered the delivery of a prior Management Consultant’s report addressing the information identified in the Management Marketing Report described above.

If the Obligated Group fails to achieve the Marketing Requirement for three consecutive fiscal quarters, the Obligated Group Representative will, within 30 days of the notice of such failure to the Required Information Recipients, notify the Required Information Recipients of the time, manner and place of a meeting to be conducted by the Obligated Group Representative with owners of the Series 2018 Bonds to discuss such failure and the actions to be taken by the Obligated Group in connection therewith.

Section 3.16 Occupancy Covenant. The Obligated Group covenants that for each fiscal quarter (a) commencing with the first fiscal quarter which ends not less than 60 days following the issuance of a certificate of occupancy for any portion of the Project containing Entrance Fee Units, and (b) ending with the first full fiscal quarter following the fiscal quarter following the Stabilization Date (each an “Occupancy Quarter”), the Obligated Group will use its best efforts to have Occupied the percentage of the total number of all independent living (“IL”), assisted living (“AL”), memory care (“MC”), and skilled nursing (“SNF”) units in the Project (the “Percentage of Units Occupied”) at or above the Occupancy Requirements set forth below which levels shall be measured as of the last day of the applicable Occupancy Quarter (the “Occupancy Requirements”):

<u>Occupancy Quarter</u>	<u>IL Occupancy Requirements</u>	<u>AL Occupancy Requirements</u>	<u>MC Occupancy Requirements</u>	<u>SNF Occupancy Requirement</u>
December 31, 2020	10%	10%	10%	10%
March 31, 2021	25%	30%	30%	30%
June 30, 2021	45%	40%	40%	40%
September 30, 2021	60%	60%	60%	60%
December 31, 2021	65%	75%	75%	75%
March 31, 2022	70%	85%	85%	85%
June 30, 2022	75%	92%	92%	92%
September 30, 2022	80%	92%	92%	92%
December 31, 2022	85%	92%	92%	92%
March 31, 2023	88%	92%	92%	92%
June 30, 2023	90%	92%	92%	92%
September 30, 2022	92%	92%	92%	92%
December 31, 2022 and thereafter	95%	92%	92%	92%

If the Percentage of Units Occupied for any Occupancy Quarter is less than the Occupancy Requirement set forth above for that Occupancy Quarter, the Obligated Group Representative shall within 30 days thereafter submit an Officer’s Certificate to the Master Trustee setting forth in detail the reasons therefor and the plan to increase the Percentage of Units Occupied to at least the Occupancy Requirement set forth above for future periods (a “Corrective Occupancy Action Plan”).

If the Percentage of Units Occupied for any two consecutive fiscal quarters is less than the Occupancy Requirement set forth above for those fiscal quarters, the Obligated Group Representative shall select a Management Consultant in accordance with Section 3.18 hereof within 30 days thereafter to prepare a report which addresses the information identified in the Corrective Occupancy Action Plan described above and to make recommendations regarding the actions to be taken to increase the Percentage of Units Occupied to at least the Occupancy Requirement set forth above for future periods. Within 60 days of the actual engagement of any such Management Consultant, the Obligated Group Representative shall cause a copy of the Management Consultant’s report and recommendations, if any, to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Management Consultant to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law. The Obligated Group shall not be required to obtain a Management Consultant’s report for failing to meet an Occupancy Requirement if such failure occurs within three fiscal quarters of the failure that triggered the delivery of a prior

Management Consultant’s report addressing the information identified in the Corrective Occupancy Action Plan described above.

If the Obligated Group fails to achieve the Occupancy Requirement for three consecutive fiscal quarters, the Obligated Group Representative will, within 30 days of the notice of such failure to the Required Information Recipients, notify the Required Information Recipients of the time, manner and place of a meeting to be conducted by the Obligated Group Representative with owners of the Series 2018 Bonds to discuss such failure and the actions to be taken by the Obligated Group in connection therewith.

Section 3.17 Operating Ratio Covenant. During the period commencing with the fiscal quarter ending March 31, 2021 and ending with the first full fiscal quarter following the Stabilization Date, the Obligated Group shall maintain an Operating Ratio for each fiscal quarter at least equal to the Operating Ratios shown below. The “Operating Ratio” for a fiscal quarter means the ratio of (i) the sum of all fees, rentals, rates and charges imposed and collected by the Corporation, including all monthly fees (but excluding all Entrance Fees and amortization thereof) received during such quarter, to (ii) the sum of all Expenses of the Obligated Group for such fiscal quarter, exclusive of refunds to residents or estates of residents, and interest which were accrued as expenses during the period in question, and items that do not require the expenditure of cash (and in the case of property taxes or other expenses which are not payable monthly, accruals of such amounts on a monthly basis) (including, without limitation, depreciation and amortization). The Operating Ratio shall be the amounts for each fiscal quarter set forth below:

<u>Quarter</u>	<u>Operating Ratio</u>
March 31, 2021	350%
June 30, 2021	175%
September 30, 2021	110%
December 31, 2021	100%
March 31, 2022	95%
June 30, 2022	92%
September 30, 2022	90%
December 31, 2022	90%
March 31, 2023	88%
June 30, 2023	86%
September 30, 2023	86%
December 31, 2023 and thereafter	84%

If the Operating Ratio for any fiscal quarter is less than the Occupancy Requirement set forth above for that fiscal quarter, the Obligated Group Representative shall within 30 days thereafter submit an Officer’s Certificate to the Master Trustee setting forth in detail the reasons therefor and the plan to increase the Operating Ratio to at least the Operating Ratio Requirement set forth above for future periods (a “Corrective Occupancy Action Plan”).

If the Operating Ratio for any two consecutive fiscal quarters is less than the Operating Ratio Requirement set forth above for those fiscal quarters, the Obligated Group Representative shall select a Management Consultant in accordance with Section 3.18 hereof within 30 days thereafter to prepare a report which addresses the information identified in the Corrective Operating Ratio Action Plan described

above and to make recommendations regarding the actions to be taken to increase the Operating Ratio to at least the Operating Ratio Requirement set forth above for future periods. Within 60 days of the actual engagement of any such Management Consultant, the Obligated Group Representative shall cause a copy of the Management Consultant's report and recommendations, if any, to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Management Consultant to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law. The Obligated Group shall not be required to obtain a Management Consultant's report for failing to meet an Operating Ratio Requirement if such failure occurs within three fiscal quarters of the failure that triggered the delivery of a prior Management Consultant's report addressing the information identified in the Corrective Operating Ratio Action Plan described above.

If the Obligated Group fails to achieve the Operating Ratio Requirement for three consecutive fiscal quarters, the Obligated Group Representative will, within 30 days of the notice of such failure to the Required Information Recipients, notify the Required Information Recipients of the time, manner and place of a meeting to be conducted by the Obligated Group Representative with owners of the Series 2018 Bonds to discuss such failure and the actions to be taken by the Obligated Group in connection therewith.

Section 3.18 Approval of Management Consultants. If at any time the Obligated Group is required to engage a Management Consultant, upon selecting a Management Consultant, the Obligated Group Representative will cause a notice of the selection of such Management Consultant, including the name of such Management Consultant and a brief description of the Management Consultant, to be filed with EMMA. In accordance with Section 9.09, such notice shall also state that the Holders of Obligations Outstanding will be deemed to have consented to the selection of the Management Consultant named in such notice unless such Obligation Holder submits an objection to the selected Management Consultant in writing to the Master Trustee within 30 days of the date that the notice is sent to EMMA. No later than five (5) Business Days after the end of the 30-day objection period, the Master Trustee shall notify the Obligated Group of the number of objections. The Master Trustee shall have no duty to verify any objections. If a majority of the aggregate principal amount of the Holders of Obligations Outstanding has been deemed to have consented to the selection of the Management Consultant or have not responded to the request for consent, the Obligated Group Representative shall engage the Management Consultant within three Business Days. If a majority of the aggregate principal amount of the Holders of Obligations Outstanding has objected to the Management Consultant selected, the Obligated Group Representative shall select another Management Consultant in the same manner provided in this Section 3.18.

Section 3.19 Environmental Indemnity. The Members of the Obligated Group, at such Member's sole cost and expense, hereby indemnifies the Master Trustee for, and agrees to defend and hold the Master Trustee harmless from and against, any and all Losses, including, without limitation, all claims, damages, actions and causes of action, arising or resulting from, related to or in connection with, (a) Obligated Group's failure, refusal or inability, for any reason, to observe fully or comply with any Environmental Requirement and/or (b) any Hazardous Substance now or hereinafter on, in, under, affecting or originating from, the Mortgaged Property. This indemnity is intended to be operable under 42 U.S.C 9607(e)(1), and any successor section thereof, and shall survive the foreclosure, release, or reconveyance of the Security Deed, whether by payment of any debt or any deed-in-lieu of foreclosure of the Security Deed.

The Obligated Group hereby assigns to the Master Trustee any contractual indemnification or hold harmless which benefits Borrower relating to Environmental Conditions.

Losses for which the Master Trustee is indemnified hereunder shall be reimbursable to the Master Trustee as incurred without any requirement of waiting for the ultimate outcome of any litigation, claim

or other proceeding, and Obligated Group shall pay the Losses to the Master Trustee as incurred within ten (10) days after notice from the Master Trustee itemizing the amounts incurred to the date of such notice. In addition to any remedy available for failure to periodically pay such amounts, such amounts shall bear interest at the Master Trustee's prime rate of interest plus three percent (3%) from the tenth day following Master Trustee's notice through the 30th day following such notice and shall thereafter bear interest at the the Master Trustee's prime rate of interest plus five percent (5%) until paid in full. Payment by the Master Trustee shall not be a condition precedent to the obligations of the Obligated Group under this Section 3.19.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

Section 4.01 Events of Default. Event of Default, as used herein, shall mean any of the following events:

(a) The Members of the Obligated Group shall fail to make any payment of the principal of, the redemption premium, if any, or interest on any Obligation issued and Outstanding hereunder, and any other payments, including the purchase or redemption price of Put Indebtedness, required to be made under the Supplements creating such Obligations and under such Obligations, when and as the same shall become due and payable, whether at maturity, by proceedings for redemption, by acceleration or otherwise, in accordance with the terms thereof, of this Master Indenture or of any Supplement; provided that a failure to make any payments hereunder (other than any payment with respect to Indebtedness of any Member of the Obligated Group), shall have occurred at least ten (10) days after the date on which written notice of such failure to make payment shall have been given to the Members of the Obligated Group by the Master Trustee;

(b) Any Member of the Obligated Group shall fail duly to perform, observe or comply with any material covenant or agreement on its part under this Master Indenture, other than as described in Section 4.01(a), for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Members of the Obligated Group by the Master Trustee, or to the Members of the Obligated Group and the Master Trustee by the Holders of at least twenty-five percent (25%) in aggregate principal amount of Obligations then Outstanding; provided, however, that if said failure be such that it cannot be corrected within thirty (30) days after the receipt of such notice, it shall not constitute an Event of Default if corrective action is instituted within such thirty (30) day period and diligently pursued until the Event of Default is corrected;

(c) An event of default shall occur under the Mortgage or a Related Bond Indenture or upon a Related Bond;

(d) Any Member of the Obligated Group shall fail to pay promptly or otherwise satisfy and discharge any Outstanding Indebtedness (other than Obligations issued and Outstanding hereunder and Related Bonds), the principal amount of which as of the date of such default is in excess of one-half of one percent (1/2%) of Income Available for Debt Service for the most recent Fiscal Year for which Financial Statements are available, whether such Indebtedness now exists or shall hereafter be created, as and when the same becomes due and payable and any period of grace with respect thereto shall have expired, or another event of default as defined in any instrument, indenture or mortgage evidencing or securing such Indebtedness shall occur, which event of default shall not have been waived by the holder of such instrument, indenture or mortgage, and as a result of such failure to pay or other event of default such Indebtedness shall have been accelerated; provided, however, that such default shall not constitute

an Event of Default if the validity, amount or collectability of such Indebtedness is being contested in good faith and the applicable Member of the Obligated Group establishes and maintains reserves satisfactory to the Master Trustee, based on the advice of such third party advisors as the Master Trustee may retain in its sole discretion, for the payment of such Indebtedness pending the outcome of such contest;

(e) The entry of a decree or order by a court having jurisdiction in the premises for an order for relief against any Member of the Obligated Group, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of such Member under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of such Member or of any substantial part of its Property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; and

(f) The institution by any Member of the Obligated Group of proceedings for an order for relief, or the consent by it to an order for relief against it, or the filing by it of a petition or answer or consent seeking reorganization, arrangement, adjustment, composition or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of such Member of the Obligated Group or of any substantial part of its Property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by any Member of the Obligated Group in furtherance of any such action; and

(g) If the Long-Term Debt Service Coverage Ratio for any two consecutive Fiscal Years is less than 1.00. and

(h) If Days' Cash on Hand is less than 300 and the Long-Term Debt Service Coverage Ratio is less than 1.25 for any two consecutive Fiscal Years.

Section 4.02 Acceleration; Annulment of Acceleration. (a) Upon the occurrence and during the continuation of an Event of Default hereunder, the Master Trustee may and, upon the written request of (i) the Holders of not less than majority in aggregate principal amount of Obligations Outstanding or (ii) any Person properly exercising the right given to such Person under any Supplement to require acceleration of the Obligations issued pursuant to such Supplement, shall, by notice to the Members of the Obligated Group, declare all Obligations Outstanding immediately due and payable, whereupon such Obligations shall become and be immediately due and payable, anything in the Obligations or in any other section of this Master Indenture to the contrary notwithstanding; provided, however, that if the terms of any Supplement give a Person the right to consent to acceleration of the Obligations issued pursuant to said Supplement, the Obligations issued pursuant to such Supplement may not be accelerated by the Master Trustee unless such consent is properly obtained pursuant to the terms of such Supplement. In the event the Obligations are accelerated there shall be due and payable on such Obligations an amount equal to the total principal amount of all such Obligations, plus all interest accrued on such principal amount to the date of payment of such principal (or in the case of an Obligation that evidences and secures Derivative Obligations, an amount equal to the amount due upon termination of the Derivative Agreement).

(b) At any time after the Obligations shall have been declared to be immediately due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such Event of Default, if (i) the Obligated Group has paid or caused to be paid or deposited

with the Master Trustee moneys sufficient to pay all matured installments of interest or other payments and all principal or redemption prices then due (other than the principal then due only because of such declaration) of all Obligations Outstanding; (ii) the Obligated Group has paid or caused to be paid or deposited with the Master Trustee money sufficient to pay the charges, compensation, expenses, disbursements, advances, fees and liabilities of the Master Trustee; (iii) all other amounts then payable by the Obligated Group hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Master Trustee; and (iv) every Event of Default (other than a default in the payment of such Obligations then due only because of such declaration) shall have been remedied, then the Master Trustee may, and upon the written request of Holders of not less than a majority in aggregate principal amount of the Obligations Outstanding shall, annul such declaration and its consequences with respect to any Obligations or portions thereof not then due by their terms. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 4.03 Additional Remedies and Enforcement of Remedies. (a) Upon the occurrence and continuance of any Event of Default, the Master Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Obligations Outstanding, together with indemnification of the Master Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Holders hereunder by such suits, actions or proceedings as the Master Trustee, being advised by counsel, shall deem expedient, including but not limited to:

- (i) enforcement of the right of the Holders to collect and enforce the payment of amounts due or becoming due under the Obligations;
- (ii) suit upon all or any part of the Obligations;
- (iii) civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Obligations to account as if it were the trustee of an express trust for the Holders;
- (iv) civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Holders;
- (v) enforcement of the rights of the Master Trustee as a secured party under the UCC;
- (vi) enforcement of any other right of the Holders conferred by law or hereby; and
- (vii) enforcement of any of the rights of the Master Trustee as beneficiary under the Mortgage.

(b) Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Obligations then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master Trustee, is not unduly prejudicial to the interest of the Holders not making such request.

Section 4.04 Application of Gross Receipts and Other Moneys after Default. During the continuance of an Event of Default all Gross Receipts and other moneys received by the Master Trustee pursuant to any right given or action taken under the provisions of this Article, after payment of (i) the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses and advances incurred or made by the Master Trustee with respect thereto and all other fees, expenses and liabilities of the Master Trustee under this Master Indenture and (ii) in the sole discretion of the Master Trustee, the payment of the expenses of operating any Member of the Obligated Group, shall be applied as follows:

(a) Unless the principal of all Outstanding Obligations shall have become or have been declared due and payable:

First: To the payment to the Persons entitled thereto of all installments of interest then due on Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the Persons entitled thereto of the unpaid principal installments of any Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all Obligations due on any date, then to the payment thereof ratably, according to the amounts of principal installments due on such date, to the Persons entitled thereto, without any discrimination or preference, except Contract Obligations and Derivative Obligations evidenced and secured by an Obligation that are subordinate to other Obligations;

Third: To the payment to the Persons entitled thereto of any unpaid Contract Obligations evidenced and secured by Obligations, which shall have become due, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all such unpaid Contract Obligations due on any date, then to the payment thereof ratably, according to the amounts of unpaid Contract Obligations due on such date, to the Persons entitled thereto, without any discrimination or preference, except Derivative Obligations evidenced and secured by an Obligation that are subordinate to other Obligations; and

Fourth: To the payment to the Persons entitled thereto of any unpaid Derivative Obligations evidenced and secured by Obligations that are subordinate to other Obligations which shall have become due, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all such unpaid Derivative Obligations due on any date, then to the payment thereof ratably, according to the amounts of unpaid Derivative Obligations due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all Outstanding Obligations shall have become or have been declared due and payable:

First: To the payment of the principal and interest then due and unpaid upon Obligations without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Obligation over any other Obligation, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or

preference, except Contract Obligations and Derivative Obligations evidenced and secured by Obligations that are subordinate to other Obligations;

Second: To the payment of Contract Obligations evidenced and secured by Obligations to the Persons entitled thereto without any discrimination or preference, except Derivative Obligations evidenced and secured by Obligations that are subordinate to other Obligations; and

Third: To the payment of Derivative Obligations evidenced and secured by Obligations that are subordinate to other Obligations.

(c) If the principal of all Outstanding Obligations shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Outstanding Obligations shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied by the Master Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Master Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Master Trustee shall apply such moneys, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Master Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any unpaid Obligation until such Obligation shall be presented to the Master Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Obligations and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Master Trustee have been paid or provided for, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the Members of the Obligated Group, their respective successors, or as a court of competent jurisdiction may direct.

Notwithstanding any provision of this Master Indenture to the contrary, for the purpose of determining the amount of unpaid principal of and interest on any Outstanding Obligation, the amount paid or available to be paid to the Holder of such Obligation from a debt service reserve fund securing such Obligation or any Related Bonds related to such Obligation shall be deducted.

Notwithstanding any provision of this Section to the contrary, for purposes of this Section, “interest” on Obligations that evidence and secure Derivative Obligations shall mean regularly scheduled payments under the applicable Derivative Agreement and “principal” of such Obligations shall mean termination payments and any other payment except regularly scheduled payments under the applicable Derivative Agreement. Unless otherwise provided in the Supplement creating an Obligation that evidences and secures Derivative Obligations, payment of the portion of such Obligation that evidences and secures termination payments and any other payments except regularly scheduled payments under a Derivative Agreement shall be subordinate to payment of other Obligations.

Section 4.05 Remedies Not Exclusive. No remedy by the terms hereof conferred upon or reserved to the Master Trustee or the Holders is intended to be exclusive of any other remedy, but each

and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity or by statute on or after the date hereof.

Section 4.06 Remedies Vested in the Master Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Obligations may be enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Master Trustee may be brought in its name as the Master Trustee without the necessity of joining as plaintiffs or defendants any Holders. Subject to the provisions of Section 4.04, any recovery or judgment shall be for the equal benefit of the Holders (other than the Holders of Subordinate Indebtedness). When the Master Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 4.07 Holders' Control of Proceedings. If an Event of Default shall have occurred and be continuing, notwithstanding anything herein to the contrary, the Holders of not less than a majority in aggregate principal amount of Obligations then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Master Trustee and accompanied by indemnity satisfactory to the Master Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions hereof or for the appointment of a receiver or any other proceedings hereunder and the exercise of any other right or power conferred on the Master Trustee, provided that such direction is not in conflict with any applicable law or the provisions hereof, and provided further, that the Master Trustee shall have the right to decline to follow any such direction if the Master Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability, and, in the sole judgment of the Master Trustee, is not unduly prejudicial to the interest of any Holders not joining in such direction and provided further that nothing in this Section shall impair the right of the Master Trustee in its discretion to take any other action hereunder which it may deem proper and which is not inconsistent with such direction by Holders.

Section 4.08 Termination of Proceeding. In case any proceeding taken by the Master Trustee on account of an Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Master Trustee or to the Holders, then the Members of the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Master Trustee, the Members of the Obligated Group and the Holders shall continue as if no such proceeding had been taken.

Section 4.09 Waiver of Event of Default. (a) No delay or omission of the Master Trustee or of any Holder to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Master Trustee and the Holders, respectively, may be exercised from time to time and as often as may be deemed expedient by them.

(b) If directed by the Holders of not less than a majority of the aggregate principal amount of Obligations then Outstanding, the Master Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof, or before the completion of the enforcement of any other remedy hereunder.

(c) Notwithstanding anything contained herein to the contrary, the Master Trustee, upon the written request of the Holders of not less than a majority of the aggregate principal amount of

Obligations then Outstanding, shall waive any Event of Default hereunder and its consequences; provided, however, that, except under the circumstances set forth in subsection (b) of Section 4.02, a default in the payment of the principal of, premium, if any, or interest on or other payment on any Obligation, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Obligations (with respect to which such payment default exists) at the time Outstanding.

(d) In case of any waiver by the Master Trustee of an Event of Default hereunder, the Members of the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 4.10 Appointment of Receiver. Upon the occurrence of any Event of Default, unless the same shall have been waived as herein provided, the Master Trustee shall be entitled as a matter of right if it shall so elect, (i) forthwith and without declaring the Obligations to be due and payable, (ii) after declaring the same to be due and payable, or (iii) upon the commencement of an action to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Master Trustee or the Holders, to the appointment of a receiver or receivers of any or all of the Property of the Obligated Group with such powers as the court making such appointment shall confer. Upon the occurrence of an Event of Default, each Member of the Obligated Group hereby consents and agrees, and will if requested by the Master Trustee consent and agree at the time of application by the Master Trustee for appointment of a receiver of its Property, to the appointment of such receiver of its Property and that such receiver may be given the right, power and authority, to the extent the same may lawfully be given, to take possession of and operate and deal with such Property and the revenues, profits and proceeds therefrom, with like effect as such Member of the Obligated Group could do so, and to borrow money and issue evidences of indebtedness as such receiver.

Section 4.11 Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this instrument or the provisions hereof invalid or unenforceable under the provisions of any applicable law.

Section 4.12 Notice of Default. Promptly after obtaining knowledge of any Event of Default, each Member of the Obligated Group shall deliver to the Master Trustee, a written notice specifying the nature and period of existence of such Event of Default and the action the Obligated Group is taking and proposes to take with respect thereto.

The Master Trustee shall, within thirty (30) days after it has knowledge of the occurrence of an Event of Default, send to all Holders as the names and addresses of such Holders appear upon the books of the Master Trustee, notice of such Event of Default known to the Master Trustee, unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of default in the payment of the principal of, redemption premium, if any, or interest or any other payment on any of the Obligations and the Events of Default specified in subsections (e) and (f) of Section 4.01, the Master Trustee shall be protected in withholding such notice if and so long as it in good faith determines that the withholding of such notice is in the interests of the Holders (which such determination may be based upon an Opinion of Counsel).

For purposes of this Master Indenture, the Master Trustee shall not be deemed to have knowledge of an Event of Default hereunder unless an officer of the Master Trustee has actual knowledge thereof or

unless written notice of any event which is an Event of Default is received by the Master Trustee and such notice references this Master Indenture.

ARTICLE V

THE MASTER TRUSTEE

Section 5.01 Certain Duties and Responsibilities. (a) Except during the continuance of an Event of Default, the Master Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Indenture, and no implied covenants or obligations shall be read into this Master Indenture against the Master Trustee.

(b) In the absence of bad faith or negligence on its part, the Master Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Master Trustee and conforming to the requirements of this Master Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Master Indenture (but need not confirm or investigate the accuracy of mathematical or other facts stated therein).

(c) In case an Event of Default has occurred and is continuing, the Master Trustee shall exercise such of the rights and powers vested in it by this Master Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances.

(d) No provision of this Master Indenture shall be construed to relieve the Master Trustee from liability for its own negligence, its own negligent failure to act, or its own willful misconduct, except that:

(i) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(ii) the Master Trustee shall not be liable for any error of judgment made in good faith by a chairman or vice-chairman of the board of directors, the chairman or vice-chairman of the executive committee of the board of directors, the president, any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller and any assistant controller or any other officer or employee of the Master Trustee customarily performing functions similar to those performed by any of the above designated officers or with respect to a particular matter, any other officer or employee to whom such matter is referred because of his knowledge of and familiarity with the particular subject, unless it shall be proved that the Master Trustee was negligent in ascertaining the pertinent facts;

(iii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Obligations relating to the time, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any trust or power conferred upon the Master Trustee, under this Master Indenture, except under the circumstances set forth in subsection (c) of Section 4.09 requiring the consent of the Holders of all the Obligations at the time Outstanding; and

(iv) no provision of this Master Indenture shall require the Master Trustee to expend or risk its own funds or otherwise incur any financial or other liability, directly or indirectly, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(e) Whether or not therein expressly so provided, every provision of this Master Indenture relating to the conduct or affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section.

Section 5.02 Certain Rights of Master Trustee. Except as otherwise provided in Section 5.01:

(a) The Master Trustee may rely conclusively and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any request, direction or statement of any Member of the Obligated Group mentioned herein shall be sufficiently evidenced by an Officer's Certificate and any action of the Governing Body may be sufficiently evidenced by a copy of a resolution certified by the secretary or any assistant secretary of the Member of the Obligated Group to have been duly adopted by the Governing Body and to be in full force and effect on the date of such certification and delivered to the Master Trustee.

(c) Whenever in the administration of this Master Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Master Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officer's Certificate.

(d) The Master Trustee may consult with any counsel of its selection, independent auditor or other expert selected by the Master Trustee and the advice of such party or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture whether on its own motion or at the request or direction of any of the Holders pursuant to this Master Indenture which shall be in the opinion of the Master Trustee likely to involve expense or liability not otherwise provided for herein, unless one or more Holders or such Holders making such request shall have offered and furnished to the Master Trustee security or indemnity satisfactory to the Master Trustee against the costs, expenses and liabilities, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances, which might be incurred by it in compliance with such request or direction or otherwise in connection herewith.

(f) The Master Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document, but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of any Member of the Obligated Group, personally or by agent or attorney.

(g) The Master Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Master Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(h) No permissive right of the Master Trustee hereunder, including the authority to enter into Supplements or take other actions, shall be construed as a duty, and the Master Trustee shall be under no obligations to take any such action or exercise any such right. The Master Trustee shall not be answerable for anything other than its negligence or willful misconduct.

(i) The Master Trustee shall not be accountable for the use or application by any Member of the Obligated Group of any of the Obligations or Related Bonds or the proceeds thereof or for the use or application of any money paid over by the Master Trustee in accordance with the provisions of this Master Indenture or for the use and application of money received by any paying agent. The Master Trustee shall not be required to give any bond or surety with respect to the execution of its rights and obligations hereunder.

(j) Notwithstanding the effective date of this Master Indenture or anything to the contrary in this Master Indenture, the Master Trustee shall have no liability or responsibility for any act or event relating to this Master Indenture which occurs prior to the date the Master Trustee formally executes this Master Indenture and commences acting as Master Trustee hereunder.

(k) The Master Trustee shall not be deemed to have any notice of any Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof and shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Obligations or Related Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Obligations or Related Bonds.

(l) Notwithstanding anything contained herein or in any Mortgage (including the Security Deed) to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Master Trustee to liability under any environmental law, statute, regulation or similar requirement relating to the environment, the Master Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses (including attorney's fees, costs and expenses) to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action and the Master Trustee shall not be required to take such foreclosure action if it reasonably determines that the approval of a governmental regulator that cannot be obtained is necessary for such foreclosure action.

(m) The Master Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Master Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Master Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(n) The Master Trustee agrees to accept and act upon instructions or directions pursuant to this Master Indenture or any Mortgage sent by the any Member of the Obligated Group, as the case may be, by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that each Member of the Obligated Group, respectively, shall provide to the Master Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If a Member of the Obligated Group, as applicable, elects to give the Master Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Master Trustee in its discretion elects to act upon such instructions, the Master Trustee's understanding of such instructions shall be deemed controlling. The Master Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Master Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. Each Member of the Obligated Group, as applicable, agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Master Trustee, including without limitation the risk of the Master Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(o) The Master Trustee shall not be responsible or liable for the environmental condition or any contamination of any property secured by any mortgage or deed of trust or for any diminution in value of any such property as a result of any contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant. The Master Trustee shall not be liable for any claims by or on behalf of the Holders or any other person or entity arising from contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant, and shall have no duty or obligation to assess the environmental condition of any such property or with respect to compliance of any such property under state or federal laws pertaining to the transport, storage, treatment or disposal of, hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits or licenses issued under such laws.

(p) The Master Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Obligated Group, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made.

(q) The Master Trustee shall not be responsible or liable for, special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Master Trustee has been advised of the likelihood of such loss or damage and regardless of the form of actions.

Section 5.03 Right to Deal in Obligations and Related Bonds. The Master Trustee may in good faith buy, sell or hold and deal in any Obligations and Related Bonds with like effect as if it were not such Master Trustee and may commence or join in any action which a Holder or holder of a Related Bond is entitled to take with like effect as if the Master Trustee were not the Master Trustee.

Section 5.04 Removal and Resignation of the Master Trustee. The Master Trustee may resign on its motion or may be removed at any time by an instrument or instruments in writing signed by the Holders of not less than a majority of the principal amount of Obligations then Outstanding or, if no Event of Default shall have occurred and be continuing, or no event has occurred or is continuing that, after notice or passage of time or both, would become an Event of Default, by an instrument in writing signed by the Obligated Group Representative. No such resignation or removal shall become effective unless and until a successor Master Trustee (or temporary successor trustee as provided below) has been

appointed and has assumed the trusts created hereby. Written notice of such resignation or removal shall be given to the Members of the Obligated Group and each Holder at the address then reflected on the books of the Master Trustee. A successor Master Trustee may be appointed by the Obligated Group Representative or the Holders at the direction of the Holders of not less than a majority in aggregate principal amount of Obligations Outstanding. In the event a successor Master Trustee has not been appointed and qualified within sixty (60) days of the date notice of resignation or removal is given, the Master Trustee, any Member of the Obligated Group or any Holder may apply, at the expense of the Obligated Group, to any court of competent jurisdiction for the appointment of a temporary successor Master Trustee to act until such time as a successor is appointed as above provided.

There shall at all times be a Master Trustee hereunder, which shall be a bank or trust company organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, subject to supervision or examination by federal or state authority, and having a combined capital and surplus of at least \$50,000,000, either directly or by a guarantee of a corporation related to the Master Trustee. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then the combined capital and surplus of such corporation will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Master Trustee ceases to be eligible as above provided, it shall resign immediately in accordance with the terms of this Section 5.04.

Every successor Master Trustee howsoever appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to each Member of the Obligated Group an instrument in writing, accepting such appointment hereunder, and thereupon such successor Master Trustee, without further action, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, and such predecessor shall execute and deliver an instrument transferring to such successor Master Trustee all the rights, powers and trusts of such predecessor. The predecessor Master Trustee shall execute any and all documents necessary or appropriate to convey all interest it may have to the successor Master Trustee. The predecessor Master Trustee shall promptly deliver all material records relating to the trust or copies thereof and, on request, communicate all material information it may have obtained concerning the trust to the successor Master Trustee.

Each successor Master Trustee, not later than ten (10) days after its assumption of the duties hereunder, shall mail a notice of such assumption to each registered Holder.

Section 5.05 Compensation and Reimbursement. Each Member of the Obligated Group, respectively, agrees jointly and severally:

(a) To pay the Master Trustee from time to time such compensation as shall be agreed in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust).

(b) Except as otherwise expressly provided herein, to reimburse the Master Trustee promptly upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee, including fees on collection and enforcement, in accordance with any provision of this Master Indenture (including this Section) and defending itself against any claim (whether asserted by the Company, the Members of the Obligated Group, any Holder or any other Person) (including the reasonable compensation and the expenses and disbursements of its counsel and its agents), except any such expense, disbursement or advance as may be determined to have been directly caused by the Master Trustee's negligence or willful misconduct.

(c) To indemnify the Master Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this trust or its duties hereunder, including the costs and expenses of defending itself against any claim (whether asserted by the Company, or any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder. Such indemnification of the Master Trustee shall survive the termination of this Master Indenture or the sooner resignation or removal of the Master Trustee.

Section 5.06 Recitals and Representations. The recitals, statements and representations contained herein, or in any Obligation (excluding the Master Trustee's authentication on the obligations) shall be taken and construed as made by and on the part of the Members of the Obligated Group, respectively, and not by the Master Trustee, and the Master Trustee neither assumes nor shall be under any responsibility for the correctness of the same.

The Master Trustee makes no representation as to, and is not responsible for, the validity or sufficiency hereof, of the Obligations or any Related Bonds, or the validity or sufficiency of insurance to be provided. The Master Trustee shall be deemed not to have made representations as to the security afforded hereby or hereunder or as to the validity or sufficiency of such document. The Master Trustee shall not be concerned with or accountable to anyone for the use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof. The Master Trustee shall have no duty of inquiry with respect to any default or Events of Default described herein without actual knowledge of or receipt by the Master Trustee of written notice of a default or an Event of Default from a Member of the Obligated Group or any Holder.

Section 5.07 Separate or Co-Master Trustee. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction, the Master Trustee shall have power to appoint, and, upon the request of the Holders of at least twenty-five percent (25%) in aggregate principal amount of Obligations Outstanding, shall appoint, one or more Persons approved by the Master Trustee either to act as co-trustee or co-trustees, jointly with the Master Trustee, or to act as separate trustee or separate trustees, and to vest in such person or persons, in such capacity, such rights, powers, duties, trusts or obligations as the Master Trustee may consider necessary or desirable, subject to the remaining provisions of this Section. If no Event of Default shall have occurred and be continuing, or no event has occurred or is continuing that, after notice or passage of time or both, would become an Event of Default, any co-trustee or separate trustee appointed pursuant to this Section shall be subject to the written approval of the Obligated Group, evidenced by an instrument in writing signed by the Obligated Group Representative.

Every co-trustee or separate trustee shall, to the extent permitted by law but to such extent only, be appointed subject to the following terms, namely:

(a) The Obligations shall be authenticated and delivered solely by the Master Trustee.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Master Trustee, or by the Master Trustee and such co-trustee or co-trustees or separate trustee or separate trustees jointly, as shall be provided in the instrument appointing such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Master Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

(c) Any notice, request, or other writing by the Master Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by such co-trustee or separate trustee.

(d) Any co-trustee or separate trustee may, to the extent permitted by law, delegate to the Master Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Master Trustee at any time, by any instrument in writing, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section. Upon the request of the Master Trustee, the Members of the Obligated Group shall join with the Master Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal.

(f) No trustee or any paying agent hereunder shall be personally liable by reason of any act or omission of any other trustee or paying agent hereunder, nor will the act or omission of any trustee or paying agent hereunder be imputed to any other trustee or paying agent.

(g) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Master Trustee shall be deemed to have been delivered to each such co-trustee or separate trustee.

(h) Any moneys, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Master Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it shall be vested with such rights, powers, duties or obligations, as shall be specified in the instrument of appointment jointly with the Master Trustee (except insofar as local law makes it necessary for any such co-trustee or separate trustee to act alone) subject to all the terms hereof. Every such acceptance shall be filed with the Master Trustee. To the extent permitted by law, any co-trustee or separate trustee may, at any time by an instrument in writing, constitute the Master Trustee its or his attorney-in-fact and agent, with full power and authority to perform all acts and things and to exercise all discretion on its or his behalf and in its or his name.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all rights, powers, trusts, duties and obligations of said co-trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Master Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the manner herein provided.

ARTICLE VI

SUPPLEMENTS AND AMENDMENTS

Section 6.01 Supplements Not Requiring Consent of Holders. Each Member of the Obligated Group, when authorized by resolution or other action of equal formality by its Governing Body, and the Master Trustee may, without the consent of or notice to any of the Holders, enter into one or more Supplements for one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission herein which shall not materially and adversely affect the interests of the Holders.

(b) To correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising hereunder and which shall not materially and adversely affect the interests of the Holders.

(c) To grant or confer ratably upon all of the Holders any additional rights, remedies, powers or authority that may lawfully be granted or conferred upon them subject to the provisions of Section 6.02(a).

(d) To qualify this Master Indenture under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect.

(e) To create and provide for the issuance of Obligations as permitted hereunder.

(f) To obligate a successor to any Member of the Obligated Group as provided in Section 3.09.

(g) To comply with the provisions of any federal or state securities law.

Section 6.02 Supplements Requiring Consent of Holders. (a) Other than Supplements referred to in Section 6.01 and subject to the terms and provisions and limitations contained in this Article, and not otherwise, the Holders of not less than a majority in aggregate principal amount of Obligations then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to consent to and approve the execution by each Member of the Obligated Group, when authorized by resolution or other action of equal formality by its Governing Body, and the Master Trustee of such Supplements as shall be deemed necessary and desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein; provided, however, nothing in this Section shall permit or be construed as permitting a Supplement which would:

(i) Effect a change in the times, amounts or currency of payment of the principal of, redemption premium, if any, interest or any other payment on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon, without the consent of the Holder of such Obligation;

(ii) Permit the preference or priority of any Obligation over any other Obligation, without the consent of the Holders of all Obligations then Outstanding; or

(iii) Reduce the aggregate principal amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Supplement without the consent of the Holders of all Obligations then Outstanding.

(b) If at any time each Member of the Obligated Group shall request the Master Trustee to enter into a Supplement pursuant to this Section, which request is accompanied by a copy of the resolution or other action of its Governing Body certified by its secretary or any assistant secretary or if it has no secretary or assistant secretary, its comparable officer, and the proposed Supplement, the Master Trustee shall, at the expense of the Obligated Group, cause notice of the proposed execution of such Supplement to be mailed, postage prepaid, to all Holders. Such notice shall be prepared by the Obligated Group and shall briefly set forth the nature of the proposed Supplement and shall state that copies thereof are on file at the Corporate Trust Office of the Master Trustee for inspection by all Holders. The Master Trustee shall not, however, be subject to any liability to any Holder by reason of its failure to mail the notice required by this Section, and any such failure shall not affect the validity of

such Supplement when approved and consented to as provided in this Section. If, following such notice, the Master Trustee shall receive an instrument or instruments purporting to be executed by the Holders of not less than the aggregate principal amount or number of Obligations specified in subsection (a) for the Supplement in question which instrument or instruments shall refer to the proposed Supplement and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof as on file with the Master Trustee, thereupon, but not otherwise, the Master Trustee may execute such Supplement in substantially such form, without liability or responsibility to any Holder, whether or not such Holder shall have consented thereto.

(c) Any such consent shall be binding upon the Holder giving such consent and upon any subsequent Holder of such Obligation and of any Obligation issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Obligation giving such consent or by a subsequent Holder thereof by filing with the Master Trustee, prior to the execution by the Master Trustee of such Supplement, such revocation and, if such Obligation is transferable by delivery, proof that such Obligation is held by the signer of such revocation in the manner permitted by Section 8.01 of this Master Indenture. At any time after the Holders of the required principal amount or number of Obligations shall have filed their consents to the Supplement, the Master Trustee shall make and file with each Member of the Obligated Group a written statement to that effect. Such written statement shall be conclusive that such consents have been so filed.

(d) If the Holders of the required principal amount of the Obligations Outstanding shall have consented to and approved the execution of such Supplement as herein provided, no Holder shall have any right to object to the execution thereof, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Master Trustee or any Member of the Obligated Group from executing the same or from taking any action pursuant to the provisions thereof.

Section 6.03 Execution and Effect of Supplements. (a) In executing any Supplement permitted by this Article, the Master Trustee shall receive and be entitled to conclusively rely upon an Opinion of Counsel stating that the execution of such Supplement is authorized or permitted hereby and that all conditions precedent thereto have been satisfied. The Master Trustee may but shall not be obligated to enter into any such Supplement which affects the Master Trustee's own rights, duties or immunities.

(b) Upon the execution and delivery of any Supplement in accordance with this Article, the provisions hereof shall be modified in accordance therewith and such Supplement shall form a part hereof for all purposes and every Holder of an Obligation theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

(c) Any Obligation authenticated and delivered after the execution and delivery of any Supplement in accordance with this Article may, and if required by the issuer of such Obligation or the Master Trustee shall, bear a notation in form approved by the Master Trustee as to any matter provided for in such Supplement. If the issuer of any Obligations then Outstanding or the Master Trustee shall so determine, new Obligations so modified as to conform in the opinion of the Master Trustee and the Governing Body of such issuer to any such Supplement may be prepared and executed by the issuer and authenticated and delivered by the Master Trustee in exchange for and upon surrender of Obligations then Outstanding.

ARTICLE VII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 7.01 Satisfaction and Discharge of Indenture. If (a) the Obligated Group Representative shall deliver to the Master Trustee for cancellation all Obligations theretofore authenticated (other than any Obligations which shall have been mutilated, destroyed, lost or stolen and which shall have been replaced or paid as provided in the Supplement) and not theretofore cancelled, or (b) all Obligations not theretofore cancelled or delivered to the Master Trustee for cancellation shall have become due and payable and money sufficient to pay the same shall have been deposited with the Master Trustee, or (c) all Obligations that have not become due and payable and have not been cancelled or delivered to the Master Trustee for cancellation shall be Defeased Obligations, and if in all cases the Members of the Obligated Group shall also pay or cause to be paid all other sums payable hereunder by the Members of the Obligated Group or any thereof, then this Master Indenture shall cease to be of further effect, and the Master Trustee, on demand of the Members of the Obligated Group, and at the cost and expense of the Members of the Obligated Group, shall execute proper instruments acknowledging satisfaction of and discharging this Master Indenture. Each Member of the Obligated Group, respectively, hereby agrees jointly and severally to reimburse the Master Trustee for any costs or expenses theretofore and thereafter properly incurred by the Master Trustee in connection with this Master Indenture or such Obligations. In the event that this Master Indenture is being satisfied and discharged with Defeased Obligations, the Master Trustee shall receive (at the sole expense of the Obligated Group) and conclusively rely upon a verification report or similar report from an accountant or other expert, and an Officer's Certificate and an Opinion of Counsel to the effect that all conditions precedent to the defeasance of the Obligations have been satisfied.

Section 7.02 Payment of Obligations after Discharge of Lien. Notwithstanding the discharge of the lien hereof as in this Article provided, the Master Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Obligations and the registration, transfer, exchange and replacement of Obligations as provided herein.

Nevertheless, any moneys held by the Master Trustee or any paying agent for the payment of the principal of, premium, if any, or interest on any Obligation remaining unclaimed for five years after the principal of all Obligations has become due and payable, whether at maturity or upon proceedings for redemption or by declaration as provided herein, shall then be paid to the Members as their interests may appear, and the Holders of any Obligations not theretofore presented for payment shall thereafter be entitled to look only to the Members for payment thereof as unsecured creditors and all liability of the Master Trustee with respect to such moneys shall thereupon cease.

ARTICLE VIII

CONCERNING THE HOLDERS

Section 8.01 Evidence of Acts of Holders. (a) In the event that any request, direction or consent is requested or permitted hereunder of the Holders, (i) the registered owners of Related Bonds then outstanding shall be deemed to be such Holders for the purpose of any such request, direction or consent in the proportion that the aggregate principal amount of Related Bonds then outstanding held by each such owner of Related Bonds bears to the aggregate principal amount of all Related Bonds then outstanding; provided, however, if the Related Bond Indenture so provides, if at any time a letter of credit or bond insurance policy secures payment of the principal of and interest on such Related Bonds, then the provider of such letter of credit or bond insurance policy shall be deemed to be the Holder of such Related

Bonds except during any period when such provider has failed to honor its obligations under such letter of credit or bond insurance policy, (ii) the amount of any Obligation that evidences and secures Contract Obligations shall be deemed to be zero and such Obligation shall be disregarded for purposes of any request, direction or consent of the Holders requested or permitted hereunder, and (iii) the principal amount of any Obligation that evidences and secures Derivative Obligations shall be deemed to be zero and such Obligation shall be disregarded for purposes of any request, direction or consent of the Holders requested or permitted hereunder unless the related Derivative Agreement has terminated, in which case the principal amount of such Obligation shall be deemed to be the amount of any termination payment owed to the Holder of such Obligation; provided, however, that no Supplement that would alter the priority of such Obligation with respect to the Pledged Assets or application of moneys under Section 4.04 of this Master Indenture shall be permitted without the consent of the Holder of such Obligation.

(b) As to any request, direction, consent or other instrument provided hereby to be signed and executed by the Holders, such action may be in any number of concurrent writings, shall be of similar tenor, and may be signed or executed by such Holders in person or by agent appointed in writing. In connection with the initial offering and sale of Related Bonds, the underwriters (or their representative) of such Related Bonds shall be deemed to be the initial Holders thereof or, if such Related Bonds so provide, may be appointed as attorney-in-fact by the initial purchasers of such Related Bonds for the purpose of consenting to any request, direction, consent or other instrument to be signed and executed by the Holders.

(c) Proof of the execution of any such request, direction, consent or other instrument or of the writing appointing any such agent and of the ownership of Obligations, if made in the following manner, shall be sufficient for any of the purposes hereof and shall be conclusive in favor of the Master Trustee and the Members of the Obligated Group, with regard to any action taken by them, or either of them, under such request, direction or consent or other instrument, namely:

(i) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments in such jurisdiction, that the person signing such writing acknowledged before him the execution thereof, or by the affidavit of a witness of such execution; and

(ii) The ownership of Related Bonds may be proved by the registration books for such Related Bonds maintained pursuant to the Related Bond Indenture.

(d) Nothing in this Section shall be construed as limiting the Master Trustee to the proof herein specified, it being intended that the Master Trustee may accept any other evidence of the matters herein stated which it may deem sufficient.

(e) Any action taken or suffered by the Master Trustee pursuant to any provision hereof upon the request or with the assent of any person who at the time is the Holder of any Obligation, shall be conclusive and binding upon all future Holders of the same Obligation.

Section 8.02 Obligations or Related Bonds Owned by Members of Obligated Group. In determining whether the Holders of the requisite aggregate principal amount of Obligations have concurred in any demand, direction, request, notice, consent, waiver or other action under this Master Indenture, Obligations or Related Bonds that are owned by any Member of the Obligated Group or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with such Member shall be disregarded and deemed not to be Outstanding or outstanding under the Related Bond Indenture, as the case may be, for the purpose of any such determination, provided that for the purposes of determining whether the Master Trustee shall be protected in relying on any such direction,

consent or waiver, only such Obligations or Related Bonds which a Responsible Officer of the Trustee has actual notice or knowledge are so owned shall be so disregarded. Obligations or Related Bonds so owned that have been pledged in good faith may be regarded as Outstanding or outstanding under the Related Bond Indenture, as the case may be, for purposes of this Section, if the pledgee shall establish to the satisfaction of the Master Trustee the pledgee's right to vote such Obligations or Related Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with any Member of the Obligated Group. In case of a dispute as to such right, any decision by the Master Trustee taken upon the advice of counsel shall be full protection to the Master Trustee. "Responsible Officer" means, when used with respect to the Master Trustee, any vice president, assistant vice president, senior associate or other officer of the Master Trustee within the corporate trust office specified in Section 9.08 (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office specified in Section 9.08 because of such person's knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Master Indenture.

Section 8.03 Instruments Executed by Holders Bind Future Holders. At any time prior to (but not after) the Master Trustee takes action in reliance upon evidence, as provided in Section 8.01, of the taking of any action by the Holders of the percentage in aggregate principal amount of Obligations specified herein in connection with such action, any Holder of such an Obligation or Related Bond that is shown by such evidence to be included in Obligations the Holders of which have consented to such action may, by filing written notice with the Master Trustee and upon proof of holding as provided in Section 8.01, revoke such action so far as concerns such Obligation or Related Bond. Except upon such revocation any such action taken by the Holder of an Obligation or Related Bond in any direction, demand, request, waiver, consent, vote or other action of the Holder of such Obligation or Related Bond which by any provision hereof is required or permitted to be given shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Obligation or Related Bond, and of any Obligation or Related Bond issued in lieu thereof, whether or not any notation in regard thereto is made upon such Obligation or Related Bond. Any action taken by the Holders of the percentage in aggregate principal amount of Obligations specified herein in connection with such action shall be conclusively binding upon each Member of the Obligated Group, the Master Trustee and the Holders of all of such Obligations or Related Bonds.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.01 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Master Indenture or the Obligations issued hereunder is intended or shall be construed to give to any Person other than each Member of the Obligated Group, the Master Trustee, and the Holders hereunder any legal or equitable right, remedy or claim under or in respect to this Master Indenture or any covenants, conditions and provisions herein contained; this Master Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties mentioned in this Section (it being understood that the Master Trustee does not have an affirmative duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Members of the Obligated Group or Holders).

Section 9.02 Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the

Obligations issued pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

Section 9.03 Holidays. Except to the extent a Supplement or an Obligation provides otherwise:

(a) Subject to subsection (b) of this Section, when any action is provided herein to be done on a day or within a time period named, and the day or the last day of the period is not a Business Day, the action may be done on the next Business Day with effect as though done on the day or within the time period named.

(b) When the date on which principal of or interest or premium or other payment on any Obligation is due and payable is not a Business Day, payment may be made on the next Business Day with the same effect as though payment were made on the due date, and, if such payment is made, no interest shall accrue from and after such due date.

Section 9.04 Governing Law. This Master Indenture is a contract made under the laws of the State and shall be governed by and construed in accordance with such laws but without regard to conflict of law principles.

Section 9.05 Counterparts. This Master Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 9.06 Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, interest on or other payment on any Obligations issued hereunder or for any claim based thereon or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of any Member of the Obligated Group, and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of Obligations issued hereunder.

Section 9.07 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon each Member of the Obligated Group, the Master Trustee and their respective successors and assigns subject to the limitations contained herein.

Section 9.08 Notices. (a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by United States registered or certified mail, return receipt requested, postage prepaid, or by overnight courier service, or by hand delivery, or by Electronic Means, addressed as follows:

If to any Member of the: Obligated Group	Westminster Presbyterian Homes, Inc. 301 East Screven Street Quitman, Georgia 31643 Attention: Chief Financial Officer Telephone: (229) 263-6193 Facsimile: (229) 263-6195 Email: darrendale@phgainc.org
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If to the Bond Trustee:

Branch Banking and Trust Company
223 West Nash Street
Wilson, North Carolina 27893
Attention: Corporate Trust Services
Telephone: (704) 838-8915
Facsimile: (252) 246-4303
Email: crhodebeck@bbandt.com

If to any Holder, addressed to such Holder at the address shown on the books of the Master Trustee kept pursuant hereto.

Upon an Event of Default hereunder, any Holder may directly contact the Obligated Group Representative or any Member of the Obligated Group.

Any Member of the Obligated Group or the Master Trustee may from time to time by notice in writing to the other and to the Holders designate a different address or addresses for notice hereunder.

Section 9.09 Consents and Approvals. Whenever the written consent or approval of the Obligated Group or the Master Trustee, shall be required under the provisions of this Master Indenture, such consent or approval shall not be unreasonably withheld or delayed. Unless otherwise specified herein, consents of the Obligated Group shall be executed and delivered on behalf of the Obligated Group by the Obligated Group Representative. In connection with any consents, approvals, or direction hereunder by Holders, any Obligations that constitute Subordinate Indebtedness shall be disregarded. For purposes of this Section 9.09, in the case of Obligations securing Related Bonds, "Holders" shall mean the beneficial owners of such Related Bonds.

Section 9.10 U.S.A. Patriot Act. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, the Master Trustee will require documentation from each non-individual person such as a business entity, a charity, a trust, or other legal entity verifying its formation as a legal entity. The Master Trustee may also seek financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

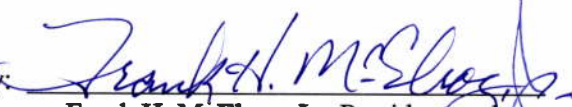
Section 9.11 Consent to Jurisdiction and Service. To the fullest extent permitted by applicable law, the Company hereby irrevocably submits to the jurisdiction of any federal or State court in any suit, action or proceeding based on or arising out of or relating to this Master Indenture or any Obligations and irrevocably agrees that all claims in respect of such suit or proceeding may be determined in any such court. The Company irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such suit, action or proceeding brought in an inconvenient forum. The Company agrees that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon the Company, and may be enforced in any courts to the jurisdiction of which the Company is subject by a suit upon such judgment, provided, that service of process is effected upon the Company in the manner specified herein or as otherwise permitted by law. To the extent the Company has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, executor or otherwise) with respect to itself or its property, the Company hereby irrevocably waives such immunity in respect of its obligations under this Master Indenture to the extent permitted by law.

Section 9.12 Annual Certification Regarding Security Interests. On or before December 1 of each year commencing December 1, 2019, the Company or its counsel shall deliver an annual certification by the Obligated Group Representative to the Master Trustee that any and all necessary action has been taken to maintain the continued perfection with respect to the Master Trustee's security interests in the Pledged Assets and each Related Bond Trustee's security interests in the respective Trust Estate, as defined in each Related Bond Indenture, including without limitation, filing financing statements and continuation statements related thereto under the UCC. The Company hereby agrees to undertake or cause its counsel to undertake to make any and all necessary filings under the UCC to maintain continuous perfection by the Master Trustee in the Pledged Assets and each Related Bond Trustee's security interests in the respective Trust Estate.

IN WITNESS WHEREOF, each Member of the Obligated Group has caused this Master Indenture to be executed in its name and on its behalf by its duly authorized officer and to evidence its acceptance of the trusts hereby created, the Master Trustee has caused this Master Indenture to be signed in its name and on its behalf by its duly authorized officer, all of as of the day and year first above written.

**WESTMINSTER PRESBYTERIAN
HOMES, INC.**

[SEAL]

By: 
Frank H. McElroy, Jr., President and
Chief Executive Officer

Attest:



Alex Patterson, Assistant Secretary

**BRANCH BANKING AND TRUST
COMPANY, as Master Trustee**

By: *Cristina M. Rhodebeck*

Cristina G. Rhodebeck
Title: **Vice President**

EXHIBIT A

Description of Excluded Real Property

[None]

EXHIBIT B

Subordinate Indebtedness

(The term “debentures” is used in the provisions set forth below to designate the instruments issued to evidence subordinated debt and the term “this Indenture” to designate the instrument, indenture or other document containing such provisions.)

All debentures issued under this Indenture shall be issued subject to the following provisions and each person taking or holding any such debenture whether upon original issue or upon transfer or assignment thereof accepts and agrees to be bound by such provisions.

All debentures issued hereunder shall, to the extent and in the manner hereinafter set forth, be subordinated and subject in right to the prior payment in full of Superior Indebtedness as defined in this Section. For all purposes of this Section the term “Superior Indebtedness” shall mean all Obligations and Guaranties now or hereafter issued and outstanding under that certain Master Trust Indenture dated as of December 1, 2018 between Westminster Presbyterian Homes, Inc. and Branch Banking and Trust Company, as master trustee (the “Master Trustee”), as supplemented and modified to the date hereof, or as the same may hereafter from time to time be further supplemented and modified (the “Master Indenture”).

No payment on account of principal, premium, if any, sinking funds or interest on the debentures shall be made, nor shall any property or assets be applied to the purchase or other acquisition or retirement of the debentures, unless full payment of amounts then due and payable for principal, premium, if any, sinking funds and interest on Superior Indebtedness has been made or duly provided for in accordance with the terms of such Superior Indebtedness. No payment on account of principal, premium, if any, sinking funds or interest on the debentures shall be made, nor shall any property or assets be applied to the purchase or other acquisition or retirement of the debentures, if, at the time of such payment or application or immediately after giving effect thereto, (i) there shall exist a default in the payment of principal, premium, if any, sinking funds or interest with respect to any Superior Indebtedness or (ii) there shall have occurred an event of default (other than a default in the payment of principal, premium, if any, sinking funds or interest) with respect to any Superior Indebtedness, as defined therein or in the instrument under which the same is outstanding, permitting the holders thereof to accelerate the maturity thereof and written notice of such occurrence shall have been given to the issuer of the debentures pursuant to the instrument under which such Superior Indebtedness is outstanding and such event of default shall not have been cured or waived or shall not have ceased to exist.

Upon (i) any acceleration or maturity of the principal amount due on the debentures or (ii) any payment or distribution of any kind or character, whether in cash, property or securities, upon any dissolution or winding-up or total or partial liquidation, reorganization or arrangement of the issuer of the debentures, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other proceedings, all principal, premium, if any, and interest due or to become due upon all Superior Indebtedness shall first be paid in full, or payment thereof provided for in accordance with the terms of such Superior Indebtedness, before any payment is made on account of the principal, premium, if any, or interest on the indebtedness evidenced by the debentures, and upon any such dissolution or winding up or liquidation, reorganization or arrangement, any payment or distribution of any kind or character, whether in cash, property or securities, to which the holders of the debentures or the trustee under this Indenture would be entitled, except for the provisions hereof, shall be paid by the issuer of the debentures, or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or

distribution, to the Master Trustee to the extent necessary to pay all Superior Indebtedness in full after giving effect to any concurrent payment or distribution to the Master Trustee for the holders of Superior Indebtedness, before any payment or distribution is made to the holders of the indebtedness evidenced by the debentures or to the trustee under this indenture.

In the event that, in violation of any of the foregoing provisions, any payment or distribution of any kind or character, whether in cash, property or securities, shall be received by the trustee under this Indenture or by the holders of the debentures before all Superior Indebtedness is paid in full or provision made for such payment in accordance with the terms of such Superior Indebtedness, such payment or distribution shall be held in trust for the benefit of, and shall be paid over or delivered to the Master Trustee for application to the payment of, all Superior Indebtedness remaining unpaid to the extent necessary to pay all such Superior Indebtedness in full in accordance with its terms, after giving effect to any concurrent payment or distribution to the Master Trustee for the holders of such Superior Indebtedness.

No present or future holder of Superior Indebtedness shall be prejudiced in his right to enforce subordination of the indebtedness evidenced by the debentures by any act or failure to act on the part of the issuer of the debentures or anyone in custody of its assets or property.

The foregoing subordination provisions shall be for the benefit of the holders of Superior Indebtedness and may be enforced by the Master Trustee against the holders of debentures or any trustee therefor.

Provided, however, that the indentures or other instruments creating or evidencing subordinated debt or pursuant to which any subordinated debt is issued shall provide: (i) that the foregoing provisions are solely for the purpose of defining the relative rights of the holders of "Superior Indebtedness" (as defined therein) on the one hand and the holders of the subordinated debt on the other hand, and that nothing therein shall impair, as between the issuer of the debentures and the holders of the subordinated debt, the obligation of the issuer of the debentures, which is unconditional and absolute, to pay to the holders thereof the principal thereof, premium, if any, and interest thereon in accordance with its terms, nor shall anything therein prevent the holders of the subordinated debt or any trustee on their behalf from exercising all remedies otherwise permitted by applicable law or thereunder upon default thereunder, subject to the rights set forth above of the holders of "Superior Indebtedness" to receive cash, property or securities otherwise payable or deliverable to the holders of the subordinated debt, (ii) that upon payment or distribution of assets of the issuer of the debentures of the character referred to in the fourth paragraph of the foregoing provisions, the trustee under any indenture relating to subordinated debt shall be entitled to rely upon any order or decree of a court of competent jurisdiction in which such dissolution, winding-up, liquidation, reorganization or arrangement proceedings are pending, and upon a certificate of the receiver, trustee in bankruptcy, liquidating trustee, agent or other person making any such payment or distribution, delivered to said trustee for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of "Superior Indebtedness" and other indebtedness of the issuer of the debentures, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to the foregoing provisions and (iii) that the trustee under any indenture relating to subordinated debt and any paying agent therefor shall not be charged with knowledge of the existence of any facts which would prohibit the making of any payment of moneys to or by such trustee or such paying agent, unless and until such trustee or such paying agent, as the case may be, shall have received and be entitled to conclusively rely on written notice thereof from the issuer of the debentures or from one or more holders of "Superior Indebtedness" or from the Master Trustee.